

# Town of Milton

## Cannabis Review

### **BACKGROUND REVIEW, OPTIONS ANALYSIS AND RECOMMENDATIONS**

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# 1.0 INTRODUCTION

## 1.1 Purpose

Over the last several years, the Federal government has been working toward implementing a framework under which the production and consumption of cannabis is legal throughout Canada. As a result of prior legislation (the Access to Cannabis for Medical Purposes Regulations, or ACMPR), which permitted the production and processing of cannabis for medical purposes, many municipalities began to revise their planning policy and regulatory documents to allow for this use. The use commonly referred to at the time as Medical Marihuana Production and Processing (or some iteration thereof) has been permitted within both an urban industrial and rural/agricultural context. More recently, on October 17, 2018, the Cannabis Act came into effect which replaced prior legislation for cannabis for medical purposes and made the recreational use of cannabis legal. The result of this evolving legislative framework has resulted in the need for municipalities to review and update their land use planning policies and regulations to ensure that the local framework responds to changes at the Federal level with land use planning controls applicable to and appropriate for the local context.

The Town of Milton was one municipality that amended its Zoning By-law to provide a regulatory framework for the use under the Access to Cannabis for Medical Purposes Regulations (ACMPR). In this regard, in 2014, the Town introduced the term “Medical Marihuana Production Facility” to the Urban Zoning By-law with permissions for the use only within the General Industrial (M2) Zone.

It is important for the Town of Milton to review its planning policies and regulations, in light of the new cannabis legislation, in order to determine whether revisions are required to ensure the Town’s framework is responsive to the applicable Federal legislative framework and is appropriate for the local context. In order to properly study the land use implications of the legal production and processing of cannabis and develop a strategy on how to manage the use within the Town’s urban industrial, rural industrial and rural/agricultural context, MacNaughton Hermsen Britton Clarkson Planning (MHBC) was retained by the Town to complete a review and develop recommendations for revisions in this regard.

## 1.2 Study Process and Methodology

In order to better understand and assess the Town’s existing policy and regulatory framework for cannabis production and processing, this review is based on:

- Background research and analysis of federal and provincial legislation and other relevant policies applicable to cannabis production and processing facilities;
- A best practice review of land use planning practices applied in other municipalities throughout Ontario;

- A review of the Town's current land use policies and regulations related to cannabis production and processing facilities.

## 1.3 Organization of this Report

This report is organized as follows:

**Section 2.0** provides a background review of the applicable legislative and policy framework at the Federal, Provincial, Regional and local levels with respect to cannabis legalization in general, and the production and processing of cannabis within a land use planning context, specifically;

**Section 3.0** provides a summary overview of five jurisdictions reviewed as 'best practice' examples with respect to land use planning approaches to regulating cannabis production and processing at the local level;

**Section 4.0** provides an overview of the options for consideration to implement a policy and regulatory framework for cannabis production and processing facilities in the Town of Milton; and,

**Section 5.0** identifies the recommended preferred option and justification for the recommended approach.

## 1.4 Next Steps

It is understood that this report will form the basis of a proposed amendment to be considered through a public process by the Town.

# 2.0 BACKGROUND REVIEW

## 2.1 The Cannabis Act, 2017

On April 13, 2017, the Federal government tabled two bills to legalize and regulate cannabis in Canada: Bill C-45 (the “Cannabis Act”), which creates a regulatory framework for the production, distribution, sale, cultivation and possession of cannabis across Canada; and, Bill C-46, which addresses offenses related to cannabis trafficking and focuses on strengthening impaired-driving matters.

Following Parliamentary review, the Cannabis Act received royal assent on Jun 21, 2018 and became law on October 17, 2018. The Cannabis Act, as outlined by the Federal government, seeks to achieve the following objectives:

- Restrict youth access to cannabis;
- Regulate promotion or enticements to use cannabis;
- Enhance public awareness of the health risks associated with cannabis;
- Impose serious criminal penalties for those breaking the law, especially those who provide cannabis to young people;
- Establish strict product safety and quality requirements;
- Provide for the legal production of cannabis;
- Allow adults to possess and access regulated, quality-controlled, legal cannabis; and,
- Reduce the burden on the criminal justice system.

Prior to The Cannabis Act coming into effect, the cultivation and processing of Cannabis for Medical Purposes was regulated under the Access to Cannabis for Medical Purposes Regulations (ACMPR) which allowed only for the cultivation and processing of cannabis by registered persons and licensed producers for medical purposes only. The new legislation provides a framework in which the Federal and Provincial/ Territorial governments share responsibility for the oversight and licensing of cannabis, including licensing the production of cannabis (Federal jurisdiction) and the distribution and retail sale of cannabis (Provincial jurisdiction) for both recreational and medical purposes.

Under the Cannabis Act, cannabis is broadly defined and includes any part of the cannabis plant, other than mature stalks that do not contain leaves, flowers or seeds, the cannabis plant fibre, or the plant root; any substance or mixture of substances that contains or has on it any part of the cannabis plant; and, any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained. The introduction of this defined term into the Cannabis Act is a departure from the preceding ACMPR, which used the term Marihuana. Rationale for adopting the new terminology identifies that Cannabis is a broader definition and is better able to include cannabis products and other substances than Marihuana.

As noted above, the Federal government is responsible for establishing and maintaining a comprehensive and consistent national framework for regulating the production of cannabis, including setting standards for health and safety and establishing criminal prohibitions. In this regard, a series of licenses for a variety of different production and processing activities may be applied for and obtained, including licenses for cultivation, processing, analytical testing, sale (medical purposes), production and sale of a drug containing cannabis, research, micro-cultivation, standard cultivation, nursery, micro-processing, and standard processing. Requirements for each of these licenses, as well as other regulations, are set out in SOR/2018-144 (Cannabis Regulations). A guide to the application requirements and process to become a License Holder under the Cannabis Act and its Regulations has been prepared by the Government of Canada and is included in this report as **Appendix 1**, for reference.

With respect to licensing, there is not a requirement within the regulations for local municipal support before a license is issued. In other words, there is no municipal role in the granting approval for a license; however, the regulations require that the facility has to meet applicable municipal By-laws in order to obtain a license. Although local municipalities may not be directly involved in licensing approval, the Planning Act grants municipalities the authority to regulate land uses, including the use of land for activities under which a Federal license is required. In obtaining a Federal license, an applicant must demonstrate compliance with local zoning regulations and, in this regard, a local municipality may regulate and control cannabis-related land uses within its jurisdiction under the Planning Act through its Zoning By-law.

## 2.2 FCM Guide to Cannabis Legalization

In the spring of 2018, the Federation of Canadian Municipalities (FCM) released the 'Municipal Guide to Cannabis Legalization' with the intent of providing guidance to local governments in how to adapt to cannabis legalization and develop by-laws in domains ranging from land use management to business regulation to public consumption to manage legalization at a municipal level. The Guide identifies several issues that local governments may need to address related to cannabis legalization as well as policy options for each. These issues range across a broad variety of topics including land use management related to commercial cultivation and processing, business licensing, retail sales, public consumption, cannabis in the workplace, and Building Code and Local Municipal By-law enforcement. A summary of relevant themes and suggested approaches for addressing these at the local level, as set out in the FCM Guide, are provided in this section.

### **Commercial Cultivation and Processing**

The FCM guide notes that cultivation and processing of cannabis at a commercial scale is an activity that has some similarities to some agricultural uses carried out in greenhouses, usually but not necessarily in agricultural zones (e.g. the use could also be carried out in industrial zones or business parks). Generally, however, the use is a form of agriculture and most Zoning By-law definitions of 'Agriculture' would include it, unless cultivation of the crop was specifically carved out of the permitted use category.

Typical land use impacts that municipalities may want to consider in any framework for regulating the use through policy and zoning include requiring availability of adequate utilities to service and support the use (e.g. a supply of water for irrigation, the availability of electricity for lighting, energy and eating); ensuring adequate setbacks are provided to

mitigate impacts in relation to odour emissions; and, providing a heightened level of security on-site due to the high value of the crop.

As a result of legalization and federal licensing of cannabis cultivation and production facilities, the Guide notes that some local governments have already begun to amend their land use regulations to address community concerns related to commercial production facilities where the municipality did not feel that the equivalent federal licensing criteria were sufficient. This included clustering cannabis businesses in certain districts by imposing minimum distances between the production facilities and land uses involving children, such as parks and schools. The Guide notes that applying these criteria should be considered carefully in the context of local considerations, including health, safety and economic development.

The Guide provides a series of corresponding policy and regulatory options for municipalities to consider with respect to commercial cultivation and processing, which are outlined below:

<b><u>Policy Options</u></b>	<b><u>Regulatory Options</u></b>
<i>Municipalities may, through Official Plan policy, choose control commercial cultivation and processing in a number of different ways</i>	<i>Municipalities may, through Zoning regulation, choose to control commercial cultivation and processing in a number of different ways</i>
1. Allow the activities to occur within the existing land use regulations, as agricultural or industrial activities in the case of production and industrial or manufacturing activities in the case of processing	Make no regulatory change, or amend existing regulations to make it clear that activities related to the commercial production or processing of cannabis are included in permitted or permissible use categories
2. Carve the activities out from existing permitted use categories, to be permitted only at locations specified in the regulations or under the authority of a special use permit	Amend existing permitted or permissible use categories to exclude commercial cannabis production or processing activities, except at specific locations or under the authority of a special permit
3. Carve the activities out from existing permitted use categories, with an exception for existing cannabis production operations that were established under the medical cannabis regime	Amend existing permitted or permissible use categories to exclude commercial cannabis production or processing activities and limit production to the scale that is appropriate to supply cannabis for medical uses
4. Prohibit the activities entirely, as activities that the local government simply does not wish to permit within its jurisdiction, if the enabling legislation permits prohibition of uses	Add these activities to a list of prohibited uses, or amend all permitted or permissible use categories that could conceivably include them, to specifically exclude the activities

### **Building Code and By-law Enforcement**

The FCM Guide identifies that with legalization, municipal enforcement roles will include inspection and compliance with provincial building codes and municipal by-laws, including regulating neighbourhood disputes over nuisance issues. In this regard, in

designing new by-laws and tools, municipalities must carefully weigh how practical they will be to enforce and how well they can align with the work of police services.

There are two legal mechanisms under which a person may be permitted to grow cannabis in their homes or on their property either for medical or recreational purposes.

First, under the Access to Cannabis for Medical Purposes Regulations (ACMPR), a registered person may grow up to five indoor cannabis plants for each daily gram of dried cannabis they have been prescribed for medical purposes. A registered person may grow this cannabis themselves, or assign a designated person to do so. This has the effect of providing an opportunity for the cultivation of a significant number of cannabis plants by one or more designated people, including within residential premises, which is completely legal under Federal law. The Guide notes that building code compliance issues in relation to such matters of electrical safety and air quality may continue to arise in lawful production sites. This is an issue that has been identified by Norfolk County, particularly within rural areas, and is discussed in further sections of this report.

Second, The Cannabis Act authorizes a maximum of four plants per household for personal cultivation, which may be grown indoors or outdoors. The Guide notes that the minor scale of production associated with the non-medical cannabis regime would not ordinarily create health or safety issues or lead to contravention of building safety standards; however, local governments should carefully consider whether they have the resources to monitor and/or compliance with this limit. This is an issue that is further examined in later sections of this report, particularly with respect to the Town's Property Standards By-law.

While one of the goals of the legalization of cannabis is to undermine its unlawful production, the Guide notes that local governments may still be called upon to inspect illegal cannabis production facilities operating without Federal permission or at a scale that exceeds the Federal authorization. In these instances, it is recommended that municipalities take care to protect the safety of inspectors and to act within the authority they have to inspect and enforce by-laws, without allowing the inspection to become an unlawful search and seizure for the purposes of enforcing federal laws.

With respect to nuisance by-laws and enforcement issues, the Guide notes that odour issues rank among top concerns associated with legalized cannabis and that these are very difficult to regulate and remediate. There are challenges associated with regulating odours because they are difficult to quantify, setting regulatory standards is challenging and the usefulness of odour testing labs is questionable, onerous and expensive. The Guide identifies that proactive approaches to cannabis-related odour and nuisance abatement are preferable, including requiring an odour impact assessment and control plan as a requirement of a rezoning application or for development approvals. Additionally, implementing setbacks, landscaping, buffering or other similar requirements for certain types of facilities which are anticipated to cause odour or other nuisances are recommended.

In terms of enforcement tools and policies, the Guide recommends that local governments keep enforcement practicalities in mind when drafting regulations. The Guide also recommends consulting with legal counsel on the elements of any regulatory tool. Consideration with respect to implementation of enforcement will also need to be made (e.g. proactive enforcement or on a complaint driven basis). Finally, the Guide



notes that, regardless of the enforcement process applied, prompt attention to by-law contraventions, once discovered, will be necessary and result in better compliance rates overall.

## 2.3 Provincial Planning Framework

This section of the report provides a brief overview of the current planning policy framework within which cannabis related land uses would be considered and regulated. Any proposed changes to Milton's Official Plan and/or Zoning By-law to address cannabis land uses would need to be consistent and conform to this policy framework.

### 2.3.1 Provincial Policy Statement

The Provincial Policy Statement (PPS), issued under Section 3 of the Planning Act, is the guiding policy document that directs the use and development of land in Ontario. The most recent Statement came into effect on April 30, 2014. The PPS provides policy direction on matters of provincial interest related to land use planning and development, encouraging appropriate development that is compact and transit-supportive while protecting resources, public health and safety, and the quality of the natural built environment. A summary and analysis of Provincial policies and defined terms of relevance to this study is included in this section.

#### **Definitions**

***Agricultural Use*** means the growing of crops, including nursery, biomass, and horticultural crops; raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agro-forestry; maple syrup production; and associated on-farm buildings and structures, including, but not limited to livestock facilities, manure storages, value-retaining facilities, and accommodation for full-time farm labour when the size and nature of the operation requires additional employment.

Based on this definition, the production and processing of cannabis, for medical or recreational purposes, meets the definition of 'Agricultural Use' as set out in the PPS. Additionally, on-farm buildings and structures associated with the production and processing of cannabis, including greenhouses or other structures for growing plants, are also considered agricultural uses.

***Agriculture-Related Use*** means those farm-related commercial and farm-related industrial uses that are directly related to farm operations in the area, support agriculture, benefit from being in close proximity to farm operations, and provide direct products and/or services to farm operations as a primary activity.

Based on this definition, an activity such as the production of cannabis oil, which is pressed from fresh cannabis, would meet the definition of 'Agriculture-Related Use' as set out in the PPS. Additionally, it is our opinion that research and testing of cannabis would also be considered an Agriculture-Related Use'.

***Employment Area*** means those areas designated in an Official Plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities

The production and processing of cannabis can occur indoors in industrial type buildings within an urban employment context. Additionally, given that the purpose of cannabis production and processing is to provide a crop for both medical and recreational/commercial purposes, it would be considered a “business” and an ‘economic activity’. Accordingly, based on this definition, the production and processing of cannabis, for medical or recreational purposes, would be an appropriate use in Employment Areas which exhibit characteristics of manufacturing and warehousing activities.

**Normal Farm Practices** means a practice, as defined in the Farming and Food Production Protection Act, 1998, that is conducted in a manner consistent with proper and acceptable customs and standards as established and followed by similar agricultural operations under similar circumstances; or makes use of innovative technology in a manner consistent with proper advanced farm management practices. Normal farm practices shall be consistent with the Nutrient Management Act, 2002 and regulations made under that Act.

Under the Farming and Food Production Protection Act (FFPPA), farmers are protected from nuisance complaints made by neighbours, provided they are following normal farm practices. No municipal by-law applies to restrict a normal farm practice carried out as part of an agricultural operation. The Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) has established a process to deal with complaints and determine what are and what are not “normal farm practices”. With respect to Cannabis Production and Processing, our background review indicates that odour emissions are often a primary concern of surrounding residents. In accordance with the Farming and Food Production Protection Act, a person impacted by a disturbance from an agricultural operation may apply to the Board to determine whether the disturbance results from a normal farm practice. The Board would render a decision regarding the farm practice and can require the operator to modify the activity to mitigate the disturbance.

**On-farm Diversified Use** means uses that are secondary to the principal agricultural use of the property, and are limited in area. On-farm diversified uses include, but are not limited to, home occupations, home industries, agri-tourism uses, and uses that produce value-added agricultural products.

With respect to on-farm diversified uses, the best practice review completed as part of this study identified that some municipalities are introducing a framework that contemplates the future potential for cannabis production and processing facilities to play an important role in the agri-tourism industry by permitting uses such as hotel, tourist cabin and place of assembly on the site as accessory uses to the facility. Introducing such a framework could be supported by the policies of the PPS, pertaining to on-farm diversification. It will be important for the Town to consider whether permitting agri-tourism uses as accessory to a cannabis production and processing facility is something of any interest. Additionally, it will be important to consider the implications of providing such opportunities.

**Sensitive Land Uses** means buildings, amenity areas, or outdoor spaces where routine or normal activities occurring at reasonably expected times would experience one or more adverse effects from contaminant discharges generated by a nearby major facility. Sensitive land uses may be a part of the natural or built environment. Examples may include, but are not limited to: residences, day care centres, and educational and health facilities.

Sensitive land uses, within a rural context, would most commonly be non-farm related residential uses located within close proximity to an agricultural operation. Within the urban context, sensitive uses could include residential, institutional (schools, places of worship), long-term care facilities and parks. It will be important for the Town to consider applying a separation distance as a buffer between cannabis production and processing facilities and sensitive land uses to ensure that there are no adverse effects occurring.

### **Land Use Compatibility**

**Policy 1.2.6.1** speaks to land use compatibility, stating that *“major facilities and sensitive land uses should be planned to ensure they are appropriately designed, buffered and/or separated from each other to prevent or mitigate adverse effects from odour, noise or other contaminants, minimize risk to public health and safety, and to ensure the long-term viability of major facilities.”*

Background research completed as part of this study identified that many municipalities have identified concerns regarding potential impacts of cannabis production and processing facilities on surrounding land uses, as a result of the specific odour of the cannabis plant as well as the need to provide lighting within the facility for extended periods of time as part of cultivation.

It will be important for any option pursued by the Town to consider both mitigative measures to ensure appropriate buffers from the sensitive use as well as provide for viability of the operation.

### **Employment Areas**

**Policy 1.3.2.1** states planning authorities shall *“plan for, protect and preserve employment areas for current and future uses and shall ensure that the necessary infrastructure is provided to support current and projected needs.”*

As noted above, cannabis processing and production facilities can be considered an appropriate use within Employment Areas that exhibit manufacturing and warehousing-type characteristics. It will be important for the Town to consider whether any specific regulations should be applied to cannabis production and processing facilities within the urban employment context, including whether permissions should be added to allow for a greenhouse-type uses (e.g. greenhouse, aquaponics) within industrial zones.

### **Economic Development**

There is potential for the production and processing of cannabis for both medical and recreational purposes to contribute to the economic prosperity of the Town, particularly in the form of job creation.

**Section 1.7** of the PPS contains policies pertaining to economic development, identifying that long-term economic prosperity should be supported by:

- *Promoting opportunities for economic development and community investment-readiness;*
- *Optimizing the long-term availability and use of land, resources, infrastructure, electricity generation facilities and transmission and distribution systems, and public service facilities; and,*

- *Providing opportunities to support local food, and promoting the sustainability of agri-food and agri-product businesses by protecting agricultural resources, and minimizing land use conflicts.*

It will be important for the Town to consider regulatory options which create an environment for economic viability and investment readiness for those interested in establishing a facility within the Town.

### **Agriculture**

**Section 2.3** includes policies for development within agricultural areas, ultimately identifying that these areas shall be protected for long-term use for agriculture (**Policy 2.3.1**). Within agricultural areas, the PPS permits agricultural uses, agriculture-related uses and on-farm diversified uses. Proposed agriculture-related uses and on-farm diversified uses shall be compatible with, and shall not hinder, surrounding agricultural operations (**Policy 2.3.3.1**). Within prime agricultural areas, all types, sizes and intensities of agricultural uses and normal farm practices shall be promoted and protected (**Policy 2.3.3.2**).

Based on the definitions set out in the PPS, cannabis production and processing would fall under the Agricultural Use and Agriculture-Related Use definitions within the rural context. Accordingly, the use would be appropriate within the Rural and Agricultural context. It will be important for the Town to consider whether any specific regulations should be applied to cannabis production and processing facilities or if the use should be regulated in zoning and policy in a similar fashion to other agricultural uses (e.g. greenhouse). Additionally, given that outdoor cannabis production and processing is also permitted in accordance with Federal legislation, it will be important to consider the extent to which outdoor production may be controlled for in a policy context, as the Zoning By-law can only regulate land uses, buildings, and structures.

## **2.3.2 Greenbelt Plan**

Portions of the Town in the Rural Area are designated under the Greenbelt Plan and, as such, the Greenbelt policies apply. This section provides an overview of the key definitions and policies under that plan as they relate to cannabis production and processing facilities within that context.

### **Definitions**

The Greenbelt Plan includes many of the same defined terms as contained within the PPS and, in this regard, the summary and analysis contained within **Section 2.3.2 of this report** applies with respect to the following: Agricultural Uses, Agriculture-related Uses, Normal Farm Practices, and On-farm Diversified Uses.

To reiterate, in accordance with the definitions contained within the Greenbelt Plan, a Cannabis Production and Processing facility would fall under the definition(s) of 'Agriculture Uses' and 'Agriculture-related Uses' within the rural/agricultural- Greenbelt context and would be permitted as such on lands within the Greenbelt Plan Area, subject to compliance with all other applicable policies of the Greenbelt Plan.

### **Policies and Permissions for Various Components of the Greenbelt's Protected Countryside**

The following section contains a summary of policies and permitted uses for lands located within the various components of the Greenbelt's Protected Countryside.

#### Specialty Crop Areas

Within Specialty Crop Areas, all types, sizes and intensities of agricultural uses and normal farm practices shall be promoted and protected and a full range of agricultural uses, agriculture-related uses and on-farm diversified uses are permitted based on the provincial Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas. Proposed agriculture-related uses and on-farm diversified uses shall be compatible with and shall not hinder surrounding agricultural operations (**Policy 3.1.2.1**). New land uses, including the creation of lots (as permitted by the policies of this Plan), and new or expanding livestock facilities, shall comply with the minimum distance separation formulae (**Policy 3.1.2.4**).

#### Prime Agricultural Areas

Within Prime Agricultural Areas, all types, sizes and intensities of agricultural uses and normal farm practices shall be promoted and protected and a full range of agricultural uses, agriculture-related uses and on-farm diversified uses are permitted based on provincial Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas. Proposed agriculture-related uses and on-farm diversified uses shall be compatible with and shall not hinder surrounding agricultural operations (**Policy 3.1.3.1**). Non-agricultural uses may be permitted, however are discouraged, and may only be permitted after the completion of an agricultural impact assessment (**Policy 3.1.3.3**). New land uses, including the creation of lots (as permitted by the policies of this Plan), and new or expanding livestock facilities, shall comply with the minimum distance separation formulae (**Policy 3.1.3.4**).

#### Rural Lands

Rural Lands may contain existing agricultural operations and provide important linkages between prime agricultural areas as part of the overall Agricultural System. Normal farm practices and a full range of agricultural uses, agriculture-related uses and on-farm diversified uses are supported and permitted. Proposed agriculture-related uses and on-farm diversified uses should be compatible with and should not hinder surrounding agricultural operations. Criteria for all these uses shall be based on provincial Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas (**Policy 3.1.4.2**). New land uses, including the creation of lots (as permitted by the policies of this Plan), and new or expanding livestock facilities, shall comply with the minimum distance separation formulae (**Policy 3.1.4.6**).

#### Natural Heritage System Policies

For lands within the Natural Heritage System of the Protected Countryside, the full range of existing and new agricultural, agriculture-related and on-farm diversified uses and normal farm practices are permitted (**Policy 3.2.2.1**).

#### Key Natural Heritage Features and Key Hydrologic Features Policies

Development or site alteration is not permitted in key hydrologic features and key natural heritage features within the Natural Heritage System (**Policy 3.2.5.1**). A proposal for new development or site alteration within 120 metres of a key natural heritage feature within the Natural Heritage System or a key hydrologic feature anywhere within the Protected Countryside requires a natural heritage evaluation or a hydrological evaluation (**Policy 3.2.5.5**). New buildings and structures for agricultural, agriculture-related or on-farm diversified uses are not required to undertake a natural heritage or hydrologic

evaluation if a minimum 30 metre vegetation protection zone is provided from a key natural heritage feature or key hydrologic feature. In addition, these uses are exempt from the requirement of establishing a condition of natural self-sustaining vegetation if the land is and will continue to be used for agricultural purposes. However, agricultural, agriculture-related and on-farm diversified uses shall pursue best management practices to protect and/or restore key natural heritage features and key hydrologic features and functions (**Policy 3.2.5.7**).

In summary, based on the policies of the Greenbelt Plan noted above, cannabis production and processing facilities would be permitted within the various land use designations of the Greenbelt's Protected Countryside. It will be important for the Town to consider the extent to which a policy and regulatory option would either provide flexibility for this type of activity to occur or, alternatively, be more restrictive and prohibitive in nature.

### **2.3.3    *A Place to Grow: Growth Plan for the Greater Golden Horseshoe***

A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019 (the "Growth Plan") provides a framework for implementing the Provincial government's vision for building stronger, prosperous communities by better managing growth in the Greater Golden Horseshoe. The Growth Plan was prepared and approved under the Places to Grow Act, 2005, and was updated on May 16, 2019.

A summary and analysis of defined terms and policies contained within the Growth Plan of relevance to this study is included in this section.

#### **Definitions**

The Growth Plan includes the same defined terms as contained within the PPS and, in this regard, the summary and analysis contained within Section 2.3.2 of this report applies. To reiterate, in accordance with the definitions contained within the Growth Plan, a Cannabis Production and Processing facility would fall under the definition(s) of 'Agriculture Uses' and 'Agriculture- related Uses' within the rural context and would fall under the definition of 'Employment Area' within the urban context.

#### **Employment and Economic Development**

**Section 2.2.5** of the Growth Plan includes a series of policies pertaining to employment, with the intent of ensuring an environment of economic development and competitiveness within the GGH. In particular, the Growth Plan identifies that economic development and competitiveness is to be promoted by integrating and aligning land use planning and economic goals and strategies to retain and attract investment and employment.

As noted previously, there is considerable opportunity for cannabis production and processing facilities to contribute to the economic viability of a municipality through the introduction of a use which has the potential to attract both investment and employment. There is also opportunity for this use to effectively use and adapt existing buildings (greenhouses, warehouses) for the production and processing operation. In this regard, it will be important to consider the extent to which a policy and regulatory option would

either provide flexibility for this type of activity to occur or, alternatively, be more restrictive and prohibitive in nature.

### **Rural and Agricultural Areas**

Within Agricultural Areas, the Growth Plan encourages the development of land for agricultural purposes and discourages the use of land for non-agricultural uses (**Section 4.2.6**). Within Rural Areas, development that is compatible with the rural landscape and surrounding land uses may be permitted where they will not adversely affect the protection of agricultural uses and other resource-based uses such as mineral aggregate operations (**Section 2.2.9**).

As noted throughout this report, cannabis production and processing is appropriate within the rural and agricultural context. It will be important for the Town to consider whether any specific regulations should be applied to cannabis production and processing facilities or if this use should be regulated in zoning and policy in a similar fashion to other agricultural uses (e.g. greenhouse).

## **2.3.4 Niagara Escarpment Plan**

Similar to the discussion related to lands located within the Greenbelt Plan area, above, portions of land within the Town are located within the Niagara Escarpment and, as such, are governed by the policies of the Niagara Escarpment Plan and are under Niagara Escarpment Plan development control.

The objective of the Niagara Escarpment Plan is to encourage agricultural uses in agricultural areas, especially in prime agricultural areas, to permit uses that are compatible with farming and to encourage accessory uses that directly support continued agricultural uses. Prime agricultural areas shall be protected for long-term agricultural use.

It is our understanding that the Niagara Escarpment Commission does not currently have a formal position at this time on the development of cannabis production and processing facilities within areas under Niagara Escarpment Plan Development Control. Instead, within areas under Development Control, Niagara Escarpment Commission staff assess applications on an individual basis. Typically, the Niagara Escarpment Commission considers scale in their assessment and has supported small scale micro-cultivation facilities within the Niagara Escarpment Plan area. It has also been the practice of the Commission to refer to and apply any local municipal policies and regulations regarding cannabis production and processing facilities, where these are more restrictive than the Niagara Escarpment Plan, in their assessment and recommendations for development permits. In this regard, there may be limitations associated with developing cannabis production and processing facilities within areas under Niagara Escarpment Development Control which the Town will be unable to change, particularly if an option selected would provide a framework that is flexible and less restrictive than the policies of the Niagara Escarpment Plan.

## **2.4 Regional Planning Framework (Region of Halton Official Plan, June 2018 Consolidation)**

The Region of Halton Official Plan (ROP) serves as Halton's guiding document for land use planning and is intended to manage growth across the Region's four municipalities. In accordance with the ROP, planning decisions in Halton will be made based on a proper balance among protecting the environment, preserving prime agricultural areas, enhancing economic competitiveness and fostering a healthy, equitable society. Overall, the goal of the ROP is to enhance the quality of life for all people of Halton, today and into the future. The June 2018 Office Consolidation of the ROP was consulted as part of this review.

### **Definitions**

The ROP contains the following defined terms which warrant review and consideration within the context of this study:

***Agriculture or Agricultural Industry or Agricultural Operation or Agricultural Use or Farming*** means the growth of crops, including nursery and horticultural crops (but not horticultural trade use); raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agro-forestry; maple syrup production; and associated on-farm buildings and structures, including accommodation for full-time farm labour when the size and nature of the operation requires additional employment.

***Agriculture- Related Uses*** means those farm-related commercial and farm-related industrial uses that are small scale and directly related to the farm operation and are required in close proximity to the farm operation.

***Employment Area*** means areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices and associated retails and ancillary facilities.

***Normal Farm Practice*** means a practice that: (1) is conducted in a manner consistent with proper and acceptable customs and standards as established and followed by similar agricultural operations under similar circumstances, or (2) makes use of innovative technology in a manner consistent with proper advanced farm management practices. If required, the determination of whether a farm practice is a normal farm practice shall be in accordance with the provision of the Farming and Food Production Protection Act, including the final arbitration on normal farm practices by the Farm Practices Protection Board under the Act.

***Right to Farm*** means the right of a farmer to lawfully pursue agriculture in areas where agriculture is permitted by this Plan. This definition includes the right to move farm equipment in the pursuit of agriculture.

The definitions contained within the ROP generally mirror those terms contained within the PPS and, in this regard, the summary and analysis contained within Section 2.3.2 of this report applies. To reiterate, in accordance with the definitions contained within the ROP, a Cannabis Production and Processing facility would fall under the definition(s) of 'Agriculture Uses' and 'Agriculture- related Uses' within the rural context and would fall under the definition of 'Employment Area' within the urban context.

### **Policies**

The ROP sets out an urban structure for the Region which organizes land uses into the broad categories of Settlement Area; Agricultural System; and, Natural Heritage System. Within these categories, specific land use designations identify the planned function,



goals and objectives of the designation with policies to guide development, including permitted uses, within each. Given that cannabis production and processing can be considered both an agricultural and industrial use, it is important to understand the overarching policy direction pertaining to the Regional Structure, broadly, as well as for land use and development within Agricultural and Employment areas in particular.

#### *Employment Areas*

Within the Urban Area, the ROP identifies an objective to provide for an appropriate range and balance of employment uses, including industrial, office and retail and institutional uses to meet long-term needs (**72.10**). It is a further objective of the ROP to direct where employment uses should be located and protect those areas designated for such uses (**72.10.1**).

**Section 77** of the ROP includes policies for Employment Areas within the Region, with the objective of ensuring the availability of sufficient land for employment to accommodate employment growth and support economic competitiveness. Additionally, employment areas are to provide opportunities for a fully diversified economic base, including maintaining a range and choice of suitable sites for employment uses which support a wide range of economic activities and ancillary uses and take into account the needs of existing and future businesses.

As noted above, within the urban context, cannabis production and processing can occur indoors within areas typically suitable for warehousing and manufacturing uses. Permitting cannabis production and processing facilities in the Town within employment areas where warehousing and manufacturing uses are permitted would be appropriate and in conformity with Regional policy.

#### *Agricultural System and Agricultural Area*

The intent of the Agricultural System within the Region is to maintain a permanently secure, economically viable agricultural industry and to preserve the open-space character and landscape of Halton's non-urbanized area. Within the Agricultural System, agriculture is recognized as the primary activity and land use and these areas are to be preserved and maintained as much as possible for existing and future farm use (**99.1, 99.3**). The following additional objectives identified in the ROP for the Agricultural System are applicable to this study:

- Protect farms from incompatible activities and land uses which would limit agricultural productivity or efficiency (**99.4**);
- Promote normal farm practices and promote the right to farm (**99.4.1**);
- Promote a diverse, innovative and economically strong agricultural industry in Halton by tailoring its products and marketing to meet local and regional needs and demands (**99.7**); and,
- Promote agriculture-related tourism (**99.8**).

Within the Agricultural Area, the ROP identifies numerous permitted uses (**Section 100**), including:

- All types, sizes and intensities of agricultural operations;
- Normal farm practices;
- Accessory buildings or structures; and,
- Incidental uses.

Based on the policies identified in this section, permitting cannabis production and processing facilities of varying intensities within Agricultural areas of the Town would conform with Regional goals and objectives. Any option considered by the Town would need to address compatibility and could also consider opportunities for agri-tourism.

#### *Natural Heritage System*

As noted previously, the ROP identifies a Regional Natural Heritage System (NHS), which is integrated throughout the Region in both the Urban and Rural context, that provides a system of connected natural areas and open space which is to be protected, preserved and enhanced, where possible.

Policies for the Regional Natural Heritage System are contained within the ROP beginning at **Section 115**. Within the Regional Natural Heritage System, the ROP identifies numerous permitted uses (**Section 117.1**), including:

- All types, sizes and intensities of agricultural areas except within the Escarpment Natural Area and Key Features of the Regional Natural Heritage System. Agricultural operations are permitted within the Regional Natural Heritage System where the only Key Feature is a significant earth science area of natural and scientific interest;
- Normal farm practices; and,
- Accessory buildings or structures.

The policies of the ROP are to be applied to support and promote agriculture and normal farm practices on those parts of the Regional Natural Heritage System under the Agricultural System where such uses are permitted (**118.4.1**).

Within the Regional Natural Heritage System, the ROP prohibits development and site alteration within significant wetlands, significant coastal wetlands, significant habitat of endangered and threatened species and fish habitat except in accordance with Provincial and Federal legislation or regulations (**118.2 a**). Further, components of the Regional Natural Heritage System cannot be altered unless it can be demonstrated that there will be no negative impacts on the natural features and areas or their ecological functions (**118.2 b**). Some development or site alteration may be permitted within the Regional Natural Heritage System, subject to demonstrating criteria as set out in the ROP are met and completing an Environmental Impact Assessment (**118.3, 118.3.1**).

Based on the policies of the ROP pertaining to the Regional Natural Heritage System, cannabis production and processing facilities would be appropriate and in conformity with Regional policies, subject to demonstrating no negative impacts on natural features and areas or their ecological functions. It will be important for the Town to consider whether specific regulations are required to control development within the Natural Heritage System above and beyond any controls put in place for development of cannabis production and processing facilities within the general rural/agricultural area.

## 2.5 Local Planning and Regulatory Framework

### 2.5.1 *Town of Milton Official Plan*

The Town of Milton Official Plan is a policy document that serves as Council's primary tool for making land use decisions and managing change in the Town. It sets out a vision for the community, based on long-term goals and objectives.

The current Official Plan was adopted by Council on August 26, 1996 and approved by Halton Region on December 14, 1997 and approved by the Ontario Municipal Board (OMB, now Local Planning Appeal Tribunal (LPAT)) on July 19, 1999. Since this time, the 1997 Official Plan has been consolidated to include a series of approved Official Plan Amendments.

On June 14, 2010, the Town of Milton passed a By-law to adopt Official Plan Amendment 31 (OPA 31) to bring the Official Plan into conformity with the Provincial Growth Plan and Halton Region Official Plan. OPA 31 was approved by the Region, with modifications, on June 18, 2018. Since that time, OPA 31 was appealed to the LPAT and is currently only partially in effect (policies for the Rural Areas remain under appeal however policies for the Urban Area are understood to be in force).

Given the current policy planning framework in the Town, both the 1997 Official Plan and OPA 31 are included as part of this review.

#### 1997 Official Plan (August, 2008 Consolidation)

The 1997 Official Plan does not contain any policy framework pertaining to cannabis production and processing facilities; however, similar to other policy documents identified above, several definitions and underlying land use designations warrant examination within the context of this Study.

#### **Definitions**

***Agriculture or Agricultural Industry or Agricultural Operation or Farming means an activity consisting of agri-forestry (including tree plantations for Christmas tree operations), animal husbandry (including the training of horses, drivers or riders), horticulture, beekeeping, dairying, field crops, fruit farming, fur farming, market gardening, pasturage, poultry keeping, mushroom farming or any other farming activity and may include growing, raising, small scale packing and storing of produce on the premises and other similar activities customarily carried out in the field of general agriculture.***

It is our opinion that cannabis production and processing would meet the above-noted definition and therefore would be permitted within the Agricultural/ Rural area, subject to policies of the underlying land use designation and regulations for the use as set out in the applicable zone in the Zoning By-law.

***GENERAL INDUSTRY means the full range of industrial uses including outdoor storage***

***LIGHT INDUSTRY means secondary or tertiary industry which does not involve outdoor storage and does not include truck terminals, fuel depots, cement and asphalt batching, waste management, composting.***

While the definitions of general industry and light industry contained within the Official Plan are vague, as noted in discussions in previous sections, cannabis production and processing can be regarded as an industrial type use within the urban industrial/employment context due to the nature of production being able to occur indoors in a warehouse-style building. Accordingly, cannabis production and processing would meet the definition of light industry and would therefore be permitted within certain Industrial and Employment areas, subject to policies set out in the underlying land use designation and any regulations for the use as set out in the applicable zone in the Zoning By-law.

### **Urban Land Uses (Industrial and Employment Areas)**

Within the Urban Area, the Town identifies an 'Employment Area' designation, which applies to areas where the full range of business park area uses, including light industrial and office uses, are permitted; and, an 'Industrial Area' designation, which applies to areas where the full range of light and general industrial uses are permitted.

Within Employment Areas, the Official Plan includes general policies applicable to all lands within the designation which requires that any proposed development demonstrate adequate water and wastewater treatment capacity to accommodate the proposed use as well as provide a high quality of landscaped site development, particularly adjacent to Provincial Freeways, Highways, Major Arterial, Minor Arterial or Multi-Purpose Arterial roads. Additionally, the OP includes a 'catchall' policy which requires development applications provide 'any other study that the Town may require' to evaluate the proposal (**Policy 3.7.3.1 a)- g)**).

The Official Plan goes on to describe various land use designations within the broad 'Employment Area' category, which include Highway Commercial, Regional or Sub-Regional Commercial, and Business Park. Based on the planned function for each of these designations described in the Official Plan, a Cannabis Production and Processing facility would not meet the intent of the Highway Commercial and Regional or Sub-Regional Commercial designations and therefore would not be permitted in these areas. However, based on the planned function of the Business Park designation, which is described as an area that provides the full range of light industrial and office uses (**Policy 3.8.1.1, 3.8.2.1**), a cannabis production and processing facility could locate within a Business Park area, subject to meeting the general criteria for development applications set out in the Official Plan, as noted above, and ensuring adequate separation from sensitive uses where they may already exist within the Business Park.

Industrial Areas are to be planned to provide for the full range of General Industrial and Light Industrial Uses (**Policy 3.9.2.1**). Similar to the policies for Business Parks, the Official Plan requires that development within the Industrial Area provide high quality design that can be physically integrated with the existing and proposed uses of adjacent land (**Policy 3.9.3.1**). A cannabis production and processing facility could develop within the Town's Industrial Areas designation, subject to meeting the general criteria for development applications in addition to demonstrating an appropriate integration with the surrounding land uses.

Lands located within the 'Business Park' and 'Industrial' designations are also subject to specific Secondary Plan policies for the 401 Industrial/ Business Park area. In accordance with the Secondary Plan, it is a goal for the area to accommodate a broad range of potential uses while ensuring there are appropriate controls on development to ensure high quality uses locate at key locations (**Policy C.2.2.1.1 c)**). In this regard, the

Secondary Plan includes design principles and directions in order to ensure the creation of a visually pleasing business park area with enhanced features at key gateway locations. Accordingly, the development of any cannabis production and processing facility within the 'Business Park' or 'Industrial' designations would need to locate in an area appropriate for the use as described in the Secondary Plan; provide a high level of design; and, contribute positively to the overall visual aesthetic of the area.

It will be important for the Town to consider whether clearly defining the use and establishing locational parameters for the development of cannabis production and processing facilities within the Business Park and Industrial Area designation should form part of a comprehensive policy and regulatory framework.

### **Rural System and Greenlands System**

As noted above, within the rural context, a cannabis production and processing facility would meet the definition of Agriculture or Agricultural Industry or Agricultural Operation or Farming. Based on the policies of the Official Plan, this use is permitted in the following designations and would be subject to regulations set out in the zoning by-law for the underlying zone:

- Escarpment Rural Area (subject to Niagara Escarpment Plan Development Control);
- Rural Area;
- Agricultural Area;
- Parkway Belt West Plan Area; and,
- Mineral Resource Extraction Area.

Within the Agricultural Areas, the Official Plan notes that while secondary industries essential to Halton's agricultural industry are supported (e.g. major secondary agricultural processing, and manufacturing), they are to be located within the Milton Urban Area (**Policy 4.4.3.3 a) and b)**). As noted in other sections of this report, including the best practice review for the City of Hamilton, many of the secondary activities associated with cannabis processing meet the definition of an agriculture-related use, as set out in the PPS, and they benefit from co-location with the production use. In this regard, it will be important for the Town to consider the extent to which latitude and flexibility should be given to provide for the co-location of production and processing within the agricultural area.

Existing agricultural operations are permitted within the Greenlands A and Greenlands B designation. Accordingly, a new cannabis production and processing facility would not be permitted to locate in this area. It is unclear whether a cannabis production and processing facility would be permitted to establish on an existing agricultural operation through adaptive re-use.

It will be important for the Town to consider the potential for permitting the adaptive re-use of existing agricultural operations for cannabis production and processing in the development of a more comprehensive policy and regulatory framework.

### **OPA 31**

OPA 31 does not contain any specific defined term for marihuana production and processing, marijuana production and processing, cannabis production and processing or any other iteration thereof nor does it contain any specific policy direction pertaining to this use. Notwithstanding, as noted in other sections of this report and discussed in

detail in Section 2.5.2, the Town's Zoning By-law has been updated in recent years to introduce the use, medical marijuana production facility, and specific provisions for this use. Although the use is defined and regulated in the Zoning By-law, the existing definitions and policies of OPA 31 warrant examination within the context of this study, given the broader permissions and definitions set out in the Cannabis Act when compared against the prior Access to Cannabis for Medical Purposes Regulations.

## **Definitions**

***Agriculture or Agricultural Industry or Agricultural Operation or Agricultural Use or Farming*** means the growth of crops, including nursery and horticultural crops (but not horticultural trade use); raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agro-forestry; maple syrup production; and associated on-farm buildings and structures, including accommodation for full-time farm labour when the size and nature of the operation requires additional employment.

This definition has not changed substantially from the 1997 OP and OPA 31. In the absence of any defined term and associated regulations pertaining to cannabis production and processing facilities, cannabis production and processing would meet the above-noted definition and therefore would be permitted within the Agricultural/ Rural area, subject to policies of the underlying land use designation and regulations for the use as set out in the applicable zone in the Zoning By-law.

***Agriculture- Related Uses*** means those farm-related commercial and farm-related industrial uses that are small scale and directly related to the farm operation and are required in close proximity to the farm operation.

This is a new definition that has been incorporated into in OPA 231 for conformity purposes, as the Provincial Policy Statement, 2014 and Halton ROP place additional emphasis on providing opportunities for agricultural viability. Based on this definition, an activity such as the production of cannabis oil, which is pressed from fresh cannabis, would meet the definition of 'Agriculture-Related Use' as set out in the PPS. Additionally, research and testing of cannabis would also be considered an Agriculture-Related Use'.

***General industry*** means the full range of industrial uses including outdoor storage.

***Light industry*** means secondary or tertiary industry which does not involve outdoor storage and does not include truck terminals, fuel depots, cement and asphalt batching, waste management, composting.

Both the definitions for general industry and light industry have not changed between the 1997 OP and OPA 231. Accordingly, the discussion in that section of this report regarding the interpretation of these definitions and their applicability to cannabis production and processing facilities continues to apply.

***Right to Farm*** means the right of a farmer to lawfully pursue agriculture in areas where agriculture is permitted by this Plan. This definition includes the right to move farm equipment in pursuit of agriculture.

***Sensitive Land Uses*** means buildings, amenity areas or outdoor spaces where routine or normal activities occurring at reasonable expected times would experience one or more adverse effects from contaminant discharges, fumes, sound waves or radiation generated by a nearby major facility. Sensitive land uses may be part of the natural or

*built environment and include examples such as: residences, day care centres, hospitals, and schools.*

Background research completed as part of this study identifies that many municipalities have identified concerns regarding potential impacts of cannabis production and processing facilities on surrounding land uses, as a result of the specific odour of the cannabis plant as well as the need to provide lighting within the facility for extended periods of time as part of cultivation. It will be important for any option pursued by the Town to consider both mitigative measures to ensure appropriate buffers from the sensitive use as well as provide for viability of the operation of the facility.

### **Urban Structure**

The Town structure, as set out in OPA 31, consists of the central urban area, the rural area and an interconnected system of natural heritage features and areas. The urban system consists of residential, commercial, industrial/employment, institutional and open space land uses while the rural system consists of an Agricultural system, Natural Heritage System, Hamlet Areas and Mineral Resource Extraction areas. Within the agricultural system, the predominant use of land is agriculture while the urban area is to be the focus of residential settlement.

### **Urban Areas (Employment and Industrial Areas)**

Policies respecting development within the Town's Employment Areas are included in **Section 3.7** of the Plan. In accordance with **Policy 3.7.1**, these areas are intended to provide industrial, business and office activities which will be the major source of employment opportunities within the Town. In this regard, a broad range of business and economic activities are contemplated which are to be accommodated within five distinct land use designations: Prestige Office, Office Employment, Business Park, Industrial and Business Commercial. These designations provide for compatible uses in appropriate locations with a variety of form, scale, and intensity of development. Generally, it is the objective of the Plan that these areas encourage and promote development that accommodates a mix of employment uses, accommodates new and expanded business activities that provide jobs to local residents, and provides land for the creation of diverse employment opportunities (**3.7.1.2 a) – d)**).

Based on the stated planned functions of these designations, a cannabis production and processing facility would be an appropriate use within both the Business Park and Industrial Designations. A discussion of each is provided below.

#### *Business Park*

The Business Park area applies to areas where the full range of light industrial and office uses will be permitted, subject to a high standard of design. Within this designation, the main permitted uses are light industrial and office uses; however, accessory service, wholesale, retail and office uses directly related to the industrial use (located within the same building); research and development uses (excluding those which produce biomedical waste); and, restaurants that are part of and are located wholly within a light industrial or office building, other than an industrial mall, are all permitted (**Policy 3.8.2.1, Policy 3.8.2.2 a) - c)**). Outdoor storage is prohibited within the Business Park designation (**Policy 3.8.3.1 c)**).

#### *Industrial Area*

The Industrial Area designation applies to areas where the full range of light and general industrial uses will be permitted (**Policy 3.9.1.1**). The main permitted uses are light and

general industrial uses. In addition, accessory service, wholesale, retail and office uses directly related to the industrial use are permitted within the industrial building only. Outdoor storage may be permitted, subject to appropriate screening and containment (**Policy 3.9.2.1**). Within the Industrial Area, the Plan identifies that the Town shall not permit industrial uses which are considered to represent a significant health or safety hazard to the residents of Milton or the natural environment. Where there is a concern of potential impact of an industrial use, the Plan requires that an applicant prepare an evaluation report, and shall be required to implement any necessary mitigative measures (**Policy 3.9.2.3**).

#### *Development Policies for Employment Areas*

General policies for lands within the Employment Areas require that development applications submit plans demonstrating that the proposed development can be physically integrated with existing and proposed uses of adjacent lands, including lands outside of the employment designation. Additionally, applications must demonstrate that there is adequate water and wastewater treatment capacity to accommodate the use, provide a high quality of landscaped site development, and demonstrate compliance with urban design policies and other Community-wide policies of the Plan. Further, the Town identifies that any development application would need to provide any study identified by the Town as required (though a pre-consultation meeting) (**Policy 3.7.1.4 a)- f**).

It will be important for the Town to consider whether clearly defining the use and establishing locational parameters for the development of cannabis production and processing facilities within the Business Park and Industrial Area designation should form part of a comprehensive policy and regulatory framework.

### **Rural System**

The land use policies for the Town's Rural System establish directions for all of the lands outside of the Urban Area and includes the Agricultural System, Natural Heritage System, Regional Natural Heritage System, Hamlet Area, Mineral Resource Extraction Area, and Parkway Belt West Plan Area designations.

#### *Agricultural System*

It is the intent that the Town's Agricultural System maintain a permanently secure, economically viable agricultural industry and to preserve open-space character and landscape of Halton's non-urbanized areas (**Policy 4.3.1.1**). The Agricultural System is comprised of lands within the Agricultural Area designation and those parts of the Regional Natural Heritage System outside the Key Features or where the only Key Feature is a significant earth science area of natural and scientific interest (**Policy 4.3.1.2**).

The purpose of the Agricultural System is to recognize and support agriculture as the primary activity and predominant land use in the Agricultural System and protect farms from incompatible activities and land uses which would limit agricultural productivity or efficiency (**Policy 4.4.1.1 a), e) and f)**). Additionally, within the Agricultural System, it is an objective of the Town to promote a diverse, innovative and economically strong agricultural industry and promote agriculture-related tourism (**Policy 4.4.1.1 i) and j)**). Additionally, the Town encourages the promotion of diverse and innovative farming that caters to local and regional specialty markets (**Policy 4.4.3.4 c)**).

Within the Agricultural Area, all types, sizes and intensities of agricultural operations; normal farm practices; and, accessory buildings or structures are permitted, among



other uses. Policies of the plan recognize, encourage and protect agriculture as an important industry in the Town and as the primary long-term activity and land use throughout the Agricultural System and, in this regard, they direct that non-farm uses to the Urban Area and Hamlets, unless specifically permitted by the policies of the Plan (**Policy 4.4.3.1** and **4.4.3.2**). In accordance with **Policy 4.4.3.3**, the Town recognizes, encourages and supports secondary industries essential to Halton's Agricultural industry as a major contributor to its economic base and, in this regard, promotes the location of major secondary agricultural processing, manufacturing, wholesaling and retailing operations within the Urban Area (**Policy 4.4.3.3**). The Official Plan further requires that all development within the Agricultural System be only on the basis of private, individual well water supply and private, individual waste water treatment system that conform to Local and Regional By-laws and standards, and to Provincial legislation, regulations and standards (**Policy 4.4.3.5**).

Based on the policies identified in this section, permitting cannabis production and processing facilities of varying intensities within Agricultural areas of the Town would align with the goals and objectives set out in OPA 31. Any option considered by the Town would need to address compatibility and could also consider opportunities for agri-tourism.

#### *Regional Natural Heritage System*

The Regional Natural Heritage System is shown as an overlay in the Town's rural and urban areas, as applicable. The goal of the Natural Heritage System is to ensure that the biological diversity and ecological functions within the Town and broader Halton Region will be preserved and enhanced for future generations (**Policy 4.8.1.5**). Within the Regional Natural Heritage System, all types, sizes and intensities of agricultural operations are permitted, except within the Escarpment Natural Area and Key Features of the Regional Natural Heritage System ( **Policy 4.9.2.1 a**) [i]-[ii]).

Notwithstanding, agricultural operations are permitted within the Regional Natural Heritage system where the only key feature is a significant earth science area of natural and scientific interest. Additional permitted uses include existing uses including existing agricultural operations and accessory buildings or structures (**Policy 4.9.2.1 c**) and **j**). Development and site alteration is prohibited within certain areas of the Regional Natural Heritage System (e.g. significant wetlands, etc.), except in accordance with Provincial and Federal legislations. Additionally, the alteration of any components of the Regional Natural Heritage System is prohibited unless it has been demonstrated that there will be no negative impacts on the natural features and areas or their ecological functions (**Policy 4.9.3.1**). Development applications within the Regional Natural Heritage System are required to carry out an Environmental Impact Assessment (EIA), in most circumstances, to demonstrate the proposed development will result in no negative impacts to the portion of the Natural Heritage System affected by the development (**Policy 4.9.3.2**).

#### *Greenbelt Natural Heritage System*

Development within the Greenbelt Natural Heritage System is subject to the policies of the Greenbelt Plan as they apply to its Natural Heritage System (**Policy 4.10.1.4**).

It will be important for the Town to consider whether specific regulations are required to control development within the Natural Heritage System(s) above and beyond any controls put in place for development of cannabis production and processing facilities within the general rural/agricultural area.

### *Mineral Resource Extraction Areas*

Based on the policies of the Official Plan and the definition of 'Agriculture Operation', the use would be considered appropriate in the Town's Mineral Resource Extraction Areas given that **Policy 4.7.2.2** identifies that Agricultural Operations are a permitted use.

Any policy and regulatory update should have consideration with respect to whether the use should be permitted in Mineral Resource Extraction Areas.

## **2.5.2 Town of Milton Urban Zoning By-law 016-2014 (June 2019 Office Consolidation)**

The Town of Milton Urban Zoning By-law was updated to address Medical Marijuana Production Facilities in 2017, through Zoning By-law Amendment 113-2017. This amendment introduced a specific definition and regulations for Medical Marijuana Production Facilities. A summary of the existing regulations are contained in this section.

### **Defined Term**

***Medical Marijuana Production Facility*** means a premises used for growing, testing, destroying, storing or distribution of medical marijuana or cannabis authorized by the Authority having jurisdiction.

### **Zone(s) where the use is permitted**

- General Industrial (M2)

### **Special Provisions for Licensed Medical Marijuana Production Facilities**

- The facility shall be the only principal use on the lot on which it is located;
- The facility operations, including loading spaces and storage, must be located within a wholly enclosed building;
- Outdoor storage is not permitted;
- The minimum setbacks for a Medical Marijuana Production Facility from the Zones and uses listed below shall be in accordance with the following:
  - From a lot in a Residential Zone, Commercial Zone, Institutional Zone and Open Space Zone: 70 metres
  - From a lot with a school, hospital, place of worship or day care centre use: 70 metres; and,
- A building or structure used for security purposes may be located in the front yard and does not have to comply with the required minimum front yard, side yard and rear yard building setbacks

### **Summary**

- The location in which Medical Marijuana Production facilities is permitted within the Urban Area is limited to the General Industrial zone;
- Other industrial zones within the Town may be appropriate for this type of use, based on their function set out in the Official Plan, including: Employment (EMP-2), Business Park (M1) and General Industrial (M2);
- Under the existing framework, should an application be brought forward for a commercial cannabis production and processing facility (i.e. a facility that does not produce cannabis for medical purposes), this type of facility would not be permitted as of right and an amendment to the By-law would be required in order to permit the use;

- The current framework introduces additional regulations intended to mitigate land use conflicts with adjacent uses; and,
- The existing definition is out of date and not reflective of the definitions set out in Federal legislation.

### 2.5.3 **Town of Milton Rural Zoning By-law 144-2003** (May 2018 Office Consolidation)

Although the Town undertook an exercise to introduce a defined term and specific regulations for Medical Marijuana Production Facilities, there was no update to the Rural Zoning By-law at that time. As a result, the Town of Milton Rural Zoning By-law does not currently contain any specific defined use or regulations for Cannabis Production and Processing. With respect to Cannabis Processing and Production facilities, we have reviewed the current Rural Zoning By-law and highlight the following areas of relevance, with associated summary and commentary regarding their relationship to such facilities.

#### **Defined Terms**

**Accessory Use** means a use customarily incidental to, subordinate to and exclusively devoted to the principal use and which operates together with the principal use on the same lot, but does not include outdoor storage

**Agricultural Operation** means general farming and shall include such uses as the breeding, rearing, or keeping of livestock, including poultry, horses, fowl and fur-bearing animals, and/or the general cultivation of land and production, conditioning, processing and storing of field crops, fruits, vegetables, horticultural crops and trees, and includes the outdoor storage of equipment, goods or raw or processed materials normally incidental to an agricultural operation

**Horticultural Nursery** means the use of land, buildings or structures for the growing of plants, shrubs, trees or similar vegetation and does not include any sales of horticultural products, except where permitted as an accessory use

**Industrial Use** means a premises used primarily for the purpose of manufacturing, processing, fabrication, assembly, treatment, and/or packaging, and may include incidental storage of goods and materials and may include accessory sales and distribution of such products, however does not include an obnoxious use

**Obnoxious Use** means a use which, from its nature or operation, creates a nuisance or is liable to become a nuisance or offensive by the creation of noise or vibration, or by reason of the emission of gas, fumes, dust or objectionable odour, or by reason of the matter, waste or other material generated by the use

**Research and Technology Use** means an activity of research into the development of new products, technologies and processes that is carried out in an office or an industrial building

#### **Zone(s) where the use is permitted**

- Industrial Use and Research and Technology Use are permitted in Employment (EMP), Business Park (M1), General Industrial (M2) Zones; and,
- Agricultural Operation and Horticultural Nursery are permitted in Agricultural (A1), Rural (A2) Zones

### **Summary**

- Within the Rural context, the current framework does not specifically define the use; however, based on the definitions above:
  - The cultivation, production, conditioning, processing and storage of cannabis would be considered an Agricultural Operation and would be permitted indoors or outdoors on a property within the A1 and A2 zones;
  - Shipping, testing, research, packaging and destroying would be considered accessory uses to the Agricultural operation and would, therefore, be permitted on a property within the A1 and A2 zones where cultivation, production, conditioning, processing and storing of cannabis is the main use;
  - The processing, fabrication, assembly, treatment, packaging and storage of cannabis would be considered an Industrial Use and would be permitted on a property within the EMP, MP and M2 Zones. It is unclear whether cultivation would be permitted within an industrial building, as this is not expressly identified in the definition. However, the cultivation of cannabis could be undertaken on an agricultural parcel and transferred to an industrial warehouse for further processing, fabrication, assembly, treatment, packaging and storage;
  - Analytical testing and research of cannabis would be considered a Research and Technology Use and would be permitted on a property within the EMP, MP and M2 Zones;
- As there are currently no specific regulations for cannabis facilities set out in the Rural By-law, the only regulatory requirements to be met would be the standards of the parent zone and any requirements and standards associated with obtaining a license, as set out in the Federal regulations;
- With respect to the term 'Obnoxious Use', the best practice research included in this report identifies that many municipalities have received complaints of from landowners residing in close proximity to existing facilities of the emission of odours from the facilities. In this regard, while the use could be considered an obnoxious use, federal regulations require buildings be equipped with appropriate air filtration systems to prevent the escape of odours for indoor facilities and mitigate impacts in that regard. Additionally, municipalities are provided with the ability to implement setbacks for indoor and/or outdoor facilities from certain types of uses to mitigate impacts;
- With respect to obnoxious uses, there is no further section in the Rural By-law which provides greater detail into regulations (i.e. separation distances, setbacks, etc.) for obnoxious uses; and,
- The existing regulations warrant consideration of an amendment to provide for a more carefully defined framework for cannabis production and processing within the Town's Rural, Agricultural and Rural Employment zones.

## **2.5.4 Town of Milton Property Standards By-law 131-2012**

The Town of Milton Property Standards By-law includes standards for the maintenance and occupancy of properties within the Town. Section 44 of this By-law contains standards for Marijuana Grow and Clandestine Drug Lab Operations, which are included below for reference:

- No person, owner or occupant shall cause, permit or allow a marijuana grow or clandestine drug lab operation on or in a property within the Town of Milton;
- No owner or occupant shall cause, permit or allow an unsafe, dangerous offensive or unwholesome condition to exist on or in a property as the result of a marijuana grow or clandestine drug lab operation;
- No owner or occupant shall cause, permit or allow water, rubbish or noxious offensive or unwholesome odours, liquids or materials to collect, stored or accumulate in or around a property as a result of a marijuana grow or clandestine drug lab operation;
- Every owner or occupant of a property that contained a marijuana grow or clandestine drug lab operation shall immediately:
  - Remove all equipment or materials used in the marijuana grow or clandestine drug lab operation;
  - Remove and restore any alteration to the property made as a result of the marijuana grow or clandestine drug lab operation;
  - Repair any damage to property caused or associated with a marijuana grow or drug lab operation, including, but not limited to, mold or water damage or other residual contamination of the interior of the dwelling; and
  - Obtain and comply with all inspections, orders, permits and approvals required for the safe and lawful use of the property; and,
- No person shall allow a property or any portion of a property that has been used as marijuana grow or drug lab operation to be used as a dwelling or for any other purpose which requires occupation of the property by person unless it has been remediated, restored or repaired as required

While “Marijuana Grow” and “Clandestine Drug Lab” operations are not defined within the By-law, we interpret these to mean illegal operations as set out in the Criminal Code, Cannabis Act and Controlled Substances Act (e.g. illegal marijuana grow operation or an illegal synthetic drug lab).

In accordance with the Cannabis Act, individuals may cultivate, propagate or harvest up to four cannabis plants on their property (indoors and within the yard, garden or any similar land). The Act further clarifies that there cannot be more than four plants cultivated, propagated or harvested at any one time in a dwelling-house (e.g. if two people reside on the property, this does not mean 8 plants would be permitted). Where more than four plants are growing on a property and a Federal license has not been granted to do so, the standards set out in Section 44 of the Property Standards By-law would apply and could be enforced.

It will be important for the Town to continue to enforce the Property Standards By-law with respect to illegal Marijuana Grow and Clandestine Drug Lab operations; however, with Federal legislation permitting people to grow up to four plants on their property for personal use, as well as permitting ‘designated growers’ of cannabis for medical purposes which may result in the permission to grow a larger quantity of plants in accordance with conditions set out in a designated grower license, revisions to the By-law warrant consideration to mitigate the risk of violating the *Canadian Charter of Rights and Freedoms* with respect to growing for personal use on a private property; and, clarify non-applicability to Federally licensed and regulated facilities or designated growers. Options to address this issue are provided in Section 5.3 of this report.

# 3.0 POLICY AND ZONING APPROACHES IN OTHER JURISDICTIONS

This section includes a review of five jurisdictions within Ontario in order to provide a broader understanding of the variety of approaches available to regulate cannabis production and processing facilities through land use planning policy and regulation. A detailed summary of each municipal approach is included in the subsections below, while a comparative summary chart is included in this report as **Appendix 2** for easy reference.

## 3.1 Hamilton

The City of Hamilton began to review and update their policies and regulations pertaining to cannabis production in 2014, when the production of Medical Marihuana was first legalized and regulated by Health Canada. In this regard, amendments to the Urban Hamilton Official Plan (UHOP), Rural Hamilton Official Plan (RHOP), Zoning By-law No. 05-200 and Zoning By-law No. 15-273 introduced definitions and regulations for Medical Marihuana Facilities within Urban Industrial and Rural/ Agricultural areas of the City. The definitions at the time were similar for both the Urban and Rural areas; however, additional regulations restricting the size and height of new buildings, but allowing for the adaptive reuse of any existing building in the Rural/Agricultural areas were included in the RHOP and Zoning By-law.

Following changes to the regulations for cannabis production in 2018, City Council directed planning staff to consult with Federal and Provincial governments on current regulations and policies and report back to Council on potential changes to the Official Plans and Zoning By-laws in light of the legalization of recreational cannabis and other regulations set out in the Cannabis Act.

Given the previous work completed by the City to establish regulations for Medical Marihuana Production, the background report prepared by staff identifies broad general options for consideration as follows:

### **Option 1: Maintain the current planning regulations “as is”**

If this option were pursued, there would be no changes made to existing definitions and regulations pertaining to Medical Marihuana previously adopted in 2014. Applicants would be required to apply for Official Plan and Zoning By-law amendments if the

proposed facility exceeded the established maximum size regulations. The use would not be permitted within the Airport Employment Growth District (AEGD);

**Option 2: Reverse the regulations to treat a Medical Marihuana Growing and Harvesting facility as a greenhouse and the existing greenhouse regulations would apply**

If this option were pursued, the existing definitions would be removed from the applicable planning documents and the definitions and regulations for agriculture, agriculture related/secondary processing and agricultural research operation would apply for the rural area. The use would not be permitted within the AEGD.

**Option 3: Introduce new policies and regulations to reflect evolving legislation applicable to the Urban and Rural areas or both the Urban and Rural areas**

If this option were pursued, staff would undertake a review of existing and proposed legislation, site specific development applications and best practices to identify options for change to both the UHOP, RHOP and Zoning By-law No. 05-200.

Ultimately, staff proceeded to complete a review, as directed by Council, in accordance with Option 3 outlined above.

In June 2018, staff brought forward an information report to Council outlining potential options to address cannabis production through land use planning tools within the City. As part of this work, as noted above, the City reviewed the existing framework, examined existing operational sites within the City and ongoing site specific applications and undertook a best practice review of 25 municipalities throughout Canada. A summary of the review, current conditions and proposed options for change presented by staff, is provided in the following sections.

**City of Hamilton- Policy and Regulatory Framework (2014-2018)**

**Urban Hamilton Official Plan**

Within the Urban context, Medical Marihuana Growing and Harvesting Facility was defined and permitted (with restrictions) within the Employment Area- Industrial Land and Business Park designations, but not within the AEGD (due to AEGD policies being under appeal at the time of the amendment). In accordance with the UHOP policies, within the Employment Area- Industrial Land Designation a Medical Marihuana Growing and Harvesting Facility shall be located a minimum of 20 metres from a sensitive land use within the Neighbourhoods, Institutional or Commercial Mixed Use designations; retail sales shall not be permitted; and, no outside storage shall be permitted. Additionally, the policy identified that any additional regulations as set out in the Zoning By-law would apply.

**Rural Hamilton Official Plan**

Within the Rural context, the RHOP identifies that in addition to the defined term "Medical Marihuana Growing Facility and Harvesting Facility", the defined terms "Agricultural Use" and Agricultural-related Use" apply. The UHOP identified that Medical Marihuana Growing and Harvesting Facilities, including accessory and agricultural-related uses, were permitted (with restrictions) in the Agriculture, Specialty Crop, Rural and Mineral Aggregate Resource Extraction land use designations.

The RHOP policies permitted the adaptive re-use of existing buildings within the Rural/ Agricultural area with no size cap; however, a maximum Gross Floor Area (GFA) was set for any new building.

RHOP policy also identified that the following conditions be met:

- A Medical Marihuana Growing and Harvesting Facility is permitted in buildings existing at the date of passing of the Zoning By-law;
- The gross floor area of a new medical marihuana growing and harvesting facility shall not exceed 2,000 square metres;
- No retail sales are permitted;
- No outdoor storage is permitted; and,
- The establishment of a new medical marihuana growing and harvesting facility or the expansion of an existing facility shall be subject to Site Plan approval to address the appropriate building size and location, set-backs, drainage and any other matters

#### Zoning By-law No. 05-200

The Zoning By-law included a defined term for Medical Marihuana Growing and Harvesting Facility, with specific regulations to apply to a facility, based location (e.g. in the Urban or Rural context).

Within the Urban area, the Zoning By-law identified that facilities are permitted within the General Business Park (M2), Prestige Business Park (M3), General Industrial (M5) and Light Industrial (M6) zones, subject to maintaining a 20 metre setback from property lines. Additionally, the regulations identified that retail sales and outdoor storage are prohibited.

Within the Rural and Agricultural area, facilities were identified as being permitted in existing buildings within the Agricultural (A1), Rural (A2), Conservation/ Hazard Lands (P6) and Extractive Industrial (M12) zones, subject to maintaining a 20 metre setback from all property lines. Additionally, the regulations identified that retail sales and outdoor storage are prohibited.

Within the Rural and Agricultural area, facilities were identified as being permitted in new buildings, to a maximum 2,000 square metres, within the Agricultural (A1), Rural (A2), subject to maintaining a 20 metre setback from all property lines. Additionally, the regulations identified that retail sales and outdoor storage are prohibited.

On lands within the Conservation/ Hazard Lands (P6) zone, facilities could only be established in existing buildings.

#### **City of Hamilton- Background Review (2018)**

The best practice review undertaken by the City revealed there are many different zoning approaches to regulate the use. The most common approaches are to consider the use as an agricultural use in the rural area; and, consider the use an industrial use within the urban context. Additionally, many municipalities include specific definitions for the use which are distinct from the general “Agricultural Use” or “Industrial Use”, as the case may be, and typically align with definitions set out in Federal regulations. Finally, many municipalities include a setback from a sensitive land use in their framework.

With respect to the policy and regulatory framework outlined in the previous section, the background report notes that existing definitions in the RHOP, UHOP and Zoning By-



laws are partially outdated as a result of the passage of the new legislation; and that consideration should be given to expanding permissions into the AEGD given that the main reason for not pursuing this in 2014 was related to the AEGD policies being under appeal for other reasons.

In terms of the existing conditions and ongoing site-specific applications, staff identified that there are two properties existing with site specific exceptions. One exception permits a medical marihuana facility of 21,500 square metres; and, one permits a medical marihuana facility of 10,000 square metres and a minimum side yard of 13 metres. Additionally, at the time of the report, three applications for new facilities were before the City. Two requested increases to the maximum GFA for new buildings (a 13,000 square metre greenhouse and a 10,000 square mere greenhouse), while one requested a site specific parking rate.

With respect to stakeholder consultation in relation to the pre-2018 policy and regulatory context, staff identified that the main concern identified by the Medical Marihuana industry was with the existing 2,000 square metre size restriction which does not meet business plans which contemplate larger scale growing facilities resulting in site specific official plan and zoning by-law amendment applications.

Finally, with respect to broader public engagement and consultation, the background report identified the following public concerns:

- Impact of odour;
- Light emitted from greenhouses;
- Loss of prime agricultural land as a result of greenhouses being built;
- Traffic; and,
- Impacts on adjacent and downstream wells.

### **Proposed Options for Change (June 2018)**

Following the background review, staff identified the following options for change:

1. Update the definitions in the UHOP and RHOP and Zoning By-law No. 05-200, which currently reflect prior regulations, to align with those in the current regulations;
2. Update the definition of “Agricultural Processing Establishment- Standalone” to exclude processing of cannabis products to ensure that related products are on the same site as the crop;
3. Add a definition of greenhouse to the Zoning By-law as part of a housekeeping amendment since there are specific zoning regulations for this use but no definition;
4. Amend the definition of lot coverage to exclude conservation/ hazard lands zones as part of the calculation of lot coverage, since the use would not be permitted within those zones, as well as include all areas used for parking, driveways, access or other lands;
5. To respond to the needs of the cannabis industry, replace the existing 2,000 square metre restriction for new buildings with a maximum cap of 90,000 square metres of total gross floor area for all buildings and structures, regardless of lot size. The lot coverage requirements could apply and so whichever calculation is the lesser would apply;
6. Increase the Rural area lot line setbacks from 20 metres to 30 metres in the A1 and A2 zones. The 20 metre setback in the industrial areas would remain unchanged (30 metres)

7. Introduce an additional requirement that a facility should not be located within 150 metres of a sensitive land use;
8. Introduce a parking regulation in the Rural area that requires all unenclosed parking areas associated with a facility to be screened using a wall, berm or fence;
9. Introduce a new regulation to restrict accessory uses (e.g. vaults, shipping areas, office spaces, employee spaces) to 1,000 square metres for the site, not per building, or 25% of the GFA, whichever is the lesser; and,
10. Permit the use within the AEGD.

Following further consultation with residents, stakeholders and agencies, recommended changes and draft Amendments were brought forward for approval by Council in September 2018. The following changes were ultimately recommended:

1. Amend the definition contained within the Zoning By-law for a Medical Marihuana Growing and Harvesting Facility to remove references to the testing, packaging and shipping and instead include these elements as regulations within the applicable zones;
2. Replace the existing definitions with a new defined term “Cannabis Growing and Harvesting Facility” as the references are outdated and only address medical marihuana;
3. Update definition of Agricultural Processing Establishment- Stand Alone to ensure medical marihuana related products is on the same site as the crop;
4. Increase setback from 20 metres to 30 metres from any lot line in the Agricultural (A1) and Rural (A2) Zones;
5. Introduce an additional requirement that a facility should not be located within 150 metres of a sensitive land use;
6. Replace the term Medical Marihuana Growing and Harvesting Facility with Cannabis Growing and Harvesting Facility for consistency throughout the By-laws;
7. Amend the RHOP and UHOP to include specific requirements for the submission and approval of an Odour and Dust Impact Assessment, Light Impact Assessment, Hydrogeological Study, Transportation Impact Study and any other appropriate studies as part of a development application in order to address concerns raised by the public on these elements as well as ensure that these issues are assessed in any application.

Ultimately, City Council approved these amendments over a series of meetings in September and October of 2018. Several appeals were filed with respect to the proposed amendments and the Local Planning Appeal Tribunal (LPAT) has issued partial decisions on these documents and portions remain under appeal as of the date of writing this report. Copies of the amendments and excerpts from the UHOP, RHOP and Zoning By-law are included in this report and can be found at **Appendix 3**. A summary of each Amendment, and its effect, is provided below.

Official Plan Amendment No. 112 to the Urban Hamilton Official Plan (In Effect as of October 21, 2018)

- Updates Medical Marihuana Growing and harvesting facility policies and definitions to reflect the recent approval of the Cannabis Act and include additional regulations related to the use;
- Applies to lands located within the Employment Area (Industrial Land, Business Park, Airport Prestige Business, Airport Light Industrial);

- Existing term 'Medical Marihuana' is replaced with 'Cannabis' throughout and associated policies for 'Medical Marihuana Growing and Harvesting Facilities' now apply to 'Cannabis Growing and Harvesting Facilities';
- The policy identifies that appropriate locations to be determined in accordance with the Zoning By-law and that retail stores and outside storage shall not be permitted. Additionally, the UHOP policies identify that the following studies are required as part of a submission for an Official Plan Amendment, Zoning By-law Amendment and Site Plan Application for a Cannabis Growing and Harvesting Facility:
  - Odour and dust impact assessment;
  - Light impact assessment;
  - Transportation impact study;
  - Hydrogeological studies; and,
  - Any other appropriate studies, identified as part of the complete application and formal consultation process; and,
  - An appropriate setback between a cannabis growing and harvesting facility and a sensitive land use will be established in the Zoning By-law.

Official Plan Amendment No. 21 to the Rural Hamilton Official Plan (Partially in Effect as of October 12, 2018- **items in bold denote items that remain under appeal**)

- Updates Medical Marihuana Growing and Harvesting Facility policies to reflect recent approval of the Cannabis Act and includes additional regulations related to the use;
- Applies to lands located within the Agricultural, Rural and Specialty Crop land use designations;
- Existing term 'Medical Marihuana' is replaced with 'Cannabis' throughout;
- A facility is permitted in buildings existing at the date of the passing of the Zoning By-law with no size restriction;
- The gross floor area for a new cannabis growing and harvesting facility shall not exceed 2,000 square metres;
- The testing, packaging and shipping of cannabis shall be accessory to the cannabis production growing and harvesting facility;
- **An appropriate setback between a cannabis production growing and harvesting facility and a sensitive land use shall be established in the Zoning By-law;**
- No retail sales or outside storage are permitted;
- The RHOP policies identify that the following studies are required as part of a submission for an Official Plan Amendment, Zoning By-law Amendment and Site Plan Application for a Cannabis Growing and Harvesting Facility:
  - Odour and dust impact assessment;
  - Light impact assessment;
  - Transportation impact study;
  - Hydrogeological studies; and,
  - Any other appropriate studies, identified as part of the complete application and formal consultation process; and,
  - An appropriate setback between a cannabis growing and harvesting facility and a sensitive land use will be established in the Zoning By-law.
- The establishment of a new Cannabis Production Growing and Harvesting Facility or the expansion of an existing Facility shall be subject to Site Plan approval to address the appropriate building location, setbacks, drainage, sustainable private services, odour/dust, traffic and any other matters;

- Within mineral aggregate resource extraction areas, a Cannabis Growing and Harvesting Facility is permitted in accordance with the regulations set out in the policies for Cannabis Growing and Harvesting Facilities within the Agricultural, Rural and Specialty Crop areas.

**By-law No. 18-266 to Amend Zoning By-law No. 05-200 (Partially in Effect as of October 12, 2018- items in bold denote items that remain under appeal)**

- The Zoning By-law Amendment included revisions to the definitions:
  - Agricultural Processing Establishment- Stand Alone: amended by adding the processing of cannabis products to the list of uses that do not constitute Agricultural Processing Establishment- Stand Alone;
  - Agriculture- amended to replace medical marihuana with cannabis;
  - New definition for “Cannabis Growing and Harvesting Facility” added (a wholly enclosed building or structure used for growing, harvesting, testing, destroying, packaging and shipping of cannabis, for a facility where a license, permit or authorization has been issued under applicable federal law)
  - Definition of Urban Farm modified by replacing medical marihuana with cannabis
  - Parking requirement of 1 space for each 30 square metres of gross floor area which accommodates the office component of the use, plus one space for each 200 square metres of gross floor area which accommodates the remainder of the use (maintained from existing requirement and term updated from medical marihuana to cannabis only)
- Regulations for facilities within industrial zones (M2, M3, M5, M6) are as follows:
  - Outdoor storage or assembly not permitted (M2, M3, M5 zones);
  - Outdoor storage, assembly or outside display not permitted (M6 zone only);
  - Accessory buildings are not permitted within a front yard or flankage yard (M5 zone only);
  - Retail sales shall not be permitted (all zones);
  - Any building or structure used for a Cannabis Growing and Harvesting Facility shall be set back a minimum 20 metres from any portion of a property lot line abutting a property lot line within a Residential Zone, Commercial or an Institutional Zone (M3 zone only);
  - Any building or structure used for a cannabis growing and harvesting facility shall be set back a minimum of 150 metres from any portion of a lot line abutting a residential, institutional or commercial and mixed use zone; and, any residential dwelling unit existing at the date of passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of worship, day care or park in a rural classification zone; and,
  - Other regulations of parent zone apply as identified in the By-law (e.g. lot area, yards, setbacks, landscaping, etc.).
- Regulations for facilities within the AEGD (M10, M11) are as follows:
  - Aquaponics, Greenhouse and Cannabis Growing and Harvesting Facility added as permitted uses;
  - Agricultural Greenhouse deleted from prohibited uses list;
  - Additional regulations for Cannabis Growing and Harvesting facilities introduced. This includes the prohibition of retail sales, outdoor storage or assembly. Additionally, the regulations require that any building or structure used for a Cannabis Growing and Harvesting Facility shall be

set back a minimum of 150 metres from any portion of a lot line abutting a Residential, Institutional or Commercial and Mixed Use Zone, any residential dwelling unit existing at the date of passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of worship, and any day care or park in a rural classification zone;

- Regulations for facilities within the Extractive Industrial zone (M12) are as follows:
  - The maximum gross floor area for all new buildings and structures devoted to a Cannabis Growing and Harvesting Facility shall not exceed 2,000.0 square metres;
  - Notwithstanding the GFA cap, existing buildings may be used for a Cannabis Growing and Harvesting Facility;
  - The testing, packaging, and shipping shall be accessory to the Cannabis Growing and Harvesting Facility;
  - Any building, structure used for a cannabis growing and harvesting facility shall be setback a minimum of 150 metres from any portion of a lot line abutting a Settlement Residential (S1), Settlement Commercial (S2) or Settlement Institutional (S3) Zone; or, any residential dwelling unit existing at the date of the passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of worship, day care or park;
  - All buildings or structures associated with the use shall be setback a minimum of 30 metres from any lot line; and,
  - Retail sales and outdoor storage are not permitted;
- Regulations for facilities within the Agricultural and Rural zones (A1, A2) are as follows:
  - The maximum gross floor area for all new buildings and structures devoted to a Cannabis Growing and Harvesting Facility shall not exceed 2,000 square metres;
  - Notwithstanding the GFA cap for new buildings, existing buildings may be used for a Cannabis Growing and Harvesting Facility;
  - The testing, packaging, and shipping shall be accessory to the Cannabis Growing and Harvesting Facility;
  - **Any building, structure used for a cannabis growing and harvesting facility shall be setback a minimum of 150 metres from:**
    - **Any portion of a lot line abutting Residential, Institutional, Commercial and Mixed Use Zones, Settlement Residential (S1), Settlement Commercial (S2), or Settlement Institutional (S3) Zone; or,**
    - **Any residential dwelling unit existing on the date of passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of worship, day care or park;**
  - **All buildings or structures associated with the use shall be set back a minimum of 30.0 metres from any lot line;**
  - Retail sales and outdoor storage are not permitted.

## 3.2 Town of Erin

The Town of Erin is part of Wellington County, where the Official Plan is provided at the County level, with individual municipalities provided the ability to rely on the County's planning policies or to develop their own more detailed policies, where appropriate. In accordance with the Town's Official Plan, the use of lands in Prime Agricultural Areas and Secondary Agricultural Areas shall be guided by the policies of the County of Wellington Official Plan. The use of lands within the Industrial land use designation are guided by the policies of the Town of Erin Official Plan.

In October 2017, staff brought forward an information report to Council with respect to the existing policy framework as it relates to Cannabis Production Facilities in both the Rural and Urban context. A summary of the existing framework, as contained within the staff report, is provided below.

### Rural/ Agricultural Context

Within the County of Wellington Official Plan, agricultural uses, secondary uses, including home businesses and farm businesses and agricultural uses, among others, are permitted within the Prime Agricultural land use designation. The report notes that although a Cannabis Production Facility is not specifically listed as a permitted use (nor defined) within the County Official Plan, an agricultural use is defined as "the growing of crops, including nursery and horticultural crops" and, in this regard, staff opined that a Cannabis Production Facility within a greenhouse is a permitted use within both the Prime and Secondary Agricultural designations, subject to compliance with Federal and Provincial rules and regulations.

Within the Zoning By-law, Agricultural Use is a defined term and means "land, buildings or structures used for the purpose of growing or raising of field crops, market gardening crops, aquaculture, orchards, vineyards, livestock, poultry, nurseries, greenhouses, apiaries, mushrooms, horticulture, agro-forestry or other farming uses. Agricultural uses include secondary uses creating value-added agricultural products from farming operation." In this regard, staff identified that if a Cannabis Production Facility were located within a greenhouse on lands zoned Agricultural, it would be permitted subject to compliance with Federal and Provincial rules and regulations.

### Urban Industrial Context

Within the Town of Erin Official Plan, lands within the Industrial designation may be used for a variety of industrial uses including, but not limited to, manufacturing, processing, fabricating, assembly, warehousing and repair establishments. The Plan further identifies that the Zoning By-law may prohibit certain uses which would have a detrimental impact on the community. In relation to cannabis production facilities, staff opined that these would be permitted within the Industrial designation of the Town subject to federal and provincial rules and regulations.

Within the Zoning By-law, "Industrial Use" is defined term and means "the manufacturing, processing, production, fabrication, packaging, assembly, stamping, treating, fishing, testing or warehousing of goods or raw materials". In their assessment, staff acknowledged that Cannabis Production Facilities involve most, if not all, of these activities and accordingly opined that they would be permitted within the M1 and M2 zones, subject to federal and provincial rules and regulations. With respect to the M3 zone, agricultural uses are permitted and, as such, a Cannabis Production Facility

located within a greenhouse on a property zoned M3, it would also be permitted within the M3 Zone, subject to federal and provincial rules and regulations.

In the report, staff outlined the following options for consideration:

### **Option 1: Define Terms**

This option would involve amending the Zoning By-law to define the terms “Medical Cannabis Production Facility”, “Cannabis Production Facility” and “Cannabis Dispensary” and then expressly prohibiting or permitting these uses in the various zones (i.e. introduce the use, but require site specific amendments for each individual application as it is brought forward).

### **Option 2: Define Terms and Regulate**

This option would involve amending the Zoning By-law to define the terms “Medical Cannabis Production Facility”, “Cannabis Production Facility” and “Cannabis Dispensary” in addition to providing detailed regulations of where and how the use can develop within the various zones (i.e. introduce the use and regulations, such that site specific amendments would only be required where a proposal did not meet the regulations).

### **Option 3: Make No Changes**

This option would see no changes to the Zoning By-law and allow building permit applications for Cannabis Facilities (production as well as retail sales) without any Council consideration/ endorsement.

Option 2 was selected as the preferred option by Council and staff proceeded to prepare a zoning framework for public input and feedback.

Several areas of concern and questions of clarification were raised by Council and members of the public through the public consultation process for the proposed amendment. A summary of the areas of concern and staff response are provided below:

#### **Area of Concern 1: Separation Distances/ Purpose of Separation Distance**

Staff Response: Separation distances are proposed in the amending by-law because the use is considered a sensitive use. The separation distance would apply mitigation measures.

#### **Area of Concern 2: Application of 70 metre and 150 metre setbacks**

Staff Response: introducing setbacks will restrict the location of the facility and in some cases prohibit them in certain areas.

#### **Area of Concern 3: Odour and odour mitigation**

Staff Response: odour mitigation is addressed through the licensing process by Health Canada under the Access to Cannabis for Medical Purposes Regulations.

#### **Area of Concern 4: Prohibition of Outdoor Storage**

Staff Response: the restriction of outdoor storage is stipulated by Health Canada under the Access to Cannabis for Medical Purposes Regulations.

### **Area of Concern 5: Minor Variance for Cannabis Related Uses**

Staff Response: given the sensitive nature of the use, staff recommended that an amendment to the Zoning By-law be required when any change to the proposed regulations is proposed, rather than allow this through a minor variance, in order to allow for a comprehensive review.

A Zoning By-law Amendment to implement cannabis related zoning regulations was brought forward for approval by Council on June 5, 2018. At the same time, an amendment to the Site Plan Control By-law to require all development in relation to the establishment or expansion to a medical cannabis production facility be subject to Site Plan Control was also brought forward. Due to the nature of the timing of the proposed amendment, which preceded the legalization of cannabis through the Cannabis Act in October of 2018, the Town's framework did not introduce the term "Cannabis Production Facility" and instead recommended that the term be introduced, if necessary, through a future housekeeping amendment once direction has been given from the Federal and Provincial governments. No appeals were filed with respect to the Zoning By-law Amendment and, as such, it is now in force.

A summary of the Zoning By-law amendment is included below. A copy of the amendment is included in this report and can be found at **Appendix 4**.

#### By-law # 18-35 to amend Zoning By-law 07/67

- "Medical Cannabis Production Facility" added as a defined term/ permitted use;
- New section added to General Provisions in order to introduce regulations for Medical Cannabis Production Facilities:
  - Only permitted in Agricultural (A), Light Industrial (M1), General Industrial (M2) and Rural Industrial (M3) Zones;
  - Within the Light Industrial (M1) and General Industrial (M2) zone, a Medical Cannabis Production Facility must be 70 metres from a residential zone or use, an institutional zone or use or an open space use;
  - Within the Agricultural (A) and Rural Industrial (M3) Zone, a Medical Cannabis Production Facility must be 150 metres from a residential zone or use, an institutional zone or an open space zone;
  - Facility operations, including loading spaces and storage, must be located within a wholly enclosed building;
  - Outdoor storage is prohibited;
  - All development related to the establishment of or expansion to a medical cannabis production facility shall be subject to site plan control;
  - A building or structure used exclusively for security guards for a Medical Cannabis Production Facility may be located in the front yard, side yard and rear yard building setbacks; and,
  - No minor variance for regulations to the Medical Cannabis Production Facility shall be permitted by the Committee of Adjustment and shall only be dealt with by a Zoning By-law Amendment.

## **3.3 Norfolk County**

In 2013/2014, Norfolk County staff formed a Cannabis Taskforce to determine zoning provisions for the Federally licensed medical cannabis production facilities permitted under previous legislation, which were subsequently approved and incorporated into the Zoning By-law. In November of 2017, the Taskforce was re-initiated in order to:



- Address several complaints were received with respect to odours emitting from large scale individual/designated grower or alternative production sites permitted through the ACMPR in the absence of strict Federal regulations relating to odour for alternative production sites; and,
- Address future policy requirements for recreational cannabis as well as determine the best set of options to address the land use following changes to the legislation as a result of the Cannabis Act.

With respect to alternative production sites, the background report identified that designated growers are granted permission to produce a set amount of cannabis on an address by address basis. What was occurring on the ground within the County, however, was that several alternative production sites had made applications to the County for additional municipal civic addresses to be added to the same property parcel as a means of growing for multiple persons in excess of the intended Federal limitations, since the additional addresses would allow for an increased number of plants grown on a property for personal or designated person purposes. With respect to alternative production sites, Norfolk County staff had identified that there are least four (4) applications for additional municipal civic addresses and that these sites, effectively, had the potential to significantly increase the number of plants that could be grown on the site. Ultimately, staff opined that this was contrary to the intent of the ACMPR for alternative grower sites. What staff found on these four (4) sites was that the odour emitting from these operations was sufficiently significant that in some situations the adjacent residents found it necessary to install air filtration for their home's air intake. There were also similar concerns raised with respect to light emissions from these facilities, due to the requirements for the Cannabis greenhouses to operate on 16-hour light cycles, which are not adequately screened from adjacent residential uses.

In January 2018, planning staff brought forward a report to Council which summarized the existing results of their policy review and identified a series of options for consideration, both of which are summarized below:

### **Norfolk County- Policy and Regulatory Framework (January 2018)**

#### *Official Plan*

Within the Agricultural designation, the growing, production and processing of cannabis would be within the realm of agriculture and agricultural related uses and therefore be permitted in accordance with the Official Plan.

#### *Zoning By-law*

The Zoning By-law regulates and defines Medical Cannabis Production Facilities only and not any other forms of Cannabis production including individual, designated person, or recreational production sites. The use was permitted within the General Industrial, Light Industrial, Rural Industrial and Agricultural zones. Specific provisions for the use were contained in the By-law, including:

- Within the General Industrial, Light Industrial and Rural Industrial zones, a facility shall not be located closer to any residential zone, institutional zone or open space zone than 70 metres;
- Within the Agricultural zone, a facility shall not be located closer to any residential zone, institutional zone or open space zone than 150 metres;

- Within the General Industrial, Light Industrial and Rural Industrial zones, a facility shall not be located closer to any dwelling, public school, private school, place of worship or day nursery than 70 metres;
- Within the Agricultural zone, a facility shall not be located closer to any dwelling, public school, place of worship or day nursery, than 150 metres;
- Compliance with the required minimum front, side and rear yard setbacks is not required for a building or structure used for security purposes for a medical cannabis production facility. A building or structure used for security purposes may be located in the required front yard;
- Outdoor storage is prohibited; and,
- All development in relation to the establishment or expansion to a Medical Cannabis Production Facility shall be subject to site plan control.

### **Options for Change**

#### **Option A: Place all Greenhouses under Site Plan Control**

This option involves using the Site Plan Control process to regulate the use and function of any greenhouse development.

#### **Option B: Place all Cannabis Greenhouses under Site Plan Control**

This option would use the site plan control process to regulate the use and function of any Cannabis greenhouse development, but not all greenhouse developments. If this option were implemented, a change of use permit would be required for the Building Department to regulate Cannabis greenhouses and, as such, Cannabis Production and Processing would need to be defined as a use in the Zoning By-law.

#### **Option C: Require Cannabis Production and Processing sites to obtain a Business License**

Although the Municipal Act grants municipalities authority to license a number of different types of businesses, external legal counsel indicated that the County cannot legislate using business licensing in areas where the provincial or federal government have legislation and have the jurisdictional authority.

#### **Option D: Amend the Existing By-law Policy 3.27 pertaining to Obnoxious Uses to Include Examples of Potential Obnoxious Uses**

This option would involve adding examples to the By-law's definition of a noxious use. In this regard, uses known for their odour emissions, such as Cannabis production and processing, or the production and processing of mushrooms would make up part of the listed examples. Application of this option would strengthen an existing policy and give the County a mechanism to respond immediately to any reported odorous or noxious use.

#### **Option E: Amend the By-law to Include Provisions for Only Licensed Medical and Recreational Production and Processing (but not individual and designated grower alternative Cannabis production and processing sites)**

In order to get ahead of Federal licensing of recreational Cannabis production and processing, the Norfolk County Zoning By-law could be amended to revise the definition

of Medical Cannabis Production Facility and allow for the use to continue to be regulated by Site Plan Control provided new development or a change in use is proposed. This option would not specifically address odour and light emission issues, but it would allow the community to address the issues through various provincial processes.

**Option F: Amend the By-law to Include Provisions for all Cannabis Production and Processing, and Permit them in the Agricultural and Industrial Zones**

This option would involve updating the Zoning By-law to rename the Medical Cannabis Production Facility use to be called an Alternative Odorous/ Noxious Agricultural Site (AONAS), and be defined in a manner which would capture all forms of odour causing alternative agricultural uses such as Cannabis production and processing and mushroom production and processing. The use would be permitted in the Industrial and Agricultural zones, provided it complies with additional zoning provisions.

Setback requirements could also be revisited and expanded depending on if the site uses odour and light emission controls.

The AONAS would continue to be regulated under Site Plan Control.

**Option G: Amend the By-law to Include Provisions for all Cannabis Production and Processing, but do not Permit them Outright in any Zone Without an Amendment**

Introduce the AONAS defined term and zoning provisions set out in Option H, but do not permit the use outright in any zone.

**Option H: Define Cannabis not to be an Agricultural use**

This option would amend both the Official Plan and Zoning By-law to have Cannabis Production and Processing defined in a manner that would make it not an agricultural use, and have it removed as a permitted use in any zone outright. Additionally, Site Plan Control would be used to further regulate the proposed development.

**Option I: Continue with the Status Quo**

This option would leave the By-law as-is and not address future federal license changes for the processing of recreational Cannabis and would place emphasis back onto the government to address the odour and light emission issues related to individual or designated persons' sites.

When the background research and options report was presented to Council, staff were directed to further explore Options D and F and proceed with drafting a Cannabis Production and Processing zoning update which captures the essence of those options. The proposed amendment was brought forward for a decision of Council on March 27, 2018 and was approved at that time. A copy of the By-law is included in this report and can be found at **Appendix 5**. A summary of the proposed Zoning By-law update is provided below.

- Replace existing defined term “Medical Marihuana Production Facility” with a new defined term “Cannabis Production and Processing” to reflect changes to federal law from the former Marihuana for Medical purposes Regulations to the

Access to Cannabis for Medical Purposes Regulations (ACMPR). The newly defined use is intended to capture all forms of cannabis production as regulated by the Access to Cannabis for Medical Purposes Regulations but does not include possible future personal recreational production of four (4) plants per household;

- Update definition of “Farm” to clarify that Cannabis Production and Processing does not constitute a farm and clarify the intent that Cannabis Production and Processing is a use that is only to be permitted within the zones as explicitly indicated in the Zoning By-law<sup>1</sup>;
- Introduce new terms “Cannabis” and “Air Treatment Control”, with Air Treatment Control being added to clarify what form of odour control is required for Cannabis Production and Processing;
- Introduce the following special provisions related to Cannabis Production and Processing
  - No land, building or structure or portion thereof that is used for Cannabis Production and Processing purposes that is equipped with air treatment control within the General Industrial, Light Industrial, or Rural Industrial Zones may be located closer to any Residential Zone, Institutional Zone, or Open Space Zone than 70 metres;
  - No land, building or structure or portion thereof that is used for Cannabis Production and Processing purposes that is equipped with air treatment control within the Agricultural zone may be located closer to any Residential Zone, Institutional Zone, or Open Space Zone than 150 metres;
  - No land, building or structure or portion thereof that is used for Cannabis Production and Processing purposes that is equipped with air treatment control within the General Industrial, Light Industrial, or Rural Industrial Zones may be located closer to any dwelling, public school, private school, place of worship or day nursery than 150 metres;
  - No lands, building or structure or portion thereof used for Cannabis Production and Processing purposes that is not equipped with air treatment control situated in the Agricultural Zone, General Industrial Zone, Light Industrial Zone, Rural Industrial Zone may be located closer to any dwelling, public school, private school, place of worship, or day nursery than 300 metres<sup>2</sup>;
  - A building or structure used for security purposes for a Cannabis Production and Processing may be located in the required front yard and does not have to comply with the required minimum front yard, side yard, and rear yard setbacks; and,
  - Outdoor storage is prohibited on the property in which the Cannabis Production and Processing is located;

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<sup>1</sup> *It is important to note that the Province and all other municipalities reviewed as part of this study do not take this position and maintain that Cannabis Production and Processing is an agricultural use. It is unclear at this time what challenges this may pose.*

<sup>2</sup> *This requirement applies to outdoor facilities as well as indoor facilities that do not implement air treatment control measures. Outdoor facilities must meet the 300 metre separation distance; however, for indoor facilities, an applicant is provided with an option to install adequate odour control in order to maintain a reasonable setback of 150 metres from a sensitive land use. If an applicant chooses not to install air treatment control, the 300 metre setback will be required to prevent odours from reaching sensitive land uses. Based on discussions with County staff, it is understood the 300 metre metric was derived from a combination of requirements set out in the D-6 Guidelines as well as MDS guidelines.*

- Cannabis Production and Processing shall only be permitted within the zones as explicitly indicated in this Zoning By-law; and,
- All development in relation to the establishment of or expansion to a Cannabis Production and Processing shall be subject to Site Plan Control.

In addition to the Zoning By-law amendment, County staff identified that they would be further investigating the merits of developing a County-wide Odour Control By-law to aid in the prevention of noxious odours from cannabis production, among other uses.

Following approval of the Amendment in March of 2018, staff began to explore the potential for further amendments to the By-law in order to introduce additional sensitive land uses to the separation requirements from a Cannabis Production and Processing use, as well as address other matters.

The following additional sensitive land uses are to become part of the regulation:

- Camp ground;
- Group home;
- Hotel;
- Long term care facility;
- Mobile home park;
- Park;
- Place of assembly;
- Place of entertainment;
- Place of sports and recreation;
- Tent and trailer park;
- Tourist cabin; and,
- Hospital

The Amendment also introduces changes to other sections of the by-law to address the following matters:

- Provisions dealing with the illumination of Cannabis Production and Processing, with the intent to prevent light pollution emissions that would cause nuisance to adjacent property owners;
- Exemptions for single detached dwellings and on-farm diversified uses on the same parcel as a Cannabis Production and Processing use from the sensitive land use setback requirements; and,
- Exemptions for a hotel, place of assembly and tourist cabin to be permitted on the same lot as a Cannabis Production and Processing use as an accessory use;
- Revision to the definition of Cannabis to clarify that its industrial use nature and to highlight the County's position that Cannabis Production and Processing is not considered an agricultural use.

It is our understanding based on conversations with County Staff that these will be consolidated as part of an update to the Zoning By-law shortly. Copies of these Amendments are included in this report and can be found at **Appendix 6**.

## 3.4 Halton Hills

In April of 2018, the Town of Halton Hills initiated a study with respect to medical marijuana growing facilities. Shortly thereafter, in June 2018, in light of the legalization of recreational cannabis and other regulations set out in the Cannabis Act, the Town broadened the study to include all production-related activities to be regulated under the Cannabis Act.

On September 24, 2018, the Town passed an Interim Control By-law (ICBL) to prohibit the use of land, buildings or structures for cannabis production related uses in order to provide Town staff with adequate time to complete the ongoing study prior to any cannabis production-related uses establishing themselves within the Agricultural/Rural area of Halton Hills for one year to ensure no operations are developed while the study is ongoing.

The work program completed by the Town, with the assistance of Meridian Planning consultants, included the following:

- Background research report which included a review and assessment of the impacts of federal legislation on cannabis cultivation and processing on land use planning; and, potential options for regulating the activity within the Town;
- Stakeholder and agency consultation to obtain feedback on the background report;
- Dissemination of information to the public through a 'Let's Talk Halton Hills Cannabis' webpage which included an online survey pertaining to both retail and production operations;
- Development of policy options for consideration;
- Identification and recommendation of a preferred approach for Council endorsement; and,
- Preparation of Draft Amendments for public consultation.

The August 2018 Background Report, identifies regulatory considerations for the Town, which are summarized below:

1. Introduce definitions in the Zoning By-law to allow the Town to make decisions on where the use will be permitted and under what conditions;

On this matter, the report suggests that the defined terms should mirror the terminology of the Federal Regulation and recommends the following terms be defined:

- Cannabis cultivation- indoor;
- Cannabis cultivation- outdoor;
- Cannabis processing;
- Cannabis analytical testing;
- Cannabis research facility;
- Cannabis medical sales establishment; and,
- Cannabis drug license establishment.

The report also suggests the Town consider including a definition of air treatment control (ATC) if there is a desire to require that this be an element of certain

licensed facilities to ensure the Town can enforce compliance, since Municipal By-law Officers cannot enforce federal licensing requirements.

2. Within the existing Provincial planning context, cannabis cultivation could be considered an agricultural use, cannabis processing and other types of licensed facilities (e.g. testing and research) could be considered an agricultural related use and/or an on-farm diversified use and in this regard would be permitted within an Agricultural zone as of right if the use is not specifically defined and regulated otherwise. In this regard, the report recommends that the Town consider specifying cannabis cultivation as a sub-set of an agricultural use within the Rural and Agricultural areas to assist in providing clarity in the Zoning By-law on cultivation in rural areas and regulating the use separately from those existing regulations for agricultural uses.
3. Consider permitting and regulating the cultivation and production on industrial lands in the Urban Area of the Town where manufacturing and warehousing uses are permitted. This includes the 401 Corridor Prestige Industrial (M7) Zone, Employment 1 (EMP1) Zone and the Rural Employment (RU-EMP) Zone, but does not include 401 Corridor Gateway (G) Zone as this zone does not permit manufacturing or warehouse uses.
4. Conduct further research on the basis for the inclusion of setbacks/ separation distances between cannabis production/ processing facilities and certain sensitive land uses such as residential and institutional properties.
5. Make no changes to the Zoning By-law (given the unique nature and high profile of this type of land use, the report identifies that this this option is not recommended).
6. Consider permitting cannabis processing within standalone buildings only (e.g. this would not be permitted in a mixed-use building where there may be land use compatibility concerns, depending on the nature of the other uses in the building).
7. Consider requiring Site Plan Approval for Cannabis Facilities.

In April of 2019, an options report was prepared by planning staff which outlined the following options for consideration:

#### **Option 1: Require Site Specific Zoning Amendments for all Proposals**

This option would permit cannabis cultivation and processing in the Agricultural/ Rural Area and Employment Areas, subject to criteria set out in the Official Plan and a site specific rezoning for each application.

#### **Option 2: Require Site Specific Zoning in the Agricultural/ Rural Area**

This option would permit indoor cannabis cultivation and processing in the Agricultural/ Rural Area, subject to criteria set out in the Official Plan and a site specific rezoning for each application. Outdoor cannabis cultivation would be permitted in the Agricultural/ Rural Area without requiring a rezoning application. Cannabis cultivation and processing

would be permitted in Employment Areas without requiring a rezoning application, provided that setbacks from sensitive land uses are met.

### **Option 3: Permit in the Agricultural/ Rural Area and Employment Areas**

This option would permit cannabis cultivation and processing as-of-right in the Zoning By-law in the Agricultural/ Rural Area and Employment Areas. Setbacks from sensitive land uses would still be incorporated and compliance with these required.

The Options Report identified that any of the options considered would require introducing new defined terms in order to regulate all forms of cannabis production, with the exception of personal cultivation in private residences (maximum four plants) permitted under the Cannabis Act and would also require an Amendment to the Town's Site Plan Control By-law in order to require Site Plan Approval for any cannabis production building proposed in agricultural areas.

The Options Report also identified the inherent complications associated with regulating outdoor cannabis cultivation operations that do not propose any buildings or structures on site. Given the unique nature of outdoor cannabis cultivation and the security requirements provided under the Cannabis Act, including physical barriers and visual monitoring, the Options Report recommends adding outdoor cannabis cultivation as a defined term and identified as an agricultural use subject to specific provisions related to setbacks and separation from certain uses.

In their review and analysis of the options for consideration, Town Staff and their consultants recommended Option 2 noted above as the preferred regulatory approach to introducing cannabis production into local policy. Rationale for this approach is as follows:

- Site specific zoning within the Agricultural/ Rural area will assist in addressing concerns raised by Halton Region regarding size of facilities, their impacts on prime agricultural land, key features of the Natural Heritage System and servicing requirements;
- Site Plan Approval will allow for the evaluation of each proposal (excluding outdoor cultivation) on a case by case basis;
- Based on survey results, cannabis cultivation and processing was viewed as acceptable in agricultural and industrial areas;
- Based on survey results, cannabis cultivation and processing in general was viewed as acceptable and as an economic benefit; and,
- Consideration for joint cultivation and processing proposals supports the Provincial Policy Statement principle of providing for a diversified economic base in employment areas, while recognizing that processing activities can be considered agriculture- related.

Following endorsement of the preferred option, Town staff circulated draft Amendments to the Official Plan and Zoning By-laws for public and agency review and comment. Some changes were made to the proposed framework to address comments received from the Niagara Escarpment Commission who identified concerns with how applications would be treated and assessed in areas under Niagara Escarpment Development Control.



Ultimately, Town Council approved Official Plan Amendment No.35, Zoning By-law Amendment No. 2019-0034, Zoning By-law Amendment No. 2019-0035 and Zoning By-law Amendment No. 2019-0036 on July 8, 2019. No appeals were filed with respect to these amendments and, as such, these are now in force and effect. Copies of the amendments are included in this report and can be found at **Appendix 7**. A summary of each amendment, and its effect, is provided below.

### **Official Plan Amendment**

The Official Plan Amendment introduces new policy sections pertaining to Cannabis Cultivation and Processing in the Urban and Agricultural/Rural Areas

Within the Urban Area, the policies permit cannabis cultivation and processing in an enclosed building provided the lot on which it is located is set back a minimum of 150 metres from a lot that is the site of a child care centre, a private or public school, a place of worship or other institutional use, a residential use, a long term care facility, a retirement home or a public park. Additionally, the policy identifies that cannabis cultivation and processing shall also be subject to Site Plan Control.

Within the Agricultural/ Rural Area, policies for both indoor and outdoor cultivation are provided. Outdoor cultivation of cannabis is permitted with a minimum 50 metre setback from adjacent lot lines and indoor cultivation of cannabis and the processing of cannabis as an agriculture-related use operating in conjunction with a cannabis cultivation operation is permitted only where a Zoning By-law Amendment is approved. The policies identify that for sites that have received the appropriate site specific zoning approvals, cannabis cultivation and processing shall also be subject to Site Plan Control.

Criteria for zoning by-law amendments for indoor cultivation are included in the Official Plan, which are to be met by proposals. The criteria applicants must demonstrate are as follows:

- No negative impacts on the enjoyment and privacy of neighbouring properties;
- No negative impacts on adjacent agricultural uses and is compatible with normal practices as set out in an Agricultural Impact Assessment;
- The proposed use will not cause any traffic hazards or an unacceptable level of congestion on surrounding roads;
- The proposed use can be designed and sited to blend in with surrounding land uses such that the rural character of the area is maintained;
- Impact of noise, odour and dust can be appropriately mitigated;
- There will be no negative impact on the quality and quantity of groundwater and surface water;
- Adequate parking facilities are available on the lot for the proposed use;
- The use can be serviced with an appropriate water supply and means of sewage disposal;
- Stormwater management needs can be met on site;
- Signage advertising the use is to be designed and located in accordance with the Town's sign by-law; and,
- The proposed setback from adjacent land uses is appropriate and should be at least 150 metres. If a setback that is appropriate for the site can be established and if it is less than 150 metres, an Amendment to the Plan will not be required. Where proposed cultivation is to be operated under a micro cultivation license, consideration for reduced setbacks (where required) will be given.

Additionally, the following additional criteria must be demonstrated for considering the processing of cannabis as an agriculture-related use operating in conjunction with a cannabis cultivation operation:

- Is directly related to farm operations in the area;
- Supports agriculture;
- Benefits from being in close proximity to farm operations; and,
- Provides direct products and/or services to farm operations as a primary activity.

The OPA also identifies that the required studies for an indoor cannabis cultivation operation shall take into account the impacts from other cannabis cultivation operations developing or operating in the area.

With respect to setbacks and separation, the policies note that a lot on which cannabis cultivation or cannabis processing is located shall be set back 150 metres from urban, hamlet and Rural Cluster Area lots where a sensitive land use is present. Finally, with respect to proposals within the Niagara Escarpment Plan Area, a policy has been added which states that where zoning by-laws do not apply (in the Niagara Escarpment Plan Area), the criteria are to be applied in considering the suitability for indoor cannabis cultivation and cannabis processing, including setbacks where a sensitive land use is present.

### **Zoning By-law Amendment(s)**

#### *Zoning By-law 2010-0050 (Comprehensive Zoning By-law)*

The Zoning By-law introduces Cannabis Analytical Testing Facility, Cannabis Cultivation- Indoor, Cannabis Cultivation- Outdoor, Cannabis Drug Production Facility, Cannabis Processing Facility and Cannabis Research Facility as defined terms/ uses.

With respect to parking and loading, specific parking and loading standards are identified for these uses (1 space per 30 square metres for the first 1,000 square metres, 1 space per 100 square metres for the floor area between 1,000 and 5,000 square metres plus 1 space per 100 square metres in excess of 5,000 square metres). Additionally, a requirement that loading spaces be located entirely within the main building is included.

Within the Urban Employment Zone (EMP1), Cannabis Analytical Testing Facility, Cannabis Cultivation- Indoor, Cannabis Drug Production Facility, Cannabis Processing Facility and Cannabis Research Facility are all permitted, with a special provision that indicates outdoor cultivation is prohibited and a 150 metre minimum setback be provided from a site containing a sensitive use:

Outdoor Cannabis Cultivation is permitted in the Agricultural (A) and Protected Countryside (PC) Zones, with a special provision that indicates outdoor cultivation shall be set back a minimum 50 metres from lot lines. *Note: Indoor Cannabis Cultivation is not identified as permitted with the A and PC zones and, therefore, a site specific Zoning By-law Amendment would be required for any facility and an applicant would need to demonstrate how the criteria set out in the Official Plan are met.*

In the Rural Employment Zone (RU-EMP), Cannabis Analytical Testing Facility, Cannabis Cultivation- Indoor, Cannabis Drug Production Facility, Cannabis Processing Facility and Cannabis Research Facility are all permitted, with a special provision that

indicates outdoor cultivation is prohibited and a 150 metre minimum setback be provided from a site containing a sensitive use.

#### *Zoning By-law 2000-138 (401 Corridor Zoning By-law)*

The By-law Introduces Cannabis analytical testing facility with an enclosed single-premise building, Cannabis cultivation- indoor within a single-premise building, Cannabis drug production facility within an enclosed single-premise building, Cannabis processing facility within an enclosed single-premise building and Cannabis research facility within an enclosed single-premise building as defined terms/ uses.

With respect to setbacks and separation, a 150 metre setback from a lot line containing a sensitive use is required. Additionally, the Amendment introduces specific parking and loading standards applicable to the newly permitted uses: 1 space per 100 square metres of gross floor area and includes a requirement that loading spaces be located entirely within the main building.

#### **Site Plan Control By-law**

The Town's Site Plan Control By-law was amended to add Site Plan Control for Cannabis Cultivation and Cannabis Processing uses.

### **3.5 Municipality of Kincardine**

The Municipality of Kincardine has not yet undergone any sort of review to update their policy and regulatory framework specific to Cannabis Production and Processing facilities. It is our understanding that the municipality is currently undergoing a review of its Official Plan and the topic of implementing a framework for Cannabis Production and Processing facilities is not being explored at this time (MHBC is currently retained on this work).

In terms of zoning, the Municipality does not define the use specifically in the zoning by-law; however, based on research, there are at least two facilities currently operating in the area. In the Agricultural Commercial/ Industrial (ACI) Zone, a site- specific Zoning By-law amendment was granted for the facility in order to establish the use (Medical Marijuana). In accordance with the amendment, a facility for the growing of fruits, vegetables, herb plants, and the production of medical marijuana is permitted. Additionally, processing and sales of medical marijuana, including but not limited to storing, drying, processing, analyzing, selling, shipping and destroying of medical marijuana or its by-products are permitted, in accordance with the Controlled Drugs and Substances Act, S.C 1996 and the Marijuana for Medical Purposes Regulations, SOR/2013-119, as amended from time to time. to the In the Energy Centre Industrial (ECI) zone, where Agricultural uses are permitted.

An additional facility, was established within the urban area on lands within the Energy Centre Industrial (ECI) Zone. This zone permits an "Agriculture, General" use<sup>3</sup>. It does

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<sup>3</sup> For reference, the Zoning By-law includes the following definition for "Agricultural, General": the cultivation of land; of row, field and berry crops; including greenhouse and horticultural crops; raising of livestock; raising of other animals for food, fur, or fibre, including poultry and fish; aquaculture; apiaries; greenhouses; forestry/silviculture; maple syrup production; and associated on-farm buildings and structures.

not appear that there has been a site-specific amendment to establish a cannabis facility in this instance.

# 4.0 OPTIONS FOR MILTON

The oversight of the “cannabis supply chain” is identified as a shared responsibility across federal and provincial and territorial governments, municipalities, industry and other stakeholders. As noted in previous sections of this report, the Federal government (Health Canada) is responsible for issuing the various licenses associated with activities that fall under the broad umbrella of cannabis production and processing (e.g. processing, micro-cultivation, research, cultivation, nursery, etc.). One of the requirements an applicant for a license must demonstrate its compliance with the Cannabis Act and its regulations as well as compliance with other applicable federal, provincial and territorial legislation and municipal by-laws (including the Zoning By-law). In this regard, a municipality may institute local controls for the establishment of the use within its jurisdiction. While there is no obligation for a municipality to permit cannabis cultivation in specific areas, given the emergence of this use throughout the province, it is appropriate for the Town to consider potential options available to allow for a greater involvement in the decision making process with respect to where and how the use may be permitted.

## 4.1 Questions to Consider

Questions to consider in developing a viable option for the Town to implement are described in the following section.

### 1. Should the use be defined?

The Town’s Official Plan(s) (1997 and OPA 31) do not make any explicit recognition of Cannabis Production and Processing facilities as a specific use. The Official Plans do, however, do include definitions for ‘Agriculture Use’ and ‘Light Industry’. As discussed in previous sections of this report, there is strong evidence that supports the recognition of a Cannabis Production and Processing facility as an ‘Agricultural Use’ in the rural context and an ‘Industrial Use’ in the urban/industrial context and would be considered permitted within land use designations that allow for these uses without an amendment to the Official Plan.

The Town’s current framework specifically recognizes a Medical Marijuana Production Facility in the Urban Zoning By-law as a defined term and permitted use (limited to the General Industrial (M2) Zone only). This definition is reflective of previous legislative and regulatory framework, as well as a prior definition, as set out under the ACMPR. The Cannabis Act, and associated regulations thereunder, are now in effect and have replaced the ACMPR and the Cannabis Act has introduced a new framework which allows for production and processing of cannabis for both medical and recreational purposes. As a result, the current definition in the Town’s By-law does not fully capture the intent of the Cannabis Act nor does it reflect the new terminology (Cannabis).

There is no such defined term and use in the Rural By-law; however, as discussed above, there is strong evidence that supports the recognition of this use as an 'Agricultural Use' in the rural context given the characteristics of the use meeting that definition.

The best practice review completed as part of this study identifies that there are a variety of ways in which municipalities have defined the use in both the Official Plan and Zoning By-law. Most municipalities have introduced the use as a defined term in the Zoning By-law, at a minimum (except Kincardine). Others have included definitions in both the Official Plan and Zoning By-law (Hamilton, Halton Hills). Some municipalities have clarified the extent to which the use is or is not agricultural in nature. For example, Hamilton recognizes Cannabis Growing and Harvesting as an Agriculture Use, but clarifies that it does not constitute an Urban Farm or Standalone Agricultural Processing Establishment while Norfolk does not consider Cannabis Production and processing to constitute a Farm and has taken the position that the use is not agricultural in nature. Halton Hills has opted to define the use by strictly adopting the definitions contained within the Cannabis Act that pertain to specific licenses one may obtain.

Any option explored by the Town should consider the extent to which the use is to be defined in both the Official Plan and Zoning By-law. Providing for definitions allows specific reference to the uses and can provide for additional regulations and policies specific to those uses as well as criteria for consideration that are specific to the defined use.

## **2. Where should the use be permitted?**

Currently, the Town permits the establishment of a Medical Marijuana Production facility in the General Industrial (M2) Zone only. As noted throughout this report, most municipalities reviewed allow for the introduction of the use within both Agricultural and Industrial areas, subject to a variety of criteria set out in either the Zoning By-law (Erin, Norfolk), or both the Official Plan and Zoning By-law (Hamilton, Halton Hills), while Kincardine allows to the introduction of the use in the Agricultural and Industrial areas, subject to establishing the use through a Zoning By-law Amendment.

In terms of locational criteria, this report has identified additional land use designations and zones which warrant consideration for permitting the use, including:

### **Urban Area**

- Employment (EMP-2);
- General Industrial (M2);
- Extractive Industrial (MX);
- Business Park (M1);

### **Rural Area**

- Business Park (M1);
- General Industrial (M2);
- Extractive Industrial (MX);
- Agricultural (A1); and,
- Rural (A2).

## **3. Should specific regulations and/or policy criteria apply to the use?**

Currently, the Town's Urban By-law contains specific regulations that are applicable to Medical Marijuana Production Facilities, including the prohibition of outdoor storage and the requirement of a 70 metre separation from sensitive uses (Residential Zone, Commercial Zone, Institutional Zone, or any lot with a school, hospital, place of worship or daycare centre), among others.

Introducing specific regulations for cannabis production and processing facilities within the Zoning By-law has been utilized by many municipalities to address matters such as parking, separation, building size and location of security buildings, among others.

Hamilton is the only municipality reviewed that includes a gross floor area (GFA) cap for new buildings (they do not limit GFA for the adaptive reuse of existing buildings). It is our understanding that there have been several requests for amendments to the Zoning By-law in this regard as the GFA cap included in the regulations does not meet facility needs of producers.

With respect to separation distances, the standard applied for industrial zones typically ranges from 70 metres to 150 metres while the standard applied for agricultural zones is generally 150 metres, save and except for Norfolk County where 300 metres separation is required unless an applicant can demonstrate odour impacts are mitigated on site. In the case of Norfolk, even when air treatment control measures are applied and an applicant can demonstrate odour issues can be mitigated, the separation cannot go below 150 metres. Similarly, Halton Hills requires a 150 metre setback, however allows for reductions where applicants can demonstrate odour issues are mitigated on site (a Zoning By-law Amendment would be required). With respect to separation in the agricultural area, it is important to note that the City of Hamilton's Rural Zoning By-law Amendment has been appealed to the LPAT by several existing and proposed cannabis production facilities in the area, with the separation and setbacks remaining the outstanding issue.

Some municipalities have also introduced an additional level of control for facilities within the agricultural area by including specific policies into Official Plans that set out criteria under which Zoning By-law amendment applications for cannabis production and processing facilities are to be assessed (Halton Hills). Other municipalities have used the Official Plan to identify supporting studies required as part of a development (site plan) application for a cannabis production and processing facility.

The regulations under the Cannabis Act allow licenses for outdoor cultivation of cannabis. It is important to note that because Zoning By-laws can only regulate land uses, buildings and structures, it is difficult to control for outdoor cultivation. However, two of the municipalities reviewed have introduced mechanisms to control for the use of outdoor cannabis cultivation, to the extent possible, through the introduction of alternate standards for outdoor cultivation as well as a specific defined use. In the case of Halton Hills, outdoor cultivation is subject to the 150 metre separation as well as an additional requirement that it be setback a minimum of 50 metres from adjacent lot lines. In the case of Norfolk County, outdoor cultivation would be subject to the 300 metre separation requirement for a sensitive use. Additionally, outdoor cultivation is limited to the Agriculture and Protected Countryside Zones in Halton Hills.

Overall, with respect to specific provisions, regulations, policies and criteria for cannabis production and processing facilities, the best practice review identifies that there are a variety of means by which the land use can be addressed and regulated at a municipal level, ranging from a more flexible approach (e.g. Hamilton, Erin) to a more prescriptive approach (e.g. Norfolk County, Halton Hills).

Any option considered by the Town should aim to strike a balance between providing flexibility for operators while maintaining an appropriate amount of authority to control for matters of compatibility and safety.

#### **4. Should individual site-specific amendments be required for the use?**

Most of the municipalities reviewed permit the use within the industrial zones as-of-right (i.e. no Zoning By-law Amendment is required unless the applicant, for one reason or another, requires relief from a certain requirement of the zone, such as a yard setback or height). Note that it is unclear whether Kincardine would permit the use within an industrial zone as-of-right, as an industrial greenhouse or other industrial use, or if an amendment would be required as the existing 7Acres facility was permitted as a conversion of an existing facility and there does not appear to be an associated site specific amendment applicable to this facility.

Certain municipalities have opted to require individual site- specific amendments to the Zoning By-law for proponents wishing to establish the use in the rural or agricultural area (Halton Hills, Kincardine) while others have provided a regulatory framework intended to mitigate the need for excessive site-specific amendment applications, by permitting the use as-of-right but allowing for amendments where necessary to address site specific issues (Hamilton, Erin, Norfolk). Erin has included a provision that identifies applications for Minor Variance are not permitted for facilities and any relief sought must be through the rezoning process.

In the case of Halton Hills, the rationale provided for requiring site specific amendments in the Agricultural and Protected Countryside was to provide for a heightened level of control in these areas to protect the Regional Natural Heritage System. The criteria which must be met by a proponent is set out in the Official Plan in this instance.

Similar to the discussion above regarding regulations, in considering whether site-specific amendments should be required to establish the use in the Town, consideration should be given to staff resourcing and processing times for amendment applications as well as balancing the need for flexibility on the operator end and maintaining a level of control to ensure compatibility of the use with the surrounding character of the area in both the rural and industrial contexts. As an economic activity does the Town want to impose additional requirements to permit the use?

#### **5. Should Cannabis Production and Processing Facilities be subject to Site Plan Control?**

Section 41 of the Planning Act allows municipalities to identify and designate areas under which site plan control is applicable. In such an area, development is not permitted until a site plan has been approved by the Council of the municipality, or their designate, or the Local Planning Appeal Tribunal in the event of an appeal.

All municipalities reviewed as part of the best practice analysis have amended their Site Plan Control By-law to include provisions in their Official Plan, or both, which implement site plan control for cannabis production and processing facilities in both industrial and agricultural zones. In the case of Kincardine, the Official Plan requires that all new industrial development be subject to Site Plan Control.

In considering options for implementing a regulatory framework in the Town of Milton, it will be important to determine whether Site Plan Control should be applicable to both industrial and agricultural areas, one or the other, or neither. The current site plan control



by-law applies to the entire Town and as such any new development under Section 41 would require a site plan process and approval with the exception of agricultural and farm related buildings and grade-related residential buildings containing eight (8) or fewer dwelling units all having frontage on a private street. This process is used by municipalities to also address issues of functional servicing and servicing capacity and it may be beneficial to ensure the facilities are required to go through a site plan process.

**6. Should on-farm diversification/tourism uses be permitted in conjunction with a Cannabis Production and Processing Facility in the Rural and Agricultural areas? Should a dwelling located on the same property as a Cannabis Production and Processing Facility be exempt from any separation requirements implemented for the use?**

The Provincial Policy Statement provides opportunities to the introduction of on-farm diversification and tourism uses within agricultural areas. As noted in previous sections of this report, with respect to on-farm diversified uses, the best practice review completed as part of this study identified that one municipality (Norfolk) has introduced a framework that contemplates the future potential for cannabis production and processing facilities to play an important role in the agri-tourism industry by permitting uses such as hotel, tourist cabin and place of assembly on the site as accessory uses to the facility. Introducing such a framework would be supported by the policies of the PPS, pertaining to on-farm diversification.

It will be important for the Town to consider whether permitting agri-tourism uses as accessory to a cannabis production and processing facility is something of interest to pursue at this time, or if it is something that would be better explored at a later date, once there has been more time to fully evaluate and understand the relationship between the cannabis industry and the tourism/ agri-tourism industry. Additionally, it will be important to consider any implications of providing such opportunities.

Related to this topic, Norfolk County has also made provisions in their Zoning By-law which exempts a dwelling located on the same property as a cannabis facility from the setback and separation requirements for cannabis facilities. The rationale for including this exception in the By-law is similar to that for other farm parcels, where a farmer or farm operator may live on the same property as the farming operation, they would be exempt from Minimum Distance Separation (MDS) formulae requirements for setback distances between a residential dwelling and livestock facilities. Applying a similar approach in the Town of Milton may be appropriate and should be considered in the development of options.

## 4.2 Options for Consideration

Based on the policy and regulatory context described in the background review, the best practice municipalities examined, and the questions to be considered in developing options noted in Section 4.1, above, we have identified Four (4) options for consideration, which are described in this section.

**Option 1: Permit only Medical Marijuana Facilities within the Town, in the zone where the use is currently permitted – do not permit recreational facilities<sup>4</sup>?**

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<sup>4</sup> It is important to note that the Town has opted in to recreational production and, accordingly, Option 1 is technically not viable in this regard and is presented for information purposes in order to provide the full picture of options.

Based on the background research completed to date, we have identified that the Town's current definition of "Medical Marijuana Production Facility" does not fit within the current Federal regulatory framework, primarily because it reflects the ACMPR regulations. The intent of the definition, and associated regulations, is to allow for the establishment of a facility for the production and processing of cannabis for medical purposes only.

As noted in the AMO guide, municipalities are not obligated to permit cannabis production and processing facilities in any area within their jurisdiction if they so choose. The Town has previously elected to allow Medical Marijuana Facilities, as set out in the ACMPR, within the General Industrial (M2) Zone, subject to specific regulations. One option for consideration, then, would be to continue to allow facilities for the production and processing of cannabis for medical purposes only within the Town in accordance with the existing regulations (i.e. make no changes).

A similar approach was applied by Erin, where the definition limits development to a "Medical Cannabis Production Facility". It is important to note, however, that the Zoning By-law Amendment in Erin was adopted prior to the Cannabis Act receiving royal assent and planning staff noted that there may be a re-examination of this definition in the future to reflect the regulations set out in the Cannabis Act, following a more detailed review.

The implementation of this option would include the following:

- No changes or further actions would be required to implement this option

**Option 2: Permit Cannabis Production and Processing Facilities in the Town, only in the zone where Medical Marijuana Facilities are currently permitted.**

As noted above, the existing definition contained within the Town's Urban Zoning By-law is out of date and not reflective of the framework set out under the Cannabis Act, which allows for the establishment of Cannabis Production and Processing Facilities for medical and recreational purposes.

Given that the Town currently permits Medical Marijuana facilities within the General Industrial (M2) Zone, subject to specific regulations, one option for consideration would be to update the existing definition in the By-law to allow for the establishment of the use for either medical or recreational purposes by adopting the terminology set out under the Cannabis Act and maintaining the existing regulations for the use set out in the By-law.

A similar approach was applied, in part, by the City of Hamilton, where the definitions in the UHOP, RHOP and Zoning By-law were updated to reflect the terminology used in the Cannabis Act. However, in the case of Hamilton, regulations were also updated concurrently with the definitions and the permissions were extended into additional zones.

The implementation of this option would include the following:

- An amendment to the Town's Urban Zoning By-law to replace the existing definition of "Medical Marijuana Production Facility" with the following new definition

*Cannabis Production and Processing Facility means premises used for the production, processing, testing, destroying packaging and shipping of cannabis where a license, permit or authorization has been issued under applicable federal law*

- An amendment to the Town's Urban Zoning By-law to replace the term "Medical Marijuana Production Facility" with the new term "Cannabis Production and Processing Facility" throughout such that any existing regulations for Medical Marijuana Production Facility would continue to apply to a Cannabis Production and Processing Facility

**Option 3: Permit Cannabis Production and Processing Facilities in Employment and Rural/ Agricultural areas subject to specific provisions and regulations related to the use, place cannabis production and processing facilities under site plan control, and identify additional studies required associated with development applications for the use**

One option available to the Town would be to allow for the establishment of the use in the Employment and Rural/Agricultural areas where it would be most compatible and appropriate.

The specific land use designations and zones where the use would be permitted would be set out in both the Official Plan and Zoning By-law. Further, regulations would be added to both the Urban and Rural zoning by-laws to establish specific standards for the development of a Cannabis Production and Processing Facility, including separation for sensitive uses, the location of security buildings, parking, building height and clarifications for accessory uses, among others.

One regulation that will be of importance to include is separation for sensitive uses. Based on the best practice review completed, the separation in most industrial zones is 70 metres, while the separation in most agricultural zones is 150 metres. Under this option, these metrics could be adopted in the regulations. Should an applicant be able to demonstrate, through the submission of detailed studies, that a reduction in these separation distances will not result in negative impacts, the framework should allow for these reductions through a Zoning By-law Amendment. This approach is utilized by both Norfolk and Halton Hills and would provide the operator with additional flexibility to pursue alternate standards where appropriate. With respect to the separation distance, the regulations should also identify that the separation requirement would not apply to dwellings on the same lot as a cannabis production and processing facility. We do not believe it is necessary to introduce regulations pertaining to agri-tourism at this time.

In addition to setting out specific regulations for the use in the Zoning By-law, Cannabis Production and Processing Facilities would be placed under Site Plan Control which would allow the Town to regulate the use on a property specific to elements of design and access to ensure that the character, scale, appearance and design features of the building are compatible with the surrounding area.

Under this scenario, site specific amendments to the Zoning By-law by individual applicants to establish and regulate the use would not be required unless the applicant, for some reason, is unable to meet the regulations set out in the By-law or is pursuing an alternate regulation for separation distance. This approach is similar to that taken in Hamilton and Erin, where the intent is to allow for the use to proceed directly to site plan, avoiding the need to process individual zoning by-law amendment applications each time which is onerous from both a staffing and applicant perspective.

Areas under Niagara Escarpment Commission Development Control would continue to fall outside of the reviewing responsibility of the Town and would be assessed by the NEC, with an NEC Development Permits issued based on the evaluation of staff at the NEC. Areas located within the Regional NHS would continue to be addressed and

assessed as they would all other forms of agriculture and industry in areas within the NHS.

As part of a development application for a Cannabis Production and Processing Facility (either site plan or site-specific rezoning), the Official Plan would provide guidance respecting the types of studies required to evaluate the application(s) in relation to impact on surrounding areas from a noise, odour and traffic perspective. It would also clarify that applications for minor variance would not be permitted for Cannabis Production and Processing Facilities and any alternate standards pursued would be required to undergo a full rezoning process.

The implementation of this option would include the following:

- An amendment to the Town's Urban Zoning By-law to replace the existing definition of "Medical Marijuana Production Facility" with the following new definition:  
  
*Cannabis Production and Processing Facility means premises used for the production, processing, testing, destroying packaging and shipping of cannabis where a license, permit or authorization has been issued under applicable federal law;*
- An amendment to the Town's Rural Zoning By-law to add the definition of Cannabis Production and Processing Facility noted in the bullet above;
- An amendment to the Town's Urban Zoning By-law to extend the use to be permitted in the Employment (EMP-2), General Industrial (M2), Extractive Industrial (MX) and Business Park (M1) zones;
- An amendment to the Town's Rural Zoning By-law to permit the use in the Business Park (M1), General Industrial (M2), Extractive Industrial (MX), Agricultural (A1); and Rural (A2) zones;
- An amendment to both the Rural and Urban Zoning By-laws to introduce specific regulations for Cannabis Production and Processing Facilities;
- An amendment to the Town's Official Plan to introduce the definition, establish baseline policies for Cannabis Production and Processing Facilities in the Town which can be implemented through the Zoning By-law in greater detail, identify studies required in support of a development application for a Cannabis Production and Processing Facility, and require that Cannabis Production and Processing Facilities be subject to Site Plan Control<sup>5</sup>; and,
- An amendment to the Town's Site Plan Control By-law to add Cannabis Production and Processing Facilities as a use subject to Site Plan Control.

**Option 4: Permit Cannabis Production and Processing Facilities in Employment and Rural/ Agricultural Areas, subject to individual site-specific zoning by-law amendments, place cannabis production and processing facilities under site plan control and identify studies required for a development application for the use**

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<sup>5</sup> This option does not recommend implementing a size restriction specific to cannabis production and processing facilities. The size and scale of development would be best covered by regulations that deal with the size and scale of other industrial or agricultural uses.

A fourth option available to the Town would be to allow for the establishment of the use in the Employment and Rural/Agricultural areas through individual site-specific amendments to the Zoning By-law. Under this scenario, a policy framework would be included in the Town's Official Plan which establishes criteria under which a site-specific zoning by-law application for a Cannabis Production and Processing facility may be made and evaluated by staff. This approach is similar to the approach taken by the Town of Halton Hills with respect to facilities in the rural and agricultural areas.

Under this scenario, the Official Plan criteria would identify appropriate land use designations where Cannabis Production and Processing Facilities would be considered appropriate and would also include evaluation criteria related to impact analysis, compatibility analysis, traffic analysis, and separation for sensitive uses, among others.

As part of a development application for a Cannabis Production and Processing Facility, the Official Plan would provide guidance respecting the types of studies required to evaluate the application(s) in relation to impact on surrounding areas from a noise, odour and traffic perspective. It would also clarify that applications for minor variance would not be permitted for Cannabis Production and Processing Facilities and any alternate standards pursued would be required to undergo a full rezoning process.

Additionally, Cannabis Production and Processing Facilities would be placed under Site Plan Control which would allow the Town to regulate the use on a property specific to elements of design and access to ensure that the character, scale, appearance and design features of the building are compatible with the surrounding area.

The use would be added as a definition to the Zoning By-law, however would not be permitted out right in any zone.

The implementation of this option would include the following:

- An amendment to the Town's Urban Zoning By-law to replace the existing definition of "Medical Marijuana Production Facility" with the following new definition:

*Cannabis Production and Processing Facility means premises used for the production, processing, testing, destroying packaging and shipping of cannabis where a license, permit or authorization has been issued under applicable federal law;*

- An amendment to the Town's Rural Zoning By-law to add the definition of Cannabis Production and Processing Facility noted in the bullet above;
- An amendment to the Town's Urban Zoning By-law to remove all existing regulations pertaining to Medical Marijuana Production Facility;
- An amendment to the Town's Urban Zoning By-law to remove the use from the permitted use list in the Industrial Zones;
- An Amendment to the Town's Official Plan to introduce the definition as well as policies for Cannabis Production and Processing Facilities pertaining to:
  - Particular land use designations where the use would be considered;

- Criteria under which applications for zoning by-law amendments to establish the use in an appropriate land use designation would be accepted and evaluated;
- Special studies required as part of a development application for a Cannabis Production and Processing facility;
- An amendment to the Town's Official Plan to identify that Cannabis Production and Processing Facilities are subject to Site Plan Control; and,
- An amendment to the Town's Site Plan Control By-law to add Cannabis Production and Processing Facilities as a use subject to Site Plan Control.

## 4.3 Town of Milton Property Standards By-law

As noted in Section 2.5.4 of this report, the Town of Milton Property Standards By-law includes standards for Marijuana Grow and Clandestine Drug Lab Operations. Regardless of the option selected for regulating Cannabis Production and Processing Facilities in policy and zoning, an amendment to the Property Standards By-law will be required under any scenario. The amendment to the Property Standards By-law would include the following:

- Introduction of the newly defined use "Cannabis Production and Processing Facility";
- Introduction of a clear definition for an "Illegal Marijuana Grow Operation"; and,
- Clarification that the property standards by-law pertaining to Marijuana Grow facilities does not apply to a federally licensed Cannabis Production and Processing Facility, an individual in possession of a 'designated growers' license, or the growing of up to four plants for personal consumption on a private property and applies only to an Illegal Marijuana Grow Operation.

# 5.0 RECOMMENDATION AND NEXT STEPS

Based on the background research and best practice review, we recommend “Option 3” as the preferred option. The rationale for this recommendation is set out below:

1. The production and processing of cannabis for both medical and recreational purposes is now legal, subject to obtaining the appropriate Federal approvals;
2. The cultivation of cannabis is carried out in very a very similar manner to other agricultural activities, including the cultivation of crops inside a greenhouse or the cultivation of crops outdoors, within the rural context;
3. The cultivation of cannabis can be carried out in an industrial setting in a similar manner to other industrial (i.e. warehouse, processing and manufacturing) activities;
4. Permitting the use would provide the Town with an opportunity to enhance the economic prosperity of the Town, particularly in the form of job creation associated with a new facility which could accommodate a significant number of jobs;
5. There is strong evidence to support the introduction of a specifically defined use and associated regulations within both an urban industrial and rural/agricultural context to allow for specific controls related to separation, security, and site design, among others;
6. Requiring individual site-specific amendments, versus allowing the use as-of-right subject to compliance with a set of clearly established regulations, is more onerous from both a staffing and applicant perspective;
7. Introducing a set of clear requirements in the Official Plan with respect to development applications and the evaluation of same, as well as placing the use under Site Plan Control, will provide the Town with a level of control and certainty over how individual facilities will develop;
8. With the legalization of the production and processing of cannabis at a larger scale, as well as the permission to grow up to four plants on an individual property, there is a need to update the Property Standards By-law to provide clarity to ensure municipal law enforcement officers continue to be able to enforce the by-law with respect to illegal operations;
9. Regulating the use is consistent with approaches taken in other jurisdictions throughout the Province;
10. The Provincial Policy Statement contains policy direction which speaks to the provision of opportunities for agriculture operations; and,
11. Permitting and regulating the use is consistent with the Provincial Policy Statement, 2014 and conforms to the 2019 Growth Plan and 2017 Greenbelt Plan.

A copy of the proposed draft amendments (Official Plan, Zoning By-law, Property Standards and Site Plan Control) are included in this report as **Appendix 8**.

Following a public meeting to receive input on the proposed amendments to implement the recommended option, refinements will be made as necessary, and a final recommendation will be brought forward for consideration by Council.



# Appendix 1

## **Cannabis Licensing Application Guide**



# **CANNABIS LICENSING APPLICATION GUIDE**

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**Application Requirements and Process to  
Become a Licence Holder under the *Cannabis  
Act* and its Regulations**



Government  
of Canada

Gouvernement  
du Canada

**Canada** 

The *Cannabis Act* establishes that an application for a licence must be filed with the Minister in the form and manner specified by the Minister and must include the information required by the Minister. This guide sets out the application process including the form and manner for submitting an application for a licence and the information that is required to be submitted. In accordance with the *Cannabis Act*, the Minister may also request any additional information that pertains to the information contained in an application and that is necessary to consider it. It is important to note that in the case where any information required to be submitted is not provided, the Minister may refuse to consider an application.

Health Canada is committed to protecting personal information as well as confidential business information that is under its control. Ensuring the confidentiality, integrity, and availability of information is essential to government decision making and the delivery of services and Health Canada recognizes that the protection of this information is an essential element in maintaining public trust in government. Health Canada has a systematic process in place to protect this information including the identification and categorization of information, implementation of appropriate privacy training for personnel and information technology safeguards consisting of restricting access, including the level of access, to information in the Cannabis Tracking and Licensing System (CTLS) to those who need access to perform their duties. There may be instances where personal and/or confidential business information contained in applications made to Health Canada may be disclosed; however, only as required or permitted by law.

In addition to protecting your personal information, the *Privacy Act* gives you the right to request access to and correct your personal information. For more information about these rights, or about our privacy practices, please contact the Privacy Coordinator at 613-946-3179 or [privacy-vie.privee@hc-sc.gc.ca](mailto:privacy-vie.privee@hc-sc.gc.ca). You also have the right to file a complaint with the Privacy Commissioner of Canada if you think your personal information has been handled improperly.

#### **Disclaimer**

This document should be read in conjunction with relevant sections of the *Cannabis Act* and its Regulations. In the case of any discrepancies between this document and the *Cannabis Act* and its Regulations, the latter shall prevail. In cases of discrepancy between the Cannabis Tracking and Licensing System (CTLS) and the Regulations or guidance, the *Cannabis Regulations* and this guide should be referred to for the established requirements and terminology.

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## 1.0 Purpose

This document (the “Guide”) provides information on the application requirements to obtain a licence from Health Canada under the *Cannabis Act* and its Regulations.

## 2.0 Background

The *Cannabis Act* and its Regulations provide, among other things, the framework for legal access to cannabis and control and regulate its production, distribution and sale.

The oversight of the cannabis supply chain is a shared responsibility across federal and provincial and territorial governments, municipalities, industry and other stakeholders. One of Health Canada’s responsibilities is to provide the licensing and oversight framework for legal production of cannabis. Under this framework, a person is required to obtain a licence issued by Health Canada in order to conduct various activities with cannabis. Applicants and licence holders are responsible for compliance with the *Cannabis Act* and its Regulations as well as compliance with other applicable federal, provincial and territorial legislation and municipal by-laws.

The *Cannabis Act* establishes that an application for a licence must be submitted to Health Canada in the form and manner specified by the Minister<sup>1</sup> and must include the information required by the Minister. This guide sets out the application process including the form and manner for submitting an application for a licence and the information that is required.

Health Canada publishes other guidance documents and information on its website that may be used in conjunction with this document to assist applicants in preparing their applications. In order to maintain consistency and transparency, this guide, as well as other guidance documents and information, will be updated, as required, to reflect changes to policies and/or operations.

## 3.0 Scope

This document provides guidance to anyone wishing to apply for a licence (“the applicant”) under the *Cannabis Act* and its Regulations to conduct activities in relation to the following classes and subclasses of licences:

- Cultivation (including licences for micro- and standard cultivation or nursery)
- Processing (including licences for micro- or standard processing)
- Sale for medical purposes

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<sup>1</sup> Throughout this guide, there are references to actions that would be taken by the Minister under the *Cannabis Act* and its Regulations, often in the context of decision-making. In many cases, it is anticipated that the decision-making function would not be exercised personally by the Minister, but instead by an official in the Department of Health who has been delegated that responsibility in accordance with the *Salaries Act*.

- Analytical testing
- Research

The following activities are not addressed in this guide:

- Application for an industrial hemp licence
- Application for a cannabis drug licence
- Test kit manufacturing
- Post-licensing applications including licence amendments and renewals, notifications, and applications for import or export permits
- Reporting including inventory, recall, and information related to promotions and adverse reaction reporting
- Applications for registration by an individual to access cannabis for medical purposes as outlined in Part 14 of the *Cannabis Regulations*
- Any other items identified as regulatory requirements outside the scope of these specific application requirements

For more information on requirements associated with the activities that are not addressed in this guide, applicants may refer to the *Cannabis Act* and its Regulations, additional guidance published on the [Health Canada website](#), or contact Health Canada as outlined in section 8 of this guide.

In addition, this guide does not include information on additional licensing requirements that may be required by the Canada Revenue Agency or provinces and territories.

Of particular note, Health Canada has established a national cannabis tracking system, referred to as the Cannabis Tracking and Licensing System (CTLS), to enable the tracking of high-level movements of cannabis and to help prevent diversion from and inversion into the regulated supply chain. The system is also used by applicants to apply to Health Canada for a cannabis licence. Applicants should be familiar with the use of this system and should refer to the CTLS User Guide for more information, available upon request from [cannabis@canada.ca](mailto:cannabis@canada.ca). This guide is based on the CTLS release 1.2.

Supplemental information, including on cost recovery fees, will be provided by Health Canada when applicable.



In cases of discrepancy between the CTLS and the *Cannabis Regulations* or guidance, or if the use of the CTLS is not feasible, Health Canada should be contacted for further information. The *Cannabis Regulations* and this guide should be referred to for the established requirements and terminology.

## 4.0 Definitions and Abbreviations

### 4.1 Definitions

The *Cannabis Act* and its Regulations should be referred to for definitions. The definitions in this section are provided for ease of reference.

**Cannabis Tracking and Licensing System (CTLS):** The name of the national cannabis tracking system as referred to in the *Cannabis Act*, established and maintained by Health Canada to enable tracking of high-level movements of cannabis and to help prevent diversion from and inversion into the regulated supply chain. It is also the system that applicants should use to apply to Health Canada for a cannabis licence.

**Key investor:** As defined in the *Cannabis Regulations*, means, in respect of the holder of a licence, a person that exercises, or is in a position to exercise, direct or indirect control over the holder by virtue of:

- (a) having provided money, goods or services directly or indirectly to the holder; or
- (b) holding an ownership interest or other right or interest in, or in respect of, a business operated by the holder or, if the holder is an organization, in or in respect of the organization.

Refer to Appendix G: Key Investors, for more information.

**Local government:** As defined in the *Cannabis Regulations*, includes:

- (a) an incorporated city, metropolitan area, town, village or other municipality;
- (b) an authority responsible for delivering municipal services that are related to the activities to be conducted under the licence to an unincorporated city, metropolitan area, town, village or other municipality;
- (c) a band, as defined in subsection 2(1) of the *Indian Act*; or
- (d) a First Nation, Métis or Inuit government that is party to a self-government or land claims agreement that is given effect by an Act of Parliament, or a First Nation, Métis or Inuit government established under a provincial Act.

**Organizational security plan (OSP):** An integrated plan that broadly outlines security information and operating procedures. It captures the security risk mitigation measures a licence holder takes to prevent, detect and respond to potential security incidents that could result in the diversion of cannabis to or from the illicit market.

**Organizational chart:** Visual representation of how authority, responsibility, and information are to flow within a formal organizational structure. It usually depicts different management functions (accounting, finance, human resources, marketing, production, research and development, etc.) and their subdivisions as boxes linked with lines along which decision making power travels downward and answerability travels upward. For the purposes of the application, the following two types of organizational charts are required:

**Corporate organizational chart (for corporations, cooperatives and partners):** Outlining the relationships of directors and officers (if a corporation or cooperative) or partners in a partnership, as well as any individuals, partnerships, cooperatives or corporations that directly control the licence.

**Site organizational chart:** This chart, which forms part of the organizational security plan, outlines the structure of the licence holder's organization showing the relationships of the management positions within it. For example, in addition to the officers, this chart must identify all persons who are primarily responsible for the following activities or have the following knowledge:

- i. any product movement beyond minimal amounts
- ii. setting operational procedures, including standard operating procedures
- iii. sensitive security or business knowledge
- iv. financial controls, including but not limited to the ability to enter into contracts for goods and services

**Security clearance:** As defined in the *Cannabis Regulations* means, except in paragraph 53(2)(g) of the Regulations, a security clearance granted by the Minister under section 67 of the Act and includes, for the purpose of paragraph 53(2)(e) of the Regulations, a security clearance granted under section 112 of the former *Access to Cannabis for Medical Purposes Regulations*.

**Site:** As defined in the *Cannabis Regulations* means, in respect of a holder of a licence, an area that is used exclusively by the holder that consists of at least one building or one part of a building. This typically includes:

**Storage area:** As defined in the Regulations means, in respect of a site set out in a licence, an area of the site where cannabis is stored.

**Grow area:** As defined in the Regulations means, in respect of a site set out in a licence, an area of the site where cannabis plants are cultivated, harvested or propagated.

**Operations area:** As defined in the Regulations means, in respect of a site set out in a licence, an area of the site — other than a storage area — where cannabis is present as a result of any activities conducted under the licence. It includes a grow area.

**Cannabis product:** As defined in the *Cannabis Regulations* means, cannabis of only one of the classes that are set out in Schedule 4 to the *Cannabis Act* — or a cannabis accessory if that accessory contains such cannabis — after it has been packaged and labelled for sale to a consumer at the retail level, but does not include a drug containing cannabis.



## 4.2 Abbreviations

CTLS Cannabis Tracking and Licensing System

*FDA Food and Drugs Act*

GPP good production practices

OSP organizational security plan

QAP quality assurance person

RCMP Royal Canadian Mounted Police

SOP standard operating procedure

The following icons are used throughout this guide to highlight specific information of interest.



**Important:** Key or cautionary information, in particular, around data required in the CTLS.



**Information:** Highlights that there may be differences in requirements among licence classes (e.g., different requirements for analytical testing or research).

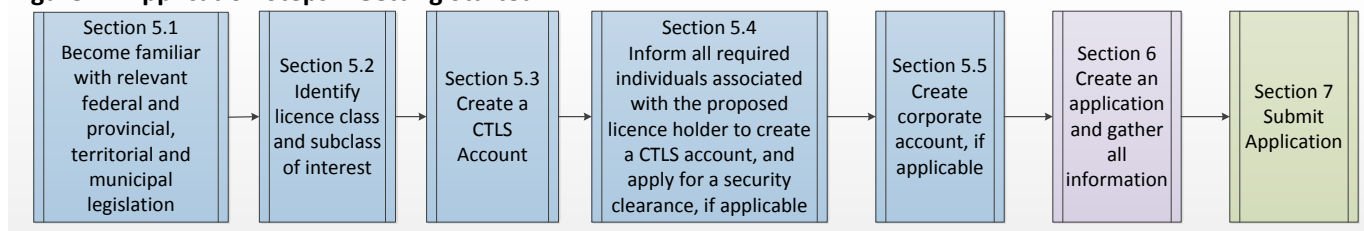


**Tip:** Information that could be helpful.

## 5.0 Application Requirements: Getting Started

There are some specific actions that applicants should undertake when creating an application to Health Canada. The CTLS User Guide may be referred to for more information. The process flow outlined in Figure 1 provides a general summary.

**Figure 1: Application Steps – Getting Started**



The applicant is not required to complete the application process in one session. The application may be started in CTLS and left in Draft status until the applicant is ready to submit it.

### 5.1 Knowledge areas

When applying for a licence, it is recommended that the applicant be familiar with the knowledge areas outlined below. This knowledge will help the applicant comply with the applicable requirements of the *Cannabis Act* and its Regulations as well as other federal and provincial or territorial legislation and regulations and/or municipal by-laws.

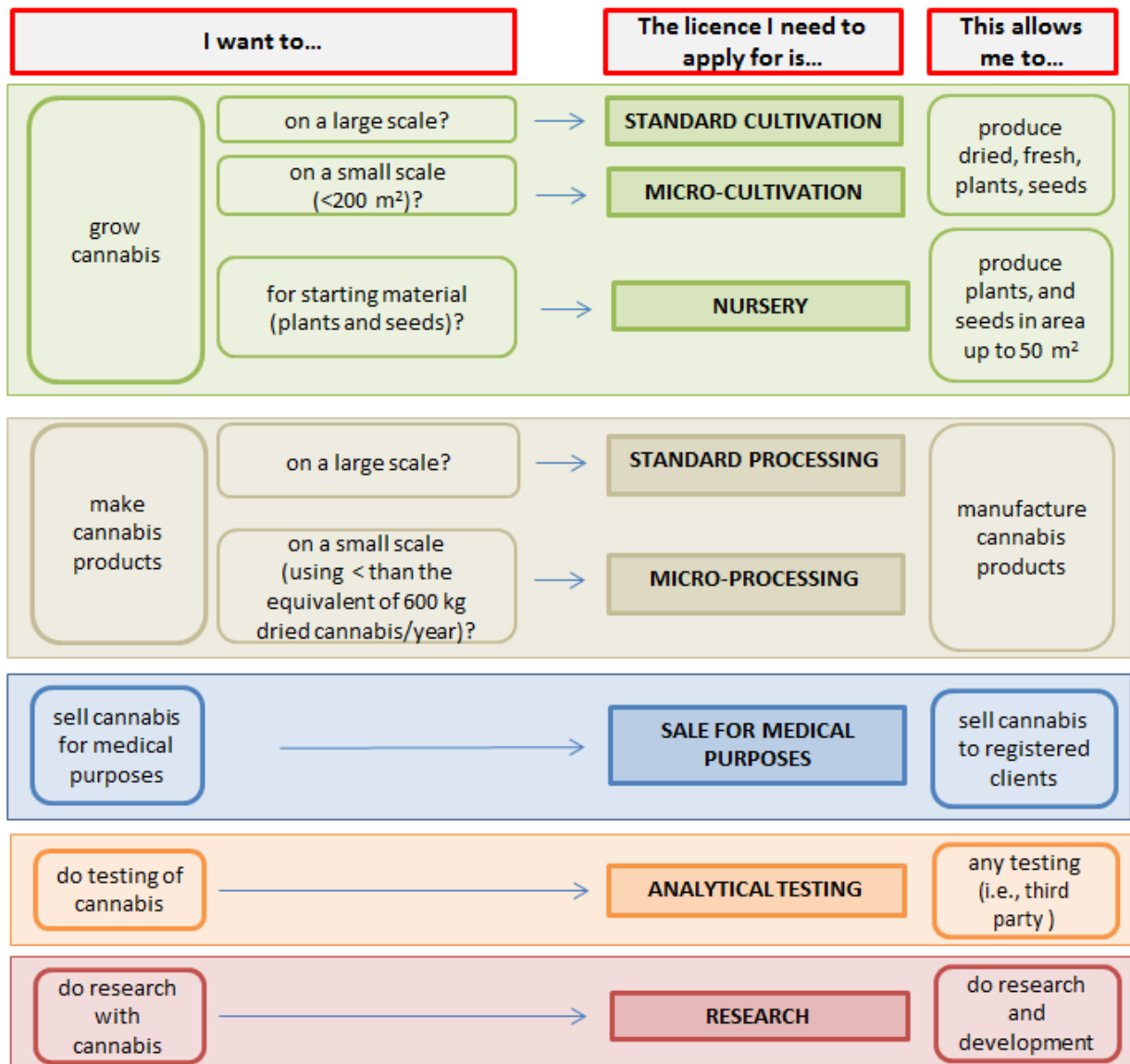
Table 1: Knowledge areas	
Key areas to be familiar with:	Notes/References
The <i>Cannabis Act</i> and its Regulations	Links may be found on <a href="#">Health Canada's website</a> .
Other federal Acts and Regulations	<p>Applicants are responsible for complying with applicable requirements of other Acts and Regulations such as the <i>Food and Drugs Act (FDA)</i>, the <i>Pest Control Products Act</i> and the <i>Fertilizer Act</i>, among others.</p> <p>For some research licences under the <i>Cannabis Act</i> as well as for cannabis drug licences, additional approvals are also required under the FDA and its Regulations.</p>

The Canada Revenue Agency	Depending which activities will be conducted with cannabis, a cannabis licence under the <i>Excise Act</i> (2001) may also be required. For more information consult the Canada Revenue Agency at: www.canada.ca/cannabis-excise cannabis@cra-arc.gc.ca 1-866-330-3304
Provincial or territorial legislation and regulations, and, municipal by-laws	It is the applicant's responsibility to comply with all applicable provincial or territorial laws and regulations (e.g., environmental laws) as well as municipal by-laws (e.g., zoning and building permits). The provincial or territorial or municipal body may be contacted for more information.
The Cannabis Tracking and Licensing System (CTLS)	Health Canada has established that the CTLS is the primary manner in which licence applications should be submitted. If this is not feasible, applicants may contact Health Canada for more guidance.  Applicants should be familiar with the use of the CTLS. The CTLS can be accessed directly ( <a href="https://ctls-sscdl.hc-sc.gc.ca/">https://ctls-sscdl.hc-sc.gc.ca/</a> ) or through the Health Canada website at <a href="http://www.canada.ca/cannabis">http://www.canada.ca/cannabis</a> . For more information, refer to the CTLS User Guide.
The licensing application requirements and process found in this guide	All applicable requirements need to be met in order for a licence to be issued.
Additional Health Canada guidance (e.g., including on promotions, packaging and labelling)	The <i>Cannabis Act</i> and its Regulations include requirements and prohibitions which go beyond the scope of this guide. This includes prohibitions around promotions and requirements for packaging and labelling, among others. It is the responsibility of the applicant to read and understand all the applicable requirements and any associated guidance found on the Health Canada website before applying.

## 5.2 Determine the type of licence to apply for

Applicants should be familiar with the classes and subclasses of licences to determine which class their activities of interest fall under. Requirements differ based on the licence class or subclass. Appendix B: Cannabis Classes and Subclasses of Licences should be referred to for details on each class and subclass, and Figure 2 can be used as a general reference.

**Figure 2: Cannabis Classes and Subclasses of Licences**



*An industrial hemp licence and cannabis drug licence are two other types of licences, but are outside the scope of this guide.*



Applicants may apply for any combination of class or subclass of licences in relation to the same site; however, the Minister may refuse to issue a licence, depending on the combinations, in accordance with section 29 of the *Cannabis Regulations*. Refer to Table 2: General Guide for Combinations of Licence Classes and Subclasses at a Single Site.

**Table 2: General Guide for Combinations of Licence Classes and Subclasses at a Single Site**

	Standard Cultivation	Micro-cultivation	Nursery	Standard Processing	Micro-processing	Sale <sup>2</sup>	Analytical Testing	Research
Standard Cultivation				✓		✓	✓	✓
Micro-cultivation					✓	✓	✓	✓
Nursery						✓	✓	✓
Standard Processing	✓					✓	✓	✓
Micro-processing		✓				✓	✓	✓
Sale <sup>2</sup>	✓	✓	✓	✓	✓		✓	✓
Analytical Testing	✓	✓	✓	✓	✓	✓		✓
Research	✓	✓	✓	✓	✓	✓	✓	



Although an applicant may wish to apply for multiple licence classes or subclasses at the same site, the CTLS may not currently allow this, depending on the combination of licences sought. In this case, a separate application may be submitted in the CTLS, or the applicant may contact Health Canada for more information.



Licence holders can conduct research and development activities within their authorized licensed activities. If the licence holder wishes to conduct research and development activities outside of their authorized licence activities, they must apply for a separate research licence.

### 5.3 Create an account in the CTLS

Health Canada has established the CTLS as the primary manner in which licensing applications should be submitted. The first step to create an application is to set up an individual user account in the CTLS (i.e., for the applicant who is the individual or the person who will be setting up the application for an organization). The CTLS Getting Started Guide (available on the Health Canada website) should be referred to for more information on the steps to create an account. To request an account, basic information is required including full name and salutation, email, phone number, date of birth, language preference and security information. Health Canada then provides an access code that can be used to enter the CTLS. Once an account is established, the user will have an Account ID in the CTLS.

<sup>2</sup> Sale for medical purposes



Part of the application process requires documents to be uploaded directly within the CTLS. For each section that requires documents to be uploaded, a maximum of 5 documents can be uploaded per section, each with a maximum size of 10MB per document. Applicants should combine documents where suitable and minimize extraneous content in order to submit the required documents. For assistance related to a specific licence application, an email may be sent to: [HC.licensing-cannabis-licences.SC@canada.ca](mailto:HC.licensing-cannabis-licences.SC@canada.ca). The email must clearly indicate the application file number, the applicant's name and the subject of the correspondence in the subject line of the email.



Should the CTLS (or internet) not be available, the applicant may contact Health Canada directly by phone at 1-866-337-7705 or by email at [cannabis@canada.ca](mailto:cannabis@canada.ca) for more guidance.



#### **For Indigenous Affiliated Applicants**

The Indigenous Navigator Service is designed to help Indigenous affiliated applicants effectively navigate the cannabis licensing process. This service is available to help guide self-identified Indigenous affiliated applicants through each step of the licensing process. Applicants may choose to self-identify in their CTLS application. See section 7.1 Submitting an application for further information. Indigenous affiliated applicants who wish to utilize the support of the navigator service should contact Health Canada at [navig@canada.ca](mailto:navig@canada.ca) prior to submitting their application within CTLS.

## **5.4 Associated individuals create accounts in the CTLS**

User accounts are required for a number of individuals associated with an application. These individuals must create their own individual accounts in the CTLS before an application can be submitted to Health Canada. Individuals can use the same account information for each licence application that they may be associated with. Refer to Table 3: Individuals to be Identified.



The CTLS requires that individuals who require a security clearance submit their security clearance application form before a licence application can be submitted in the CTLS. As such, the applicant may wish to have these individuals obtain their criminal record checks and apply for their security clearance, if applicable, as soon as is feasible. A licence will not be granted unless required security clearances have been granted. For information on application requirements related to personnel security clearances, refer to Appendix C: Personnel Security Clearance Application Requirements.

The applicant must ensure that the persons identified have the knowledge, qualifications, experience and ability to fulfill their responsibilities, as applicable. For more information on these elements, refer to Appendix A: Key Individuals.



The applicant should create a list of all Account IDs of individuals associated with an application. Account IDs are used to link individuals to an application in the CTLS.



An individual may hold one or multiple roles within the company, for one or more classes of licences at one site, or in some cases, multiple sites, assuming they meet all the requirements.



The CTLS requires at least one director or officer be named per corporate profile. In the case where there is no director or officer for the organization, the responsible person should be identified as an officer in this section of the CTLS.

Table 3: Individuals to be Identified		
Role	Account IDs required	Security Clearance Application Required prior to Submitting Application
Directors	For all licence classes if the applicant is a corporation or a cooperative	Yes (for all except research and analytical testing)
Officers	For all licence classes if the applicant is a corporation or a cooperative	Yes (for all except research and analytical testing)
Partners	For all licence classes if the applicant is a partnership	Yes (for all except research and analytical testing)
Licence holder (where holder is an individual)	For all licence classes	Yes (for all except research and analytical testing) <sup>3</sup>
Responsible person	For all licence classes. Note: this can be the individual who is the licence holder	Yes (for all except research and analytical testing) <sup>3</sup>

<sup>3</sup> For analytical testing and research licence applications, a copy of government-issued ID is required in order to verify the identity of the applicant. Refer to section 6.10 of this guide for more information.

Head of security	For cultivation, processing or sale for medical purposes licence only	Yes
Master grower	For cultivation licence only	Yes
Quality assurance person (QAP)	For processing licence only	Yes
Head of laboratory	For analytical testing only	No
Any individual, partnership (partners), corporation (directors and officers), or cooperative (directors and officers) in a position to directly control the applicant (for additional information refer to Appendix H: Direct Control)	For all licence classes, except research and analytical testing	Yes (for all except research and analytical testing)

## 5.5 Create a corporate profile for organizations (partnership, cooperative or corporation)



The CTLS does not have a distinct section for organizations such as partnerships or cooperatives. In these cases, the “Corporate Profile” section must be used in the CTLS to provide the information required in this guide about the organization. In the “Other Registered Names” section of the CTLS corporate profile section, the applicant must clearly indicate whether they are a corporation, partnership, or cooperative.

Applicants that are partnerships, cooperatives, and corporations (in essence any applicant that is not an individual/sole proprietor) also need to create a corporate profile. Once a corporate profile is created, the individual who creates the corporate profile will have access to an Account ID for the corporation. When creating a corporate profile, the applicant lists and links (using their respective Account IDs) all the directors and officers of the corporation or cooperative, and the partners if a partnership. Once a corporate profile is created in the CTLS, the applicant can use that profile to create an application.

Creating a corporate profile has some additional requirements, as outlined below. Some requirements are needed to create a corporate profile in the CTLS, while others are required before an application is submitted.



**Table 4: Corporate Profile Requirements**

<b>Requirement</b>	<b>Required details to include</b>
The full legal name(s) of the organization	Any other name(s) registered federally or provincially under which the entity intends to do business, if applicable.
The incorporation number	As provided on the certificate of incorporation. In the case of a partnership or cooperative, if there is not an identification number, indicate “Not applicable.”
Business address and contact details	The business address and the contact details used for correspondence with the corporation, not the individual applicant (e.g., head office).
Controlling organizations (noted as “Parent Corporation” in the CTLS), if applicable	The Account ID of each controlling organization. Note that any controlling organization will be required to create a corporate profile as per these requirements.  Refer to Appendix H: Direct Control for more information.
Certificate of incorporation (or partnership agreement)	As part of an application, certificate of incorporation documents are required. In the case of a partnership or cooperative, a partnership/cooperative agreement is required.
Organizational chart	As part of submitting an application, a corporate organizational chart is required. The organizational chart: <ul style="list-style-type: none"><li>• Must demonstrate the relationships between senior positions within the organization and the various controlling individuals or entities, if applicable.</li><li>• Must include all names and titles of senior management positions such as directors and officers of the organization and any controlling individual or entity, if applicable. Does not need to include the site-specific organizational information (e.g., the site head of security, master grower, QAP). This specific organizational information is required as part of a specific application and is to be included in the OSP.</li></ul>

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## Organization personnel

As part of an application, specific organization personnel must be identified. These individuals must have individual CTLS accounts created so that their Account IDs can be associated with the corporate profile.

Directors or officers of corporations or cooperatives, and partners in a partnership must be included as part of the corporate profile.



The CTLS does not have a specific section for partners in the case of a partnership. These should be included in the officers section.



As noted earlier, where there is no director or officer for the organization, the responsible person should be identified as an officer in this section of the CTLS.

Health Canada considers any officers of a corporation named on incorporation documentation (e.g., certificate of incorporation), such as the chief executive officer, the chief operations officer and the chief financial officer (or officers equivalent in responsibility), as officers who require a security clearance. It is the responsibility of the applicant to identify all officers and directors of an organization accurately.

Prior to submitting an application in the CTLS, these individuals will also be required to submit an application to obtain a security clearance in the CTLS.

In addition, all officers, directors, partners and individuals who control the applicant must be identified and will require security clearances.

Consult the *Cannabis Regulations* for details regarding security clearance requirements.



Before an application is submitted, the corporate profile can be changed. Once an application is submitted, changes are not permitted in the CTLS. Refer to section 7.3.3 Changes to an Application/Unsolicited Information for more information.

## 6.0 Application Requirements: Creating an Application

This section of the guide includes the application requirements that are required for each class of licence. The requirements in this section are categorized by Requirement Areas which are found in the CTLS.

All applications are strictly and thoroughly reviewed by Health Canada against the application requirements outlined in this guide.

Applicants are expected to comply with applicable requirements as outlined in the Regulations, and compliance may be verified at any time by Health Canada. Licences may be issued once all applicable requirements are met.



### **For Processing, Cultivation and Sale for Medical Purposes with Possession Licences**

In addition to documents submitted as a part of a CTLS application, applicants are required to submit a site evidence package with visual evidence to demonstrate the completion and functionality of their facility. Applications will only be processed once both the document portion of the application is submitted within the CTLS and the site evidence package is submitted and received by Health Canada. Instructions for how to submit a site evidence package are found in section **7.1.1 Submitting Site Evidence**.

When creating a new licence application in the CTLS, the applicant must first identify the licence class they are applying for in the CTLS. The licence classes within the scope of this guide include:

- Cannabis licence class (cultivation, processing, sale for medical purposes)
- Research
- Analytical testing

Refer to Appendix B: Cannabis Licence Classes and Subclasses for more information.



As noted earlier, applicants may apply for more than one class or subclass of licence at the same site depending on the licence class or subclass. For example, applicants may apply for a cultivation, processing and sale for medical purposes licence in one application. However, the design of the CTLS requires a separate application be submitted for analytical testing and research licences.



This guide establishes the application requirements to obtain a licence. It is up to the applicant to confirm that all application requirements set out in this guide are submitted with the application. This guide also provides details on how to submit this information into the CTLS and, if required, how to submit a site evidence package, directly to Health Canada. Table 5 outlines the relevant sections of this guide where required information must be submitted to Health Canada, according to licence class.



When the applicant uploads a document into the CTLS, or submits the site evidence package (if required) the file names should clearly identify the name of the application requirement outlined in this guide. For example, Site Survey, OSP, Security Reports.

**Table 5: Application Guide Sections with Required Information in the CTLS, by Licence Class**

Guide Section	Requirement Area	Cannabis Licence Class					
		Cultivation (Micro, Standard, Nursery)	Processing (Micro, Standard)	Sale for medical purposes (with possession of cannabis)	Sale for medical purposes (without possession of cannabis)	Analytical Testing	Research
6.1	Proposed licence holder (Licence Ownership)	✓	✓	✓	✓	✓	✓
6.2	Mailing address	✓	✓	✓	✓	✓	✓
6.3	Licence class and subclass (identified as "Site Activities" in the CTLS)	✓	✓	✓	✓	N/A	N/A
6.4	Site details (including activities)	✓	✓	✓	✓	✓	✓
6.5	Site personnel	✓	✓	✓	✓	✓	✓
6.6	Site ownership	✓	✓	✓	N/A	N/A	N/A
6.7	Notice to local authorities	✓	✓	✓	N/A	N/A	N/A
6.8	Physical security (including organizational security plan)	✓ Additional visual evidence to be submitted outside CTLS	✓ Additional visual evidence to be submitted outside CTLS	✓ Additional visual evidence to be submitted outside CTLS	✓ Only organizational security plan is required	✓ Organizational security plan not required	✓ Organizational security plan not required
6.9	Good production practices (GPP)	✓ Additional visual evidence to be submitted outside CTLS	✓ Additional visual evidence to be submitted outside CTLS	✓ Additional visual evidence to be submitted outside CTLS	N/A	N/A	N/A
6.10	Record keeping (and reporting)	✓	✓	✓	✓	✓	✓



For a sale for medical purposes licence where there will be possession of cannabis, after selecting the licence class and subclass, the applicant should select “Site Details” and in the “room activity” area of the CTLS, add “sale with possession of cannabis.” This opens the additional requirement sections in the CTLS.

## 6.1 Proposed licence holder (licence ownership)

An application can be created for an individual or an organization. If the applicant is an organization, they must ensure that they have completed a corporate profile for the organization in the CTLS as outlined in section 5.5.

A responsible person must be designated for all applications. The responsible person has the authority to bind the licence holder, has overall responsibility for the activities conducted and is responsible for submitting the application. The responsible person is the official point of contact with Health Canada. Refer to Appendix A: Key Individuals for more information.



As per the *Cannabis Regulations*, the applicant may designate one individual as an alternate responsible person who is qualified to replace the responsible person. However, only one responsible person may be designated in the CTLS. To change the responsible person after an application has been submitted, email [HC.licensing-cannabis-licences.SC@canada.ca](mailto:HC.licensing-cannabis-licences.SC@canada.ca), with the subject line “Request to change responsible person” and the application number and details. Health Canada will contact the applicant for additional details.

## 6.2 Mailing address

The mailing address entered must be the Canadian address where the applicant would like to receive official mailed correspondence (e.g., the licence when issued).



This is not necessarily the same as the site address or corporate address.

## 6.3 Licence class and subclass (identified as “Site Activities” in the CTLS)

The applicant must select the licence classes and subclasses for which they are applying.



For analytical testing and research licences, this section does not need to be filled out in the CTLS as this information is already identified when initially creating a new application.



Although there is an option in the CTLS to select “Sale – Non-Medical Online,” this should not be selected.



As noted in Section 5.2, licence holders can conduct research and development activities within their authorized licensed activities. If the licence holder wishes to conduct research and development activities outside of their authorized licence activities, they must apply for a separate research licence.

## 6.4 Site details (including activities)

There is certain information required for a site. Requirements differ depending on the licence class (e.g., analytical testing and research requirements differ). Tables 6, 7 and 8 show the different classes of licence, namely cultivation, processing, sale for medical purposes, analytical testing and research licences.




Licensed activities cannot be conducted in a dwelling-house (i.e., a place of residence).



Licences are site specific with the exception of research, which can have multiple sites set out in a licence. If an applicant, other than an applicant for a research licence, intends to conduct licensed activities at more than one site, a separate application must be submitted for each site.

**Table 6: Site Detail Requirements for Cannabis Licence Class (Cultivation, Processing, Sale for Medical Purposes)**

Requirement	Required details to include
Complete site address	<p>Include Canadian address as well as latitude and longitude.</p> <div>  <p>The CTLS allows for entry of a single address in relation to a site. Should the site have multiple addresses (e.g., several buildings in an area used exclusively by the licence holder), all site details as outlined in this section must be uploaded into the CTLS as a separate document titled Additional Site Details. This must be uploaded in the “Site Survey” section of the CTLS.</p> </div>
Site survey	A building location survey, location certificate or similar document, prepared and certified by a person qualified to do so in the jurisdiction where the site is located, such as a qualified land surveyor. The survey must be up to date at the point of submission.
Aerial view	A clear and legible aerial view of the proposed site and surrounding lots to within 500 metres. The aerial view must be up to date at the point of submission.

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Production capacity  
(Not required for  
sale for medical  
purposes)

An estimate of the proposed annual production amount (e.g., kg per year, number of plants or seeds per year) for each applicable cannabis class as found in Schedule 4 of the Act.

The total combined area (m<sup>2</sup>) of the grow areas and the total combined area (m<sup>2</sup>) of the operations areas excluding grow areas that are being proposed for licensing. For the grow areas, the total combined area should include all surface areas, taking into account if multiple surfaces are being utilized (e.g., vertically arranged).



**NOTE:** There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Site Survey” section.

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Areas (buildings and  
rooms, outdoor  
areas) and activities

Each outdoor area (if applicable) and indoor area (building or part of building) including rooms, must be named and this name must be provided. The names used to identify each area must match all other information submitted (e.g., on the site plan). All activities conducted in each room must also be identified (e.g., propagation, drying, labelling, etc.). There is no requirement to identify areas and rooms in CTLS in which no activities with cannabis will take place (e.g., lavatory) or transitory areas (e.g., hallways). However, these areas and rooms should still be identified on the floor plan(s).

More than one activity can occur in each area. Additional information may be requested to assess how the proposed activities meet all regulatory requirements.



These site details are also considered part of the site plan and must match all information provided to meet the requirements detailed in section 6.8 of this guide related to physical security.



**As noted earlier, for a sale for medical purposes licence where there will be possession of cannabis**

The applicant should first select “Site Details” and in the “room activity” area of CTLS, add “sale with possession of cannabis.” This will open the additional requirement sections in the CTLS. All rooms where cannabis is present must be included and room details must be provided.



Each site must have at least one indoor area (building or part of a building). Cultivators may also have outdoor areas to cultivate, propagate or harvest cannabis.

**Table 7: Site Detail Requirements for Analytical Testing Licence Class**

<b>Requirement</b>	<b>Required details to include</b>
Complete site address	Include Canadian address.
Analytical testing processes to be conducted	<p>Identify the purposes of all analytical testing activities that the applicant is proposing to conduct.</p> <p>For example, testing for:</p> <ul style="list-style-type: none"><li>• Chemical (i.e., contaminants such as heavy metals, foreign matter)</li><li>• Microbial* (i.e., contaminants such as yeast, molds, bacteria, aflatoxins)</li></ul> <p><i>*Sterility appears as an independent item in the CTLS; however, it is typically captured in the context of microbial testing.</i></p> <ul style="list-style-type: none"><li>• Cannabinoid content (e.g., delta-9-tetrahydrocannabinol [THC], delta-9-tetrahydrocannabinolic acid [THCA], cannabidiol [CBD], and cannabidiolic acid [CBDA])</li><li>• Dissolution/Disintegration</li><li>• Pesticides</li><li>• Solvent residue</li><li>• Sterility</li><li>• Stability (e.g., if the licence holder proposes to include a product expiry date, disintegration test for capsules)</li><li>• Other (e.g., seed viability testing)</li></ul>

**Table 8: Site Detail Requirements for Research Licence Class**

<b>Requirement</b>	<b>Required details to include</b>
Complete site address	Primary Canadian site at which the research is proposed to occur.
Research grant	The grant number may be provided as additional information, if applicable.
Cultivation	If cannabis is proposed to be cultivated, propagated or harvested, provide information on where it is proposed to be cultivated, propagated or harvested (latitude/longitude, indoor/outdoor).
Synthesis of cannabis	Indicate whether cannabis will be synthesized.
Additional sites	If there are additional sites where activities with cannabis are proposed to occur (e.g., clinical trial conducted at multiple sites), provide the address of each site as well as the name and contact information of an individual at each site. The address of each additional authorized site will appear on the licence, if it is issued.



Intent to sell	Indicate if there is intent to sell the product of the research (e.g., cannabis plants and/or cannabis plant seeds to a licensed cultivator, researcher, cannabis drug licence or exemption holder).
Type of research	Indicate the type(s) of research (e.g., in vitro, in vivo (animal), clinical trial, plant genetics, cannabis product development, non-cannabis product development, other) that is proposed to be conducted with cannabis. An example of non-cannabis product development would be research on lights used to grow cannabis plants. Synthetic cannabinoid development should be included as "Other" and details should be included in the Research Protocol section (see below).
Research protocol	A document outlining the research that is proposed to be conducted, and the quantity of cannabis that is proposed to be possessed or produced by the applicant (e.g., kilogram, litre or number of plants or seeds as appropriate) must be provided. This must also include the duration for which the research licence is sought (up to five years).
For an in vivo (animal) study: FDA authorization, if applicable	For an in vivo study where FDA authorization is required, the Experimental Study Certificate must be submitted as part of the licence application.  Additional information on the Experimental Study Certificate can be found in the <a href="#">Experimental Studies Certificate Application Form for a Veterinary Drug</a> .
For a clinical trial: No objection letter for a clinical trial	For a clinical trial, the applicant must first obtain a no objection letter from Health Canada or an acknowledgement email from the Office of Clinical Trials which must be submitted as part of the licence application.  Additional information on clinical trial application requirements can be found in the <a href="#">Guidance Document For Clinical Trial Sponsors: Clinical Trial Applications</a> as well as on the <a href="#">Health Canada website</a> .



To meet the needs and circumstances of researchers, applications can be submitted with:

1. One research licence per protocol, per site
2. One research licence per protocol for multiple sites (e.g. a clinical trial at numerous hospitals)
3. One research licence for multiple research protocols for one site (e.g. numerous researchers or projects at a single university)

A research licence may be effective for the duration of the research project up to a maximum of five years. If the research project needs to continue past the expiry date of the licence, the licence holder may apply for a renewal of the licence. More than one type of research may be conducted under a single licence. The research protocol must describe all types of research to be conducted.



Depending on the type of activities proposed to be conducted with cannabis and the quantity of cannabis on-site, additional security measures may be required, such as security clearances of key personnel. The licence may also be subject to additional conditions, such as the need for an OSP or increased physical security measures. Each submission will be assessed on a case-by-case basis.

## 6.5 Site personnel

As outlined in section 5.4 of this guide, as part of the application the applicant should identify individuals that must have accounts and security clearances. The individuals will differ based on the licence class or subclass as well as the type of licence holder (i.e., if it is an individual or a corporation, cooperative or partnership). These individuals should create CTLS accounts and provide their Account IDs to the applicant. Some of these individuals need to be identified if the applicant is creating a corporate profile. Other individuals need to be identified within the “Site Personnel” section of the CTLS. The applicant must ensure that the persons identified have the knowledge, qualifications, experience and ability to fulfill their responsibilities, as applicable. For more information, refer to Appendix A: Key Individuals.



Qualifications are only required to be submitted for the QAP (and alternate QAP, if applicable) for a processing licence, and the head of laboratory (and alternate, if applicable) for an analytical testing licence.



An individual may hold one or multiple roles for a licence, for one or more classes of licences at one site, or in some cases, multiple sites, assuming they meet all the requirements.




### **For cultivation, processing and sale for medical purposes licences**

The CTLS requires that a security clearance application form be submitted for at least one individual in each position that requires a security clearance.

In the case where an applicant wishes to designate an alternate, as authorized under the Regulations, this may be done at any time. However, any alternate must also hold a valid security clearance, as applicable, before assuming the duties of the position. The Minister may also specify other individuals that must hold a security clearance, either by name or position. Should this occur, the licence holder or applicant is notified in writing.

**Table 9: Site Personnel Requirements**

<b>Requirement</b>	<b>Required details to include</b>
Identification of personnel	<p>Specific individuals must be identified that are associated with an application in the CTLS, as follows:</p> <p><b>Cultivator (standard, micro or nursery):</b> Head of security, alternate head of security if applicable; master grower, alternate master grower if applicable</p> <p><b>Processor (standard or micro):</b> Head of security, alternate head of security if applicable; QAP, alternate QAP if applicable</p> <p><b>Sale for medical purposes:</b> Head of security, alternate head of security if applicable</p> <p><b>Analytical testing:</b> Head of laboratory, alternate head of laboratory if applicable</p> <p><b>Research:</b> None.</p> <p><i>The responsible person must be identified within the “Licence Ownership” section of the CTLS as noted in section 6.1 of this guide.</i></p> <p>To associate these individuals with an application, their Account IDs need to be included in the CTLS.</p> <div><p><b>For research licences:</b> The CTLS asks for an authorized person; however, this is not required for research licence applications. Only the responsible person should be provided. In addition, the CTLS asks for qualifications for the responsible person, although these are not required for a research licence application. A blank document needs to be uploaded in to the CTLS indicating that these are not required.</p></div>

Qualifications  
for the QAP  
(Processing  
licence only)

Submit details of the proposed individual's qualifications, and any proposed alternate QAP, along with an explanation of how their training, experience and technical knowledge relate to the requirements in Part 5 (GPP requirements) of the *Cannabis Regulations* including:

- Development and approval of SOPs
- Pest control management and pesticide testing
- Quality control relating to storage and shipment of substances
- GPP as they pertain to facilities (including air filtration), equipment sanitation and employee hygiene and protection.
- Complaint management and investigation
- Approving product quality prior to release for sale
- Analytical testing and validation of testing methods
- Residues of solvents (for cannabis oil), if applicable
- Microbial and chemical contaminants
- Disintegration/dissolution of cannabis capsules, if applicable
- Cannabinoid content (THC, THCA, CBD and CBDA, as applicable)
- Sample collection and retention

In addition, the QAP typically handles recalls and adverse reaction reports.

Include clear, concrete examples and details of how the QAP and any alternate meets the technical knowledge, training, and experience requirement, including when, where and how the knowledge, training and, experience was obtained.

The applicant should also submit the QAP's and any alternate's resume and any other information that supports their qualifications such as a letter of reference or a copy of their diploma, degree, certificate or transcripts that may be applicable.

A proposed work schedule and a summary of the roles and responsibilities of the QAP and any alternate if applicable (including if they are employed as a QAP at another licensed site) should also be provided to demonstrate how the QAP will be able to complete all the required activities to maintain compliance.



For more information regarding the roles and responsibilities of the QAP and any alternate refer to the Good Production Practices Guide for Cannabis.

- Qualifications for the head of laboratory (Analytical testing licence only)
- Submit details of the individual’s qualifications, and any designated alternate head of laboratory, as they relate specifically to the duties of the position.
- The applicant should submit proof of the individual(s)’ education, such as a copy of their degree, their resume, and any other information that would be relevant such as a letter of reference, or a copy of their university transcripts.

## 6.6 Site ownership



This section does not apply to analytical testing, research or sale for medical purposes without possession licences.

The following information is required to confirm site ownership:

**Table 10: Site Ownership Requirements**

<b>Requirement</b>	<b>Required details to include</b>
Site owner	<p>If the site is owned by the individual or the corporation applying for the licence, this must be indicated by linking the Account ID in the CTLS.</p> <p>If the site is owned by another individual(s) or corporation, a site owner consent form is required (see section below).</p>
Site owner consent form, if the site or any portion of the site is not owned by the applicant	<p>A declaration, signed and dated by the site’s owner— or, if the owner is a corporation, by an authorized representative of the owner — consenting to activities with cannabis being conducted at the site.</p> <p>The consent form must contain:</p> <ul style="list-style-type: none"> <li>• the full address of the site or any portion of the site for which the owner is not the applicant</li> <li>• the class and subclass if applicable of the licence being applied for, and the proposed activities to be conducted on-site</li> <li>• a declaration signed by all owners of the site stating that they: <ul style="list-style-type: none"> <li>a) are the owner(s) of the site, as described</li> <li>b) are fully aware of the activities with cannabis that the applicant proposes to conduct at the site</li> <li>c) consent to those activities with cannabis being carried out at that site</li> </ul> </li> </ul>

## 6.7 Notices to local authorities



Notice to local authorities is not required for analytical testing, research and sale for medical purposes without possession licences.

Prior to submitting an application in the CTLS, applicants for licences to cultivate, process and sell for medical purposes (with possession of cannabis) must provide with their application a copy of the written notice to local authorities who are located in the area of the proposed site, as part of their application.

More specifically, the notice must be provided to a senior official of the following local authorities:

- the local government
- the local fire authority
- the local police force or Royal Canadian Mounted Police detachment (RCMP) that is responsible for providing policing services to that area

The content of the notice must include:

- the name of the applicant
- the expected date on which the applicant will submit the application to Health Canada
- the class and subclass if applicable of licence that is being sought and the cannabis-related activities that are expected to be conducted under that licence
- the site address, and address of each building on site if applicable, at which the applicant is expecting to conduct cannabis-related activities

In order to submit an application, the following information is required:

**Table 11: Notice to Local Authorities Requirements**

<b>Requirement</b>	<b>Required details to include</b>
Notice to local authorities	<p>The date each notice was sent or provided, and the name, title and address of the senior official to whom it was addressed.</p> <p>A copy of the actual notices provided to:</p> <ul style="list-style-type: none"><li>• the local government</li><li>• the local fire authority</li><li>• the local police force or Royal Canadian Mounted Police detachment that is responsible for providing policing services to that area</li></ul>

## 6.8 Physical security including organizational security plan

Requirements for physical security apply to all licence classes, but differ depending on the licence class, and subclass if applicable. For instance, an OSP is not required for analytical testing and research licences. For more information on the required physical security measures, refer to the *Cannabis Regulations*, and The Physical Security Measures Guide for Cannabis.

Tables 12, 13, 14, and 15 provide summaries of the information that must be submitted as part of the licence application by licence class to demonstrate how the organizational security plan requirements and physical security requirements under the *Cannabis Regulations* will be met.



The nomenclature of the site and floor plans must be consistent with the information submitted in the “Site Details” section of the CTLS (i.e., for outdoor areas and indoor areas including rooms) and the information submitted with the security reports and visual evidence in the site evidence package.

**Table 12: Organizational Security Plan Requirements for Standard Cultivation, Standard Processing, Micro-processing, Micro-cultivation, Nursery and Sale for Medical Purposes Licences**

<b>Requirement</b>	<b>Required details to include</b>
Organizational security plan	<p>An OSP must be submitted that includes the information detailed below.</p> <p><b>1) Head of security:</b> In addition to the information already provided about the head of security (name, contact information), a proposed work schedule including hours of work, as well as a phone number where the head of security can be reached in case of emergency must be provided. The same information for any identified alternate head of security must also be provided.</p> <p><b>2) Business Plan:</b> A description of the business model indicating the activities and products that the applicant intends to conduct or sell. Additionally, indicate any affiliations or relationships to other companies.</p> <p><b>3) Site organizational chart:</b> A chart outlining the structure of the organization showing the relationships of the officers and management positions within it, including supervisors, must be provided. The chart should include the titles and the names of all individuals who require a security clearance as well as any other positions that have significant influence on strategic business decisions, day-to-day operations and the movement of significant amounts of money or cannabis. For example, this chart must identify all persons who have management responsibility for the following activities or have the following knowledge:</p> <ul style="list-style-type: none"><li>• any product movement of a significant amount in relation to the overall operations of the facility</li><li>• setting operational procedures, including SOPs</li><li>• responsibility for inputting data into the CTLS for cannabis tracking purposes</li><li>• sensitive security or business knowledge</li></ul>

- financial controls, including but not limited to the ability to enter into contracts for goods and services.

A description of the roles of each position indicated in the organizational chart must also be submitted.

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**4) List of individuals in key positions and security status:** A list of all proposed individuals in key positions (those identified in the corporate profile and key individuals as described in section 5.4 and Appendix A: Key Individuals), as well as any proposed alternate individuals indicated as such, including their names, date of birth, positions, Account IDs and security clearance application number as applicable.

**For an organization:** A list of all officers, directors, partners and any individual who exercises, or is in a position to exercise, direct control over the corporation, cooperative or partnership as identified in the organizational chart, including their names, date of birth, positions, Account IDs and security clearance application number as applicable.

**Other individuals or positions:** Indicate whether there are other proposed individuals or positions that the applicant believes should hold a valid security clearance due to the nature of their work and possible security risks to the organization. For example, the applicant may want to propose security clearances for positions/individuals that have unsupervised or uncontrolled access to sensitive records and information, information technology infrastructure, or access card records (e.g., those identified in the site organizational chart). Note that it is not a requirement to identify additional positions/individuals, but this could be considered by the applicant as a means to mitigate identified security risks. Information including other individuals' name, position title and nature of the position should be provided.

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**5) Cannabis tracking:** A list of all names, titles and contact information for all individuals in the organization who will input data into the CTLS for cannabis tracking purposes must be provided.

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**6) Security awareness and training:** A description of the steps that the proposed head of security intends to take to ensure that guests and all employees/contractors of the site are trained and aware of security requirements and procedures, including:

- initial training and awareness for all new employees/contractors or targeted employee groups
- ongoing training and awareness for all employees/contractors or targeted employee groups
- security briefings for guests

These descriptions should include, at a minimum, any security training and site orientation programs, security incident reporting and investigation management.

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**7) SOPs:** A list of SOPs and a short description of each demonstrating the procedures in place to prevent, detect and respond to potential security incidents as outlined in Appendix D: Organizational Security Plan SOP Priority Areas must be provided.

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**8) Other security elements:** A description of other security elements or features of the facility that would be helpful in evaluating the application (e.g., if the applicant

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will have measures in place to protect information technology infrastructure from a cyber-attack, business continuity plans, etc.)

**9)Attestations:** Provide the following signed attestations:

**Physical Security:** Attestation signed and dated by the head of security stating that they have reviewed the physical security of the site including the site plan and how the physical security requirements are met.

**Organizational Security Plan:** Attestation signed and dated by the head of security and responsible person that the organizational security plan has been approved.



**NOTE:** For Sales for Medical Purposes without possession, there is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Record Keeping Description” section.

**Table 13: Physical Security Requirements for Standard Processing, Standard Cultivation and Sale for Medical Purposes with Possession Licences**

<b>Requirement</b>	<b>Required details to include</b>
Site plan (including floor plans)	<p>The overall site plan must include the following details.</p> <ul style="list-style-type: none"><li>• The perimeter of the site must be clearly identified. Indicate whether the site perimeter is defined by a fence or the building envelope.</li><li>• The footprint of any building(s) must be clearly identified.</li><li>• Indicate if the building is a multi-unit building or a stand-alone site (i.e., single unit). If it is a multi-unit building, the site perimeter should be identified accordingly and all units must be labelled with information on their current use (i.e., company name).</li><li>• The location of any outdoor cultivation area must be clearly identified. For any outdoor area, the latitude and longitude coordinates for all four corners must be indicated.</li><li>• The locations of, and area covered by the security devices and visual monitoring devices for the site perimeter and any outdoor cultivation area.</li><li>• All security devices must be clearly identifiable and uniquely labeled.</li></ul> <p>If there are areas, including buildings, that will not be used exclusively by the applicant, or areas that will be used by the applicant to conduct activities other than activities with cannabis, these areas must be outside of the proposed site perimeter.</p> <p>Additionally, the applicant must also include a floor plan for each building with the following details.</p> <ul style="list-style-type: none"><li>• Clear delineation of rooms where operations, grow and storage activities, as applicable, take place.</li><li>• Clear identification of storage area(s) and the areas it is located within that</li></ul>

- meet the requirements of section 67 of the regulations, as applicable.
- The locations of and area covered by the security devices and visual monitoring devices as they relate to any operations area (including grow areas) and storage areas, as applicable.
- All security devices must be clearly identifiable and uniquely labeled.
- Product flow between the rooms must be identified.



**NOTE:** There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Aerial View” section.

Security reports	<p>Provide the following information to demonstrate how the intrusion detection system requirements will be met.</p> <ul style="list-style-type: none"> <li>• Alarm test reports for all intrusion detection devices for the site perimeter, all operations areas (including indoor and outdoor grow areas), and storage areas. These reports must contain the date and time of the test, the name of the device and location of the device.</li> <li>• A list of which alarm partition each intrusion detection device is assigned to.</li> <li>• Access (entry and exit) log reports for all doors leading to and from storage areas. These reports must contain the date and time of each access, the name of the device, location of the device and the identity of the individual entering and exiting from each storage area.</li> </ul>
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**NOTE:** There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Organizational Security Plan” section.

Visual evidence	<p>Provide the following information in the site evidence package.</p> <ul style="list-style-type: none"> <li>• Guided video tour of entire site (including both indoor and outdoor areas), highlighting all security features of the site perimeter, operations areas (including all grow areas) and storage areas. All devices must correspond to their location as indicated on the site plan (including all floor plans).</li> <li>• Photographic overview of each side of the defined site perimeter.</li> <li>• Visual recording device footage that includes the front, back and sides of the defined site perimeter (e.g., east, west, south and north walls). Complete coverage may be best demonstrated by displaying multiple visual recording device feeds that capture an individual walking around the perimeter.</li> <li>• Footage from all visual recording devices in each operations areas (including the entry and exit points of the grow areas) and all storage areas.</li> </ul> <p>All video and images must meet the following criteria:</p> <ul style="list-style-type: none"> <li>• Have sufficient resolution to clearly visualize the area (not a pixelated image);</li> <li>• Capture the entirety of the areas identified (i.e. no blind spots and/or obstructed views); and</li> </ul>
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- Demonstrate the visual recording devices ability to capture the required information in both low light and night time conditions.



Due to limitations on file size within the CTLS, site evidence packages are not able to be submitted as a part of the CTLS application. The site evidence package must be submitted to Health Canada outside of the CTLS. Refer to **7.1.1 Submission of Site Evidence** for more information on how to submit site evidence.

#### Additional Information

Provide the following information to demonstrate how physical security requirements will be met.

- Physical Barrier and Site Design
  - Description of the site and how it will prevent unauthorized access. Include any access controls at entry or exit points of the site such as windows, doors and vents.
  - Description of materials used in the construction of the physical barriers, as applicable, for the site perimeter and for all of the operations areas (including all grow areas) and storage areas, this may include fences, walls, floors, ceilings, and doors to ensure prevention of intrusion.
- Visual Monitoring Devices
  - The type and specifications of the visual monitoring devices and how the devices meet the requirements (including operating temperature range, and any special features such as infrared or night vision and weatherproofing).
  - Description of how monitoring will be maintained at all times (e.g., during a power outage).
- Intrusion Detection Devices
  - The type and specifications of the system installed for intrusion detection (including operating temperature range, motion detection range if applicable, intended use, and any special features such as weatherproofing, tamper-resistance).
  - Description of how intrusion detection system will be maintained at all times (e.g., during operating hours and a power outage).
  - Description of how any attempted or actual tampering with the system will be detected.
- Restricted Access
  - Description of how the access to operations areas (including grow areas), and storage areas will be restricted to individuals whose presence is required by their duties.
  - Details on the types, specifications, and locations of access control or restriction devices installed and operating (e.g., Proximity card readers or keypads with electric door strikes or electromagnetic locks, door lock and key, combination lock, padlock).
  - Information on how and which personnel will be given access (e.g., issued

cards, fobs, PINs, keys).

- Access Log
  - Description of how access to storage area will be logged.
  - Method used to record the identity of every individual entering or exiting a storage area and the information that will be recorded.
- Monitoring and Response
  - Information on how the intrusion detection devices will be monitored continuously (i.e. 365 days a year, 7 days a week and 24 hours a day), either on-site or off-site (e.g., use of a ULC-certified monitoring company).
  - Information on the procedure in place for when the intrusion detection system's alarm is triggered, and the procedure for creating and retaining records of detected occurrences.



**NOTE:** There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the "Organizational Security Plan" section.

**Table 14: Physical Security Requirements for Micro-Cultivation, Micro-Processing, and Nursery Licences**

<b>Requirement</b>	<b>Required details to include</b>
Site plan (including floor plans)	<p>The overall site plan must include the following details.</p> <ul style="list-style-type: none"><li>• The perimeter of the site must be clearly identified. Indicate whether the site perimeter is defined by a fence or the building envelope.</li><li>• The footprint of any building(s) must be clearly identified.</li><li>• Indicate if the building is a multi-unit building or a stand-alone site (i.e., single unit). If it is a multi-unit building, the site perimeter should be identified accordingly and all units must be labelled with information on their current use (i.e., company name).</li><li>• The location of any outdoor cultivation area must be clearly identified. For any outdoor area, the latitude and longitude coordinates for all four corners must be indicated.</li></ul>

If there are areas, including buildings, that will not be used exclusively by the applicant, or areas that will be used by the applicant to conduct activities other than activities with cannabis, these areas must be outside of the proposed site perimeter.

Additionally, the applicant must also include a floor plan for each building with the following details.

- Clear delineation of rooms where operations, grow and storage activities, as applicable, take place.
- Product flow between the rooms must be identified.

Delineate the respective surface areas to demonstrate how the site meets the surface area threshold (including both indoor and outdoor grow areas). As well, it should indicate whether the surface area comprises of multiple surfaces (e.g., is vertically arranged).

- The delineated area shown on the site plan and/or floor plan should include dimensions which demonstrate how the total surface area of the cannabis plants do not exceed the applicable threshold.
- A sample calculation should be included to demonstrate how the total surface area does not exceed the applicable threshold.



For micro-cultivation, plant surface area cannot exceed 200 m<sup>2</sup> (includes multiple surfaces such as surfaces vertically arranged). For nursery seed production the total surface area cannot exceed 50 m<sup>2</sup> (for all the parts of budding or flowering plants).



**NOTE:** There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Aerial View” section.

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#### Visual Evidence

Provide the following information in the site evidence package.

- Guided video tour of entire site (including both indoor and outdoor areas), highlighting the entire site perimeter and all storage areas.
- Visual footage showing entire physical barrier for the site and all storage areas.
- Photographic overview of each side of the defined site perimeter.



Due to limitations on file size with the CTLS, site evidence packages are not able to be submitted as a part of the CTLS application. The site evidence package must be submitted to Health Canada outside of the CTLS. Refer to **7.1.1 Submission of Site Evidence** for more information on how to submit site evidence.

#### Additional Information

Provide the following information to demonstrate how physical security requirements will be met.

- Physical Barrier and Site Design
  - Description of the site and how it will prevent unauthorized access. Including any access controls at entry or exit points of site such as windows, doors and vents.
  - Description of materials used in the construction of the physical barriers, as applicable, this may include fences, walls, floor/ceiling and doors to ensure prevention of intrusion (include this for both site perimeter and for all of the storage areas).
- Restricted Access
  - Description of how the access to storage areas will be restricted to individuals whose presence is required by their duties.
  - Details on the types, specifications, and locations of access control or

restriction devices installed and operating (e.g., Proximity card readers or keypads with electric door strikes or electromagnetic locks, door lock and key, combination lock, padlock).

- o Information on how and which personnel will be given access (e.g., issued cards, fobs, PINs, keys).



NOTE: There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Organizational Security Plan” section.

**Table 15: Physical Security Requirements for Analytical Testing and Research Licences**

<b>Requirement</b>	<b>Required details to include</b>
Site plan (including floor plans)	<p>The site plan must include the following details.</p> <ul style="list-style-type: none"><li>• The perimeter of the site must be clearly identified. Indicate whether the site perimeter is defined by a fence or the building envelope.</li><li>• The footprint of any building(s) must be clearly identified.</li><li>• Indicate if the building is a multi-unit building or a stand-alone site (i.e., single unit). If it is a multi-unit building, the site perimeter should be identified accordingly and all units must be labelled with information on their current use (i.e., company name).</li></ul>

If there are areas, including buildings, that will not be used exclusively by the applicant, or areas that will be used by the applicant to conduct activities other than activities with cannabis, these areas must be outside of the proposed site perimeter.

The site plan must also include floor plans with the following details.

- Within all building(s), provide a clear delineation of rooms where storage activities take place.



NOTE: There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Physical Security Document” section.

Additional  
Information  
(Analytical  
testing licence  
only)

Provide the following information to demonstrate how physical security requirements will be met.

- Description of how the physical barrier surrounding the storage area will prevent unauthorized access.
- Description of materials used in the construction of the storage area physical barrier and how this will prevent intrusion.
- Description of how the access to storage areas will be restricted to individuals whose presence is required by their duties.



NOTE: There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Physical Security Document” section.

Additional  
Information  
(Research  
licence only)

Provide a description of how the operations areas are designed to prevent unauthorized access.



NOTE: There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Physical Security Document” section.

## 6.9 Good Production Practices



Good production practices (GPP) requirements apply to a number of activities across many licence classes.

Only some of these must be demonstrated at the time of application. However, GPP compliance may be verified at any time by Health Canada. Applicants for analytical testing, research, and sale for medical purposes without possession licences do not need to demonstrate compliance with GPP as part of the licensing application process.

As part of the licensing application process, the applicant is required to provide a Good Production Practices Report that clearly demonstrates how the GPP requirements will be met. The *Cannabis Regulations*, Table 16: GPP Requirements and the Good Production Practices Guide for Cannabis provide more information on what is required.

**Table 16: GPP Requirements for Cultivation, Processing, Sale for Medical Purposes with Possession Licences**

<b>Requirement</b>	<b>Elements to demonstrate that GPP requirements will be met:</b>
Good Production Practices Report	<p>Provide the following information as a part of the Good Production Practices Report.</p> <ul style="list-style-type: none"> <li>• Description of how and where cannabis will be stored, including conditions of any storage area(s) (e.g., presence of temperature and/or humidity control) and how the requirements of section 82 of the <i>Cannabis Regulations</i> are met.</li> <li>• Include a description of the storage procedure for the various categories of cannabis (e.g., in-process, bulk, immediate containers, samples, quarantined, product approved for sale, rejected, returned or recalled product, and material awaiting destruction) and how these procedures will ensure that the requirements of section 82 of the <i>Cannabis Regulations</i> are met.</li> <li>• Process flow diagram and/or a “step-by-step” description showing the movement of cannabis and/or cannabis products through the building and the separation of operations areas (including grow areas), storage areas and non-cannabis areas.</li> <li>• Description and/or depiction of the building detailing the construction of the surfaces such as walls, ceilings, (e.g., non-porous panels, sealant), floors (e.g., polished concrete, epoxy sealant), and seams (e.g., caulking, joints between floor, walls, and ceiling) demonstrating how the requirements of section 84 of the <i>Cannabis Regulations</i> are met.</li> <li>• Description of water supply source; if the source is not municipal water, provide evidence that the water meets potable water standards (e.g., analytical test results of the water source). Potable water should meet the Guidelines for Canadian Drinking Water Quality see <a href="http://www.hc-sc.gc.ca/ewh-semt/water-eau/drink-potab/guide/index_e.html">http://www.hc-sc.gc.ca/ewh-semt/water-eau/drink-potab/guide/index_e.html</a> for more information.</li> <li>• Description of any non-potable water sources and how cross connection with potable water sources will be prevented.</li> <li>• When the water source is not municipal water, provide a description of the water quality testing procedure used, including the frequency of testing.</li> <li>• Description of air filtration system, including type, specifications, number and location of air filters installed (e.g., HEPA, carbon, charcoal, combination, portable filters) and a diagram and/or floor plan detailing the air filtration and ventilation system (e.g., air intake and air exhaust locations and direction of air flow within the building(s)).</li> <li>• Description of the sanitation program demonstrating how the requirements of section 87 of the <i>Cannabis Regulations</i> are met for all operations areas (including grow areas), storage areas, transitory areas and non-cannabis areas. This should include the frequency or schedule.</li> </ul>



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Visual  
Evidence

Video and photographic evidence must include the following details.

- Guided video tour of entire site (including both indoor and outdoor areas), highlighting all GPP features of the building, including all operations areas (including grow areas) and storage areas.
- Close-up images of the surfaces (including walls, floors, ceilings and joints) of all operations areas (including grow areas) and storage areas demonstrating that they meet the requirements of section 84 of the *Cannabis Regulations*.
- A video of an individual entering and moving through different areas of the facility demonstrating the intended production process flow through the facility.



Due to limitations on file size within CTLS, site evidence packages are not able to be submitted as a part of the CTLS application. The site evidence package must be submitted to Health Canada outside of CTLS. Refer to **7.1.1 Submission of Site Evidence** for more information on how to submit site evidence.

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Starting  
material  
authorized  
quantities  
(Cultivation  
licence only)

Provide the types of starting material (e.g., plants or seeds) and authorized source of this material (e.g. federally authorized licence holder or authorized foreign source). In the case where the applicant intends to use cannabis plants or cannabis plant seeds that were not obtained in accordance with the former *Access to Cannabis for Medical Purposes Regulations* or with the *Cannabis Regulations* or from a person authorized to sell cannabis under a provincial Act, they must provide a declaration, signed and dated by the applicant, indicating the quantity of cannabis plants and cannabis plant seeds that they will have in their possession on the effective date of the licence. This declaration can be provided to Health Canada at any time prior to licensing, including when the applicant is contacted by an officer as part of the review process.



NOTE: There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Good Production Practices” section.



## 6.10 Record Keeping (and Reporting)



Required for all licence types, based on the regulatory requirements.

There are a number of regulatory requirements for record keeping and reporting that must be met by a licence holder. The applicant is encouraged to refer to the *Cannabis Regulations* and Appendix E Record Keeping Attestation for details about record keeping required for the licensing process, and to consult the *Cannabis Regulations* to obtain an understanding of the post-licensing regulatory record keeping and reporting requirements.

**Table 17: Record Keeping (and Reporting) Requirements**

<b>Requirement</b>	<b>Required details to include</b>
Record keeping attestation (Cultivation, processing or sale for medical purposes licences only)	Include a signed and completed attestation form found in Appendix E: Record Keeping Attestation.
	<div><div>NOTE: There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Record Keeping Examples” section.</div></div>
Copy of government issued identification (Analytical testing and research licences only)	In order to verify the identity of the applicant and/or responsible person, a copy of government-issued identification must be provided.
	<div><div>NOTE: There is no specific section in the current version of the CTLS to upload this information. This information should be uploaded as an attachment under the “Record Keeping Description” section.</div></div>

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Key investor reports  
**(Cultivation, processing or sale for medical purposes licences only)**

An applicant seeking a licence for cultivation, processing or sale for medical purposes that does not trade its shares on the public market must provide information on key investors as part of an application. Refer to Appendix G: Key Investors for more information. The information includes the key investor's name and address; a description of the means by which the key investor exercises, or is in a position to exercise, control over the licence holder; details regarding any benefit received as a result of being an investor; and whether the controlling interest has been, will be, or could be assigned, pledged, mortgaged, hypothecated or sold, in whole or in part, to any person.

If there are no investors, an attestation must be provided in this regard.

Refer to section 241 of the *Cannabis Regulations* for the additional record keeping and reporting requirements relating to investors once licensed.



**NOTE:** There is no specific section in the CTLS to upload this information. This information should be uploaded as an attachment under the "Record Keeping Description" section.

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Detailed description of the record keeping methods proposed for additional requirements for sale for medical purposes **(Sale for medical purposes licence only)**

Include a description of the record keeping methods that will capture the following information:

- medical client registration information
- filling of orders and refusal to fill orders
- medical documents provided by clients
- communication with provincial or territorial professional licensing authorities

Examples of the following should also be provided

- The medical practitioner verification process;
- An example of the registration document that will be provided to clients upon registration;
- A description of how the system will ensure that the quantity of cannabis distributed or sold will not exceed the equivalent of 150g of dried cannabis (calculated in accordance with Schedule 3 of the *Cannabis Act*).

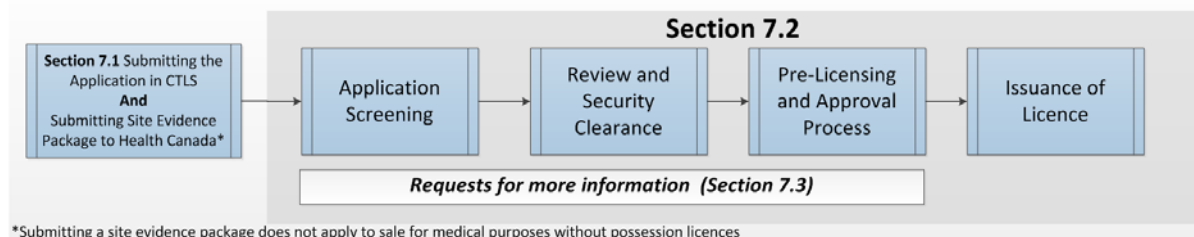


**NOTE:** There is no specific section in the CTLS to upload this information. This information should be uploaded as an attachment under the "Record Keeping Description" section.

## 7.0 Submitting an Application and Administrative Procedures

Once the applicant has included all of the requirements in the application within the CTLS and is ready to submit the application, the additional steps in the licensing process will begin as outlined in Figure 3: Steps following submission of an application.

**Figure 3: Steps following submission of an application**



### 7.1 Submitting the application

Once the applicant has input all required information, they can submit their application. This involves the following steps:

- Self-Identification: The CTLS includes an opportunity to self-identify as Indigenous affiliated.<sup>4</sup> A no response includes not wanting to self-identify.
- Submission (declarations and attestations): Prior to submitting the application, the applicant, through their responsible person, must electronically attest to the following:
  - that the proposed personnel submitted as part of the application are familiar with the provisions of the *Cannabis Act* and its Regulations that will apply to the licence
  - that none of the activities that the applicant is proposing to conduct in the application will be conducted, or records of these activities maintained, at a dwelling-house
  - that all information and documents submitted in support of the application, are, to the best of the applicant's knowledge, correct and complete
  - that the person submitting the application has the authority to bind the application/applicant and to have overall responsibility for the management of the activities to be conducted under the licence

<sup>4</sup>Indigenous affiliation can include any person or persons of First Nation, Inuit and/or Métis descent or any community, corporation or business associated with a First Nation, Inuit and Métis government, organization or community.

Once the application is submitted, it appears in the “Submitted Licence Applications” section of the CTLS. Each application will have a unique Licence Application ID. All correspondence with Health Canada in relation to the application should include this identifier in the subject title. It is important to note that once an application is submitted, no further changes can be made by the applicant. Refer to section **7.3.3 Changes to an application/unsolicited information** for more information.



An applicant may check the status of their application in the CTLS at any time during the application process. For more information, refer to Appendix F: Application Status Meanings in CTLS.



#### **For Processing, Cultivation, and Sale for Medical Purposes with Possession Licences**

A site evidence submission must be received by Health Canada before an application can be considered. Site evidence package submissions must be received by Health Canada within 10 business days following the submission of their CTLS application. Applicants who do not submit their site evidence package within the timeframe may have their application refused as incomplete.

### **7.1.1 Submission of Site Evidence**

If you are applying for a **Processing, Cultivation, and Sale for Medical Purposes with Possession Licence**, please submit visual evidence in accordance with the following:

- All submitted packages must be clearly identified with the APP number (APP-XXXXXXXXXX-20XX) associated with the CTLS portion of the licence application. Any packages which are inappropriately identified may result in a delay to the review process or refusal of the application.
- Photographic evidence must be provided in PDF-formatted files.
  - Visual evidence for each operations area (including grow areas) and storage areas identified must be submitted in separate files (e.g. Grow-Room.pdf, Facility-Perimeter.pdf)
- Visual evidence must show the area in question followed by images derived from the visual monitoring devices located in those cannabis-present areas.
- Video evidence must be submitted in any of the following supported formats:
  - MP4 Video file (.mp4, .m4v, .mp4v, .3g2, .3gp2, .3gp, .3gpp)
  - QuickTime Movie file (.mov)
  - Audio Visual Interleave (.avi)
  - Microsoft Digital Video Recording (.dvr-ms)
  - Moving Pictures Experts Group (.mpg, .mpeg, .m1v, .mp2, .mp3, .mpa, .mpe, .m3u)

Please note that site evidence packages must be submitted to Health Canada electronically using USB storage devices. If submitting site evidence packages using a courier service, please provide the Licensing and Medical Access Directorate with the tracking number for the package. The tracking number should be sent in an email to [HC.licensing-cannabis-licences.SC@canada.ca](mailto:HC.licensing-cannabis-licences.SC@canada.ca) with the APP number (APP-XXXXXXXXXX-20XX) provided by the CTLS listed in the subject line of the email.

The submission package can be sent to the following address:

Licensing and Medical Access Directorate  
Health Canada  
Address Locator: 0300A  
Ottawa ON K1A 0K9

Due to Health Canada's internal IT security policy, any information submitted by CD ROM storage will be returned to the applicant. Cloud storage hosting services are also not permitted.

## 7.2 After submission

Once an application is submitted in the CTLS, there are a series of steps Health Canada undertakes to review and issue the licence as outlined below. It is important to note that in accordance with subsection 62(5) of the *Cannabis Act*, the Minister may request the submission of any additional information that pertains to the information contained in the application and that is necessary for the Minister to consider the application. This would be in the form of a request for more information as outlined in section 7.3.1 of this guide.

- **7.2.1 Application screening:** During screening, the application, attached documents and, if required, the submitted site evidence package are assessed for completeness, legibility and ability to be further assessed. For Processing, Cultivation, and Sale for Medical Purposes Licence applications there is a 30 day service standard for completion of screening of the application by Health Canada. Please note that application screening cannot take place until Health Canada receives the site evidence package. The 30 day service standard will commence upon receipt of the complete application submission.
- **7.2.2 Review and security clearance:** Once an application has passed the screening stage, and security clearance applications are being processed, the application will undergo a detailed review of both documents submitted through the CTLS and, if required, visual evidence submitted as a part of the site evidence package to verify that the requirements are met. Health Canada will work with the RCMP on security clearance applications. Refer to [Security Clearances under the Cannabis Act and Regulations](#) for more information on the security clearance process.

**7.2.3 Pre-licensing and approval process:** Following the review of this information, an on-site pre-licence inspection by Health Canada inspectors may be deemed necessary prior to further licensing decisions. If an inspection is required, the inspection team will

contact the applicant to schedule the pre-licence inspection. In the case where an on-site pre-licence inspection is not required, the licence issuance will be based on the thoroughness of information submitted to Health Canada.

**7.2.4 Issuance of licence:** Once all information has been reviewed, including the results and observations from a pre-licence inspection, if necessary, and all security clearances have been granted, an initial licence for authorized activities is issued. A hard copy of the licence as well as an accompanying issuance letter detailing any conditions around the issued licence is mailed to the identified mailing address. In addition, all security-cleared key personnel are sent letters regarding the status of their security clearances for that site, under that application. Following issuance of the licence, Health Canada holds a teleconference with the new licence holder to discuss the licence, including any conditions.

Immediately after issuance of their licence, licence holders will generally be permitted to sell cannabis, as authorized by their licence as set out in the *Cannabis Regulations* and in accordance with any licence conditions. Cultivation and processing licence holders will generally be restricted to the sale of cannabis products that are cannabis plants and seeds to a holder of a licence for sale, and a person authorized to sell cannabis under a provincial Act by reason of subsection 69(1) of the *Cannabis Act*. The sale of cannabis products of all other cannabis classes will usually be restricted by a condition placed on the licence. For processing licence holders, to gain authorization for the sale of cannabis products of all other cannabis classes, an amendment request must be submitted to the change this condition on a licence. Refer to the Cannabis Licensing Management Guide for more information on how to complete an amendment submission.



Licence holders must ensure that the quality of cannabis products they produce meet all applicable requirements. When a licence holder is first licensed, activities will usually be limited. This graduated licensing is for the purpose of verifying that cannabis products intended for sale meet all of the quality standards set out under the *Cannabis Regulations*.

## 7.3 Administrative Procedures

### 7.3.1 Receiving and responding to a request for more information

It is the applicant's responsibility to meet all of the licensing requirements. If information submitted as part of the application is unclear or requires further detail to show how it meets the requirements, Health Canada asks the applicant to clarify this information through a request for more information.

In these cases, Health Canada strives to be clear about what information is needed from the applicant. If the applicant is unclear about what is required to respond to the request for more information, they may contact Health Canada by email or phone for further guidance (refer to

section 8.0 of this guide). Note that it is not a requirement to retain the services of a third party (e.g., consultant) to prepare responses to Health Canada.

A request for more information will be emailed to the responsible person. The applicant must respond by email, generally within 5 business days of the request. Some requirements for responding to requests for more information include:

- Responses should be comprehensive and comment on each of the elements noted in the request for additional information.
- The applicant should not resubmit a revised version of the original documents unless requested to do so, but should provide a clear and detailed response specific to each point requested. This can be submitted in tabular format or in a report format with subheadings associated with each item noted in the request.
- It is important to be as specific and as detailed as possible when addressing each section. Incomplete responses may delay processing or lead to a refusal to consider an application.



If the applicant wishes another representative to be the primary recipient of communications or receive a copy of all communications, the applicant must provide a written and signed consent to Health Canada that permits Health Canada to communicate details about the application to the third-party individual. The consent must indicate the name(s) of the individuals, the application number and be sent to [HC.licensing-cannabis-licences.SC@canada.ca](mailto:HC.licensing-cannabis-licences.SC@canada.ca) from the email address captured within the CTLS for the responsible person with the subject line “Consent to Communicate”. Note that as an applicant proceeds through review process, the application status and contact information of the applicant may be shared with persons authorized under subsection 69(1) of the *Cannabis Act*.

### 7.3.2 Refusals and withdrawals

Health Canada may refuse to consider an application if any of the required information is not provided.

In addition, Health Canada may refuse to issue a licence under circumstances set out in the *Cannabis Act* and its Regulations. These include:

- Issuing a licence is likely to create a risk to public health or public safety including the risk of diversion
- There are reasonable grounds to believe that false or misleading information has been submitted
- The applicant has contravened the *Cannabis Act*, the *Controlled Drugs and Substances Act*, the *FDA* or any associated regulations, including an order or a condition of another licence, in the past 10 years



- The applicant is a young person, an individual who is not ordinarily resident in Canada or an organization that was incorporated, formed or otherwise organized outside of Canada
- A security clearance associated with the application has been refused or cancelled
- An individual who is required to hold a security clearance does not hold one
- The combination of classes or subclasses of licences proposed at the same site. For further details refer to Table 2: General Guide for Combinations of Licence Classes and Subclasses at a Single Site and section 29 of the *Cannabis Regulations*.
- The Minister is of the opinion that the refusal is in the public interest

In these cases, Health Canada may send an intent to refuse notice, either to refuse to consider an application, or to refuse to issue a licence. This intent to refuse notice will generally provide the applicant with 30 days to respond, after which a notice of refusal will be issued.

The notice of refusal officially closes the file and sets out the specific reasons or deficiencies that resulted in the decision to refuse to consider the application or issue a licence. All decisions to refuse an application are without prejudice to filing a new application for a licence. If an applicant wishes to submit a new application at a future time, it will be processed as such. Information and data submitted to support an application will not be returned to the applicant.

At any time during the review of their application, the applicant may withdraw the application through the CTLS. Withdrawal of an application is without prejudice to re-filing. If an applicant wishes to resubmit an application at a future time, the application will be processed as a new application. Information and data submitted to support the original application will not be returned to the applicant.

For personnel security clearances, if the intent is to refuse to grant a security clearance, the individual applicant will be notified in writing of the basis for the intent to refuse and will be provided with a minimum of 20 days to make written representations. The individual applicant as well as the associated licensing applicant will be notified in writing if the Minister refuses to grant the clearance.

If an individual's security clearance is refused or cancelled, the individual who has been refused a security clearance cannot submit a new application for a security clearance until the circumstances that resulted in the refusal or cancellation have changed or until five years have elapsed after the refusal or the cancellation.

### **7.3.3 Changes to an application/unsolicited information**

Once an application is submitted, changes cannot be made to the application within the CTLS. If a change is required, the applicant must contact [HC.licensing-cannabis-licences.SC@canada.ca](mailto:HC.licensing-cannabis-licences.SC@canada.ca). The email must clearly indicate the application file number, the applicant's name and the subject of the correspondence in the subject line of the email.

Any unsolicited information or submissions not clearly labelled with the above information may not be assessed by Health Canada.

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## 8.0 Contact Us

For questions related to a specific licence application, an email may be sent to: [HC.licensing-cannabis-licences.SC@canada.ca](mailto:HC.licensing-cannabis-licences.SC@canada.ca). The email must clearly indicate the application file number, the applicant's name and the subject of the correspondence in the subject line of the email. Meeting or teleconference requests are evaluated on a case-by-case basis.

For other general questions about the *Cannabis Act* and its Regulations outside of a specific application, including those related to the CTLS, email: [cannabis@canada.ca](mailto:cannabis@canada.ca).

Alternatively, the Controlled Substances and Cannabis Branch may be contacted by phone at 1-866-337-7705.

## 9.0 Feedback – Help Us Improve

Health Canada is committed to providing all stakeholders with timely, accurate and reliable information. This includes providing applicants and licence holders with the information they require in order to be compliant with the *Cannabis Act* and its Regulations.

Health Canada appreciates receiving your feedback on whether this guide was useful and would welcome your suggestions for improvement. Please send us your feedback by email to: [cannabis@canada.ca](mailto:cannabis@canada.ca) and indicate in the subject line: "Feedback on Application Guide".

Your feedback will help us improve this guide and better serve all applicants and licence holders.

## Appendix A: Key Individuals

\*Note that for the purposes of an application, other individuals may require accounts and/or security clearances in addition to the key individuals identified in this table. Refer to the *Cannabis Regulations* and Section 5 of this guide for more information.

✓ Required to be identified    SEC- Security Clearance Required

Individuals	Responsibilities and Qualifications (as defined in the Regulations)	Cultivation			Processing		Sale for Medical Purposes	Analytical Testing	Research
		Standard	Micro	Nursery	Standard	Micro			
Licence Holder (as an Individual)	<ul style="list-style-type: none"> <li>Overall responsibility for the licence</li> </ul>	✓SEC	✓SEC	✓SEC	✓SEC	✓SEC	✓SEC	✓	✓
Responsible Person	<ul style="list-style-type: none"> <li>A holder of a licence must retain the services of one individual as the responsible person who has the authority to bind the licence holder</li> <li>Has overall responsibility for the activities conducted by the licence holder</li> <li>Must have sufficient knowledge of the provisions of the Act and Regulations that apply to the holder of the licence</li> </ul> <p><i>May designate one qualified alternate</i> <i>Will be the official point of contact with Health Canada and through the CTLS</i></p>	✓SEC	✓SEC	✓SEC	✓SEC	✓SEC	✓SEC	✓	✓
Head of Security	<ul style="list-style-type: none"> <li>Responsible for ensuring that the physical security measures comply with Part 4 of the <i>Cannabis Regulations</i></li> <li>Responsible for the OSP</li> </ul> <p><i>May designate one qualified alternate</i></p>	✓SEC	✓SEC	✓SEC	✓SEC	✓SEC	✓SEC		
Master Grower	<ul style="list-style-type: none"> <li>Responsible for the cultivation, propagation and harvesting of cannabis</li> <li>Must be familiar with the provisions of the Act and Regulations that relate to his or her activities.</li> </ul> <p><i>May designate one qualified alternate</i></p>	✓SEC	✓SEC	✓SEC					

Individuals	Responsibilities and Qualifications (as defined in the Regulations)	Cultivation			Processing		Sale for Medical Purposes	Analytical Testing	Research
		Standard	Micro	Nursery	Standard	Micro			
QAP	<ul style="list-style-type: none"> <li>Responsible for assuring the quality of the cannabis before it is made available for sale</li> <li>Required to have the training, experience and technical knowledge related to the GPP requirements of the Regulations</li> <li>Responsible for investigating every complaint received in respect of the quality of the cannabis and, if necessary, taking corrective and preventative measures</li> <li>Responsible for approval of methods and procedures related to GPP</li> </ul> <p><i>May designate <b>up to two</b> alternate QAPs who can replace the QAP, if and when required. These alternates must be identified in advance and requires approval from Health Canada, because there are specified qualifications for this position</i></p>				✓SEC	✓SEC			
Head of Laboratory	<ul style="list-style-type: none"> <li>Work at the licensed site and be responsible for the testing activities under section 91 of the <i>Cannabis Regulations</i> (testing of each lot/batch for composition)</li> <li>Required to be familiar with the applicable provisions of the Act and associated regulations</li> <li>Have knowledge and experience related to the duties of the position</li> <li>Possess a degree in a science that is related to the work to be carried out awarded by either a Canadian university or, if awarded by a foreign university, one that is recognized by a Canadian university or Canadian professional association</li> </ul> <p><i>An applicant may designate <b>one or more</b> alternates who can replace the Head of Laboratory, if and when required. These alternates must be identified in advance and requires approval from Health Canada, because there are specified qualifications for this position</i></p>							✓	

# Appendix B: Cannabis Licence Classes and Subclasses

This table provides a summary of the cannabis licence classes and subclasses, and activities that can be authorized under the *Cannabis Regulations*. The *Cannabis Regulations* should be referred to for additional detail. In order to conduct any of the activities, they must be authorized by the licence.

CTLS Licence Class <sup>5</sup>	Licence Class <sup>6</sup>	Subclass	Restrictions	Authorized Activities (if authorized by licence) <sup>7</sup>	Notes
Cannabis	Cultivation	Standard Cultivation		<ul style="list-style-type: none"> <li>Possess cannabis</li> <li>Obtain dried or fresh cannabis, cannabis plants or cannabis seeds by propagating, cultivating, harvesting</li> <li>For the purpose of testing, alter the chemical or physical properties of the cannabis</li> <li>Sell and distribute dried cannabis, fresh cannabis, cannabis plants or seeds to other licence holders (cultivators, processors, analytical testers, researchers, cannabis drug licence holders), with the exception that dried cannabis or fresh cannabis cannot be sold to the holder of a nursery licence</li> </ul>	<ul style="list-style-type: none"> <li>An applicant may apply for a standard cultivation licence, even with a proposed plant surface area of less than 200 square metres but standard cultivation requirements will apply in this case</li> <li>Cultivation may be conducted indoors or outdoors</li> </ul>
	Cultivation	Micro-Cultivation	<ul style="list-style-type: none"> <li>Plant surface area cannot exceed 200m<sup>2</sup> (includes multiple surfaces such as surfaces vertically arranged)</li> </ul>	<ul style="list-style-type: none"> <li>Sell and distribute cannabis plants or seeds to a licensed nursery</li> <li>Sell and distribute cannabis products that are plants or seeds to a licence holder that is authorized to sell cannabis for medical purposes or to a person authorized to sell cannabis under a provincial or territorial Act</li> <li>Send and deliver cannabis products that are plants or seeds</li> </ul>	<ul style="list-style-type: none"> <li>Cultivation may be conducted indoors or outdoors but the cannabis plant surface area includes any indoor/outdoor areas at any single time)</li> </ul>

<sup>5</sup> For the purposes of CTLS, users are required to first indicate whether they will be applying for a Cannabis, Analytical Testing, or Research Licence. The user will then need to specify the cannabis licence class or subclass (as specified by the *Cannabis Regulations*) for which they intend to apply

<sup>6</sup> Should the user select ‘Cannabis’ as a licence class in CTLS, they will then need to specify the cannabis licence class or subclass (as specified by the *Cannabis Regulations*) for which they intend to apply

<sup>7</sup> Licence holders can conduct research and development activities within their authorized licenced activities. If the licence holder wishes to conduct research and development activities outside of their authorized licence activities, they must apply for a separate research licence

CTLS Licence Class <sup>5</sup>	Licence Class <sup>6</sup>	Subclass	Restrictions	Authorized Activities (if authorized by licence) <sup>7</sup>	Notes
				<p>to the purchaser at the request of a licence holder that is authorized to sell cannabis for medical purposes or to a person authorized to sell cannabis under a provincial or territorial Act</p> <ul style="list-style-type: none"> <li>Conduct ancillary activities (e.g., drying, trimming, milling, etc.)</li> </ul>	
Cannabis	Cultivation	Nursery	<ul style="list-style-type: none"> <li>For seed production, total surface area of no more than 50m<sup>2</sup> must contain all the parts of budding or flowering plants</li> <li>Maximum of 5kg of flowering heads harvested from plants with the exception of seeds</li> <li>Must destroy the flowering heads (with the exception of the cannabis plant seeds), leaves and branches of the plants within 30 days of harvesting them</li> </ul>	<ul style="list-style-type: none"> <li>Possess cannabis</li> <li>Obtain cannabis plants or plant seeds by propagating, cultivating, harvesting</li> <li>For the purpose of testing, alter the chemical or physical properties of the cannabis</li> <li>Sell and distribute cannabis plants or seeds to other licence holders (cultivators, processors, analytical testers, researchers, cannabis drug licence holders)</li> <li>Sell and distribute cannabis products that are plants or seeds to a licence holder that is authorized to sell cannabis for medical purposes or to a person authorized to sell cannabis under a provincial or territorial Act</li> <li>Send and deliver cannabis products that are plants or seeds to the purchaser at the request of a licence holder that is authorized to sell cannabis for medical purposes or to a person authorized to sell cannabis under a provincial or territorial Act</li> <li>Conduct ancillary activities (e.g., drying )</li> </ul>	<ul style="list-style-type: none"> <li>Cultivation may be conducted indoors or outdoors</li> </ul>
	Processing	Standard Processing		<ul style="list-style-type: none"> <li>Possess cannabis</li> <li>Produce cannabis, other than obtaining it by propagating, cultivating, or harvesting</li> <li>For micro-processing, the cannabis cannot be obtained by</li> </ul>	<ul style="list-style-type: none"> <li>All activities must be conducted indoors</li> </ul>

CTLS Licence Class <sup>5</sup>	Licence Class <sup>6</sup>	Subclass	Restrictions	Authorized Activities (if authorized by licence) <sup>7</sup>	Notes
Cannabis	Processing	Micro-processing	<ul style="list-style-type: none"> <li>Maximum of 600kg of dried cannabis (or equivalent) in 1 calendar year as per section 21 of the <i>Cannabis Regulations</i>.</li> </ul> <p>Note: If licence holder also holds a micro-cultivation licence for the same site and the cannabis comes exclusively from that site, this maximum quantity does not apply.</p>	<p>synthesis.</p> <ul style="list-style-type: none"> <li>Sell and distribute cannabis to other licence holders (processors, analytical testers, researchers, cannabis drug licence holders)</li> <li>Sell and distribute to licensed micro-cultivators or standard cultivators: <ul style="list-style-type: none"> <li>dried cannabis, fresh cannabis, cannabis plants, or cannabis seeds</li> <li>cannabis produced for the purposes of testing that is necessary to determine the chemical characterization of cannabis, such as a reference standard</li> </ul> </li> <li>Sell and distribute to licensed nursery: <ul style="list-style-type: none"> <li>cannabis plants or seeds</li> <li>cannabis produced for the purposes of testing that is necessary to determine the chemical characterization of cannabis, such as a reference standard</li> </ul> </li> <li>Send and deliver cannabis products to a licence holder that is authorized to sell cannabis for medical purposes or to a person authorized to sell cannabis under a provincial or territorial Act</li> <li>Send and deliver cannabis products that are plants or seeds to the purchaser at the request of a licence holder that is authorized to sell cannabis for medical purposes or to a person authorized to sell cannabis under a provincial or territorial Act</li> </ul>	
Cannabis	Sale for Medical Purposes	N/A	<ul style="list-style-type: none"> <li>Must sell cannabis products in the packaging in which they were sold or distributed to them</li> </ul>	<ul style="list-style-type: none"> <li>Possess cannabis products</li> <li>Sell or distribute cannabis products to a client</li> <li>Sell or distribute cannabis products to a licence holder (with the exception of a cultivator)</li> <li>Sell or distribute cannabis products that are dried, fresh, plants or cannabis seeds to micro-cultivator or standard cultivator</li> <li>Sell or distribute cannabis products that are plants or plant</li> </ul>	<ul style="list-style-type: none"> <li>Requirements for the application for a sale for medical purposes licence with possession of cannabis differ from those that do not have possession. Refer to Section 6 of this guide for more information</li> <li>Sale is to registered clients</li> </ul>

CTLS Licence Class <sup>5</sup>	Licence Class <sup>6</sup>	Subclass	Restrictions	Authorized Activities (if authorized by licence) <sup>7</sup>	Notes
				seeds to a licensed nursery <ul style="list-style-type: none"> <li>Sell or distribute cannabis products other than plants or seeds to a hospital employee</li> </ul>	authorized to use cannabis for medical purposes
Analytical Testing		N/A	<ul style="list-style-type: none"> <li>All samples of a lot or batch of cannabis must be destroyed within 90 days of the completion of the testing</li> <li>If testing is not started within 120 days of sample receipt, samples must be destroyed</li> </ul>	<ul style="list-style-type: none"> <li>Possess cannabis</li> <li>Alter the chemical or physical properties of the cannabis for the purposes of testing</li> </ul>	
Research		N/A		<ul style="list-style-type: none"> <li>For the purpose of research, possess, produce, and transport, send, or deliver cannabis between sites that are authorized by the licence</li> <li>Sell cannabis plants or seeds to a cultivator, another researcher, cannabis drug licence holders, the Minister, exemption holder</li> </ul>	<ul style="list-style-type: none"> <li>In general, research licence holders will be required to destroy all cannabis in their possession upon the completion of their research project as part of the terms and conditions of their licence. They may be authorized to conduct limited sale and distribution activities such as the sale of cannabis plants and seeds to another researcher or a cultivation licence holder.</li> </ul>



## Appendix C: Personnel Security Clearance Application Requirements

Each individual requiring a security clearance must submit a Security Clearance Application in the CTLS with the following information:

- **Biographical information:** Including name, date of birth, preferred official language, location of birth, birth certificate number and issuing province or territory, and descriptors such as eye and hair colour, weight and height. A valid piece of photo identification issued by the government (Canada or province or territory) or a copy of the passport with the passport number, country, expiry date and photograph must also be provided.
- **Criminal charges and convictions:** The applicant must obtain a criminal record check and include information about past criminal charges and convictions in the application.



As part of the criminal record check process, the applicant must provide a “Security Clearance Fingerprint Third Party Consent to Release Personal Information Form.” This must be provided to the local police force, the RCMP, or a private fingerprinting agency accredited by the RCMP. The form authorizes the RCMP to release the criminal record check and fingerprint verification results to Health Canada. Following fingerprinting, a document control number (DCN) is provided on the form, which is used as the identifier for the record check. Refer to the [Health Canada website](#) for this form.

- **Residential addresses:** Must be included for the past five years, prior to the time of application.
- **Employment, education and unemployment history:** Must be included for the past five years, prior to the time of application.
- **Marital status:** Must include details of current and any previous spouses or common-law partners over the last five years.
- **Time spent outside of country of residence:** The applicant must provide the dates, destination and purpose of travel for any travel exceeding 90 days in the past five years.
- **Signed consent:** As part of this application, a **consent and certification form** must be uploaded with a signature by the individual. Refer to Appendix I: Security Clearance – Consent and Certification Form.
- **Submission:** The applicant must attest that the information, including supporting documents, in the application is true prior to submission.

## Appendix D: Organizational Security Plan SOP Priority Areas

Health Canada has identified four priority security areas that all applicants and licence holders will be expected to address through SOPs. The number of SOPs required is at the discretion of the applicant, but all four priority areas below must be addressed. As part of its OSP the applicant is required to submit a list and short description of its SOPs, not the SOPs themselves.

### Priority area 1: Security clearances and adverse information about employees

Risk areas and potential mitigation measures to consider:

- Detecting and responding to new adverse information received that could compromise an employee's security clearance
- Detecting and responding to adverse information received regarding a non-security-cleared employee that could compromise the organization's security

### Priority area 2: Physical security

Risk areas and potential mitigation measures to consider:

- Staff arrival and entry to the facility (procedure for gate/door to open, etc.)
- Guest, vendor and contractor arrival and entry to the facility (including deliveries/pick-up)
- Response procedures for any arrival and entry breaches
- Staff access to areas where cannabis is present, including vault/storage areas (procedure for passing access controls/intrusion detection)
- Guest, vendor and contractor access to areas where cannabis is present, including vault/storage areas (including deliveries/pick-up)
- Response procedures for any access control or intrusion detection breaches to areas where cannabis is present, including vault/storage areas
- Storage and retrieval of video monitoring footage
- Testing of all physical security features and response procedures (frequency, method, etc.)
- Steps and other security measures that will be taken to ensure the safekeeping of cannabis when being shipped, delivered and or transported
- Destruction method and handling of cannabis waste

### Priority area 3: Security awareness and training

Risk areas and potential mitigation measures to consider:

- Internal security training and awareness requirements (for management and for employees)
- How employees can report security concerns, incidents or breaches
- Testing of response procedures (frequency, method, etc.)

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## **Priority area 4: Record keeping, reporting and testing**

Risk areas and potential mitigation measures to consider:

- Contingency plan if record keeping system fails or goes down
- Detection of loss or theft
- Validation that cannabis entering the facility is from a legal source
- Protection of client information
- Response procedure should cannabis be found to enter or leave the facility in an unauthorized manner
- Testing of response procedures (frequency, method, etc.)

## Appendix E: Licensing Record Keeping Attestation

PART 11 – RETENTION OF DOCUMENTS AND INFORMATION	
APPLICANT INFORMATION	
Applicant Name:	Application Number:
INSTRUCTIONS	
<ol style="list-style-type: none"> <li>1. Complete the 'General Information' and 'Responsible Person Attestation Signature' fields in the attestation form provided below.</li> <li>2. Upload the completed attestation form as an attachment under the 'Record Keeping Example Section' in the Cannabis Tracking and Licensing System (CTLS).</li> </ol>	
GENERAL INFORMATION	
Please confirm the proposed <b>record keeping method</b> : <input type="checkbox"/> Electronic-based ( <i>please specify any record keeping software to be used</i> ): <input type="checkbox"/> Paper-based <input type="checkbox"/> Other:	
REGULATORY ATTESTATION	
While applicants are expected to meet <b>all</b> regulatory requirements pertaining to <i>Part 11 – Retention of Documents and Information</i> of the <i>Cannabis Regulations</i> , the Licensing and Medical Access Directorate has identified requirements (see below) for which we would like to emphasize and draw your attention to as these may represent a greater risk in the event of a non-compliance.	
REGULATION	
INVENTORY AND DISTRIBUTION	
224 Inventory – cannabis other than oil	
225 Inventory – cannabis oil* <small>(*only applies to applicants applying for a processing licence)</small>	
226 Receipt of cannabis	
227 Sale, distribution and export of cannabis	
DESTRUCTION	
229 Destruction	
SECURITY	
230 Organizational security plan	
PRODUCTION	
231 Good production practices	
232 Standard operating procedures and sanitation program	
PACKAGING AND LABELING	

233 Packages and labels	
<b>SYSTEM OF CONTROL FOR RECALLS</b>	
235 System of control	
<b>RESPONSIBLE PERSON ATTESTATION SIGNATURE</b>	
<p>I, the undersigned, attest that:</p> <ul style="list-style-type: none"> <li>• <b>All</b> applicable documents and information pertaining to <i>Part 11 – Retention of Documents and Information</i> of the <i>Cannabis Regulations</i>, as required by the licence class(es) and activities being applied for at the time of licensing, will be retained accordingly for the noted retention period(s) as outlined by the respective regulation(s).</li> <li>• With respect to section 221 of the <i>Cannabis Regulations</i>, <b>all</b> applicable documents and information will be retained in a manner that will enable an audit to be made of it in a timely manner.</li> <li>• All information or documents under section 221 will be retained at the site of the licence holder, or, in the case of a person that does not hold a licence, at the person's place of business, or if they do not have one, at a place of business in Canada.</li> </ul>	
<b>Responsible Person Name (Printed):</b>	
<b>Responsible Person Name (Signature):</b>	<b>Date:</b>

*Please review the regulations for the post licensing record keeping and reporting requirements.*

## Appendix F: CTLS Application Status

An applicant may check the status of their application in the CTLS at any time during the application process. The table below provides an explanation of what the status means.

Status	Explanation
Draft	The application has not yet been submitted by the applicant. Health Canada does not receive, nor process, draft applications. The applicant must complete all sections of the application in order to submit an application for processing by Health Canada.
Payment (Pending)	<i>Information on cost recovery fees will be provided by Health Canada, when applicable.</i> The applicant has submitted the application but required payment for the processing of the application, if applicable, has not yet been processed.
Submitted	Once the payment, if applicable, is received by Health Canada, the application is considered 'submitted' and remains at this stage until the screening of the application commences.
In progress	Health Canada has begun review of the application. Refer to section 7.2 of this guide for more information.
Pending information	A request for more information has been sent and Health Canada is waiting for a response from the applicant. Refer to 7.3.1 of this guide for more information.

## Appendix G: Key Investors

The Regulations provide the complete definition of a key investor. In essence, a key investor is a person who exercises, or is in a position to exercise, direct or indirect control over the licence holder. When the term “in a position to exercise, direct or indirect control over the holder” is used, an individual, partnership, cooperative or corporation will be considered to be controlled by another individual or organization at any time where, at that time, the controller has any direct or indirect influence that, if exercised, would result in control in fact of the individual, partnership, cooperative or corporation.

As part of the licensing application, any person (except a corporation who trades its shares on a public market) who applies for a cultivation, processing or sale for medical purposes licence must provide certain information regarding key investors, such as the key investor’s name and mailing address; a description of the means by which the key investor exercises, or is in a position to exercise, control over the holder and, if known, whether the controlling interest has been, will be, or could be assigned, pledged, mortgaged, hypothecated or sold, in whole or in part, to any person.

A person may have control in fact of an organization even though that person does not have legal control of the organization. Legal or direct control of an organization generally entails the right to elect the majority of the board of directors based on having a sufficient number of voting shares.

Control in fact includes the ability to control by any direct or indirect influence, and it may exist even without the ownership of any shares. It can take many forms such as the ability of a person to: change the board of directors or reverse its decisions; make alternative decisions concerning the actions of the organization in the short, medium or long term; directly or indirectly terminate the organization or its activities; or to appropriate its profits and property. The existence of such influence, even if it is not actually exercised, would be sufficient to result in control in fact.

In order to determine whether an investor has control in fact, and whether information about this investor needs to be reported, the following are some of the relevant general factors to consider:

- the percentage of ownership of voting shares (when such ownership is not more than 50 per cent) in relation to the holdings of other shareholders – although any ownership over 25 per cent, in combination with other factors would likely be a significant indication of control
- ownership of a large debt of an organization which may become payable on demand
- shareholder agreements including the holding of a casting vote
- commercial or contractual relationships of the organization, e.g., economic dependence on a single supplier or customer.

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## Appendix H: Direct Control

In some instances, a partnership, cooperative or corporation that holds a licence can be controlled by an individual or another partnership, cooperative or corporation. The Regulations require that individuals, or directors and officers of cooperatives or corporations, must hold a valid security clearance when they directly control any partnership, corporation or cooperative that holds a cultivator, processor or sale for medical purposes licence.

With respect to partnerships, the terms of the partnership agreement will dictate who has control. Anyone who directly controls a partnership needs to hold a valid security clearance – this includes any individual, or if it is another partnership – those partners, and if a corporation or a cooperative – then its directors and officers.

Cooperatives and corporations can also be controlled by others – individuals, partnership, cooperative or a corporation. In common language, when this kind of control is exerted by a corporation, it is often referred to as a “parent company”, which is a company that is able to control another company’s management and operations by influencing or electing its board of directors, among other things. The *Cannabis Regulations* require the directors and officers of any parent company/cooperative, which is a corporation or cooperative that has significant ownership over a subsidiary or group of subsidiaries, to hold security clearances. These partially or wholly owned companies or cooperatives are controlled by the parent, to varying degrees; however, all parent companies, for the most part, own more than 50% of a subsidiary’s voting stock. This applies to any individual or partnership that owns more than 50% of a subsidiary’s voting stock.

If an individual controls any of the above licence holders by holding an influential amount of voting stock or through the terms of a partnership agreement, they would require a security clearance.



## Appendix I: Security Clearance – Consent and Certification Form

Providing misleading or false information on this application may result in a refusal or cancellation of the security clearance.

For security clearance purposes, I consent to the disclosure by the Royal Canadian Mounted Police (RCMP) to other law enforcement agencies, of any and all information provided by me in support of this application. Without limiting the generality of the foregoing, this includes information relating to my date of birth, education, residential history, employment history, and immigration and citizenship status in Canada. I also consent to the disclosure and use of my fingerprints and facial images for identification purposes.

I consent to the disclosure by law enforcement agencies to Health Canada and/or the RCMP of any and all information relevant to this security clearance application, including information in my criminal record and any other information contained in law enforcement records, including information gathered for law enforcement purposes, as well as any and all information that will facilitate the conduct of a security assessment. This includes non-conviction information, charges before the courts, findings of guilt or convictions and court orders registered in my name in the National Repository of Criminal Records and local records available to police services.

For security clearance purposes, I hereby authorize Health Canada to seek, verify, assess, collect, and retain for a period of two (2) years after the expiry date of the licence holder's licence, any and all information relevant to this application including any criminal records and any and all information contained in law enforcement files, including intelligence gathered for law enforcement purposes, and information with respect to my immigration and citizenship status, as well as any and all information that will facilitate the conduct of a security assessment. This includes non-conviction information, charges before the courts, findings of guilt or convictions and court orders registered in my name in the National Repository of Criminal Records and local records available to police services.

For security clearance purposes only, I consent to the release by other Canadian institutions or agencies to Health Canada, of information relevant to this application for a security clearance to enable Health Canada to perform security screening assessments in order to determine whether a security clearance should be granted to me.

This consent is given solely for security clearance purposes. Unless cancelled in writing by me and notification is given in writing to Health Canada, this consent shall remain valid for conducting all the necessary verifications, specified checks, assessments and/or investigations, including any subsequent required verifications, if need be, as well as any requirements for updates.

I certify that all the information set out by me in this application for a security clearance, including any supporting documentation, is true and correct to the best of my knowledge and belief.

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Applicant's Name (print in block letters)

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Applicant's Signature

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Date (YYYY/MM/DD)

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Home telephone

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Work telephone

### Privacy Notice Statement

The personal information you provide on this form to Health Canada is governed in accordance with the *Privacy Act*. This Notice explains the purposes of the collection and use of the personal information you provide on this form. We only collect the information required for a security clearance as part of the application pursuant to the *Cannabis Regulations*. Security clearance is a requirement under the *Cannabis Regulations* for issuance of a licence. A refusal to provide the information requested on this form will result in a refusal to process the application. The personal information collected by Health Canada will be used to process the application. The personal information collected by Health Canada will also be disclosed to the Royal Canadian Mounted Police (RCMP) for the purpose of conducting a criminal record check and a check of the relevant files of other law enforcement agencies, including intelligence gathered for law enforcement purposes. In some cases, personal information may be disclosed without your consent for purposes not outlined here pursuant to subsection 8 (2) of the *Privacy Act*. A Personal Information Bank (PIB) is under development and will be included in [infosource.gc.ca](http://infosource.gc.ca). You have the right to request access to and correction of your personal information. For more information about these rights, or about our privacy practices, please contact the Privacy Management Division at 613-946-3179 or [HC.privacy-vie.privee.sc@canada.ca](mailto:HC.privacy-vie.privee.sc@canada.ca). You also have the right to file a complaint with the Privacy Commissioner of Canada if you think your personal information has been handled improperly.

# Appendix 2

## **Summary Table of Municipal Approaches to Regulating Cannabis Production Facilities**

Summary Table of Municipal Approaches to Regulating Cannabis Production Facilities

	HAMILTON	NORFOLK	HALTON HILLS	ERIN	KINCARDINE
Definition(s)	<p><b><i>Cannabis Growing and Harvesting Facility:</i></b> shall mean a wholly enclosed building or structure used for growing, harvesting, testing, destroying, packaging and shipping of cannabis, for a facility where a licence, permit or authorization has been issued under applicable federal law.</p> <p><b><i>Agricultural Processing Establishment- Stand Alone:</i></b> Shall mean the use of land, building or structure, or portion thereof, for a standalone facility dedicated to the transformation of raw agricultural commodities and may include Accessory Retail, but shall not include an Abattoir, Agricultural Brewery/Cidery/Winery or processing of cannabis products.</p> <p><b><i>Agriculture:</i></b> shall mean the growing of crops, including Nursery and horticultural crops; raising of livestock; raising, boarding and training of horses; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; aquaponics; apiaries; agro-forestry; maple syrup production; greenhouse operations; Cannabis Growing and Harvesting Facilities; hydroponics; and other such accessory uses as are customarily and normally associated with agriculture, including limited value retention uses required to make a commodity grown primarily as part of the farm operation salable, such as, but not limited to, grain drying, washing, sorting, grading, treating, storing, packing and packaging, feed mill, or grain mill, and selling of agricultural products primarily grown as part of the farm operation, and associated on-farm buildings and structures, including one Single Detached farm dwelling and a Farm</p>	<p><b><i>Cannabis:</i></b> shall mean a genus of flowering plants in the family <i>Cannabaceae</i>. Synonyms include but are not limited to marijuana, and marihuana. This definition does not include the industrial or agricultural production of hemp (a source of foodstuffs (hemp milk, hemp seed, hemp oil), fiber and biofuels).</p> <p><b><i>Cannabis Production And Processing:</i></b> shall mean lands, <i>buildings</i> or <i>structures</i> used for producing, processing, testing, destroying, packaging and/or shipping of <i>cannabis</i> authorized by an issued license or registration by the federal Minister of Health, pursuant to the Access to Cannabis for Medical Purposes Regulations, SOR/2016-230, to the <i>Controlled Drugs and Substances Act, SC 1996, c 19</i>, as amended from time to time, or any successors thereto.</p> <p><b><i>Farm:</i></b> shall mean the use of land, building or structure for agricultural purposes, such as, without limitation, the growing of crops, including nursery, biomass, and horticultural crops; raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agro-forestry and maple syrup production, but <u>does not include Cannabis Production and Processing.</u></p> <p><b><i>Garden Centre:</i></b> shall mean a building, structure or lot used for the retail sale of agricultural products such as plants, trees and shrubs and ancillary sales of landscaping materials and products and <u>shall not include Cannabis Production and Processing.</u></p> <p><b><i>Wholesale Outlet:</i></b> shall mean an</p>	<p><b><i>Cannabis Analytical Testing Facility:</i></b> shall mean a facility where the alteration of the chemical or physical properties of cannabis by any means is carried out, subject to regulations under the Cannabis Act, as amended.</p> <p><b><i>Cannabis Cultivation- Indoor:</i></b> shall mean the growing of cannabis within a wholly enclosed building or structure, for medical or recreational purposes, subject to regulations under the Cannabis Act, as amended.</p> <p><b><i>Cannabis Cultivation- Outdoor:</i></b> shall mean the growing of cannabis in an open air setting, for medical or recreational purposes, subject to regulations under the Cannabis Act, as amended.</p> <p><b><i>Cannabis Drug Production Facility:</i></b> shall mean a facility where the production or manufacturing of a drug containing cannabis is carried out, subject to regulations made under the Cannabis Act, as amended, and the Food and Drugs Act, as amended.</p> <p><b><i>Cannabis Processing Facility:</i></b> shall mean a facility where the extraction of cannabis oil for the purpose of producing or manufacturing cannabis oils, gels or other edibles is carried out, subject to regulations under the Cannabis Act, as amended.</p> <p><b><i>Cannabis Research Facility:</i></b> shall mean a facility used for activities in accordance with a Licence for Research, subject to regulations under the Cannabis Act, as amended.</p>	<p><b><i>Medical Cannabis Production Facility:</i></b> shall mean premises used for the growing, producing, processing, testing, destroying, packaging and shipping of. Medical cannabis authorized by a license issued by the Federal Minister of Health, pursuant to the Marihuana for Medical Purposes Regulations, under the Controlled Drugs and Substances Act, as amended from time to time, or any successors thereto.</p>	<p>Not defined</p> <p>Regarded as either an Industrial use or a Greenhouse</p>

	HAMILTON	NORFOLK	HALTON HILLS	ERIN	KINCARDINE
	<p>Labour Residence.</p> <p><b>Urban Farm:</b> shall mean land that is used for the growing and harvesting of edible plants, vegetables or fruits and that the edible plants, fruits and vegetables grown on-site may be sold on-site. It may include structures such as <i>farm produce/product stand</i>, greenhouses, hoop houses or cold frames. It shall not include a cannabis growing and harvesting facility, an aquaponics, or aquaculture facility, or a mushroom operation. It shall not be considered as landscaped area, landscape open space, landscaped strip or landscaping.</p>	<p>establishment in which goods, wares, merchandise, substances, articles or things are offered or kept for sale in large quantities for wholesale to retail business establishments and <u>shall not include Cannabis Production and Processing.</u></p> <p><b>Air Treatment Control:</b> shall mean the functional use of industrial grade multi-stage carbon filtration system, or similar technology, to reduce and/or treat the emission of pollen, dust and odours expelled from a facility and sized accordingly in comparison to the facility it serves as designed by a qualified person.</p>			
Policy	<p><b>UHOP</b> <b>Employment Areas - Industrial Land Designation</b></p> <p>Permitted Uses: agricultural uses are limited to a <i>cannabis growing and harvesting facility</i>, a greenhouse and an aquaponics facility, in accordance with the Zoning By-law;</p> <p>The following additional conditions shall apply to a <i>cannabis growing and harvesting facility</i>;</p> <p>a) Appropriate locations within the Employment Area – Business Park Designation and regulations for <i>cannabis growing and harvesting facility</i> shall be determined in accordance with the Zoning By-law;</p> <p>b) an appropriate setback between a <i>cannabis growing and harvesting facility</i> and a sensitive land use shall be established in the Zoning By-law;</p> <p>c) notwithstanding E.5.5.1, retail sales</p>	N/A	<p><b>Employment Areas</b> Cannabis cultivation and processing is permitted within an enclosed building provided that the lot on which it is located is set back a minimum of 150 metres from a lot that is the site of a child care centre, a private or public school, a place of worship or other institutional use, a recreational use, a long-term care facility, a retirement home or a public park. Cannabis cultivation and processing shall also be subject to Site Plan Control.</p> <p><b>Prestige Industrial</b> Cannabis cultivation and processing is permitted within an enclosed building provided the façade of any building facing Highway 401 and Steeles Avenue is clad in brick or other suitable material that does not give the impression that the building is a greenhouse. In addition, the height of any greenhouse portion of a building should not extend higher than the front façade of a building facing Highway 401 and Steeles Avenue. Cannabis</p>	N/A	N/A

	HAMILTON	NORFOLK	HALTON HILLS	ERIN	KINCARDINE
	<p>shall not be permitted;</p> <p>d) no outside storage shall be permitted; and,</p> <p>e) In accordance with Section <i>F.1.19 – Complete Application Requirements and Formal Consultation</i>, the following studies shall be submitted as part of an official plan amendment, zoning by-law amendment and site plan applications:</p> <ul style="list-style-type: none"><li>i) Odour and Dust Impact Assessment;</li><li>ii) Light Impact Assessment;</li><li>iii) Transportation Impact Study;</li><li>iv) Hydrogeological studies; and,</li><li>v) Any other appropriate studies, identified as part of the complete application and formal consultation process.</li></ul> <p><b>RHOP</b> Agricultural Uses are permitted subject to the policies of this Plan</p> <p><i>Cannabis growing and harvesting facilities</i> are permitted in accordance with the regulations set out in the Zoning By-law and provided that the following conditions are met:</p> <p>a) A <i>cannabis growing and harvesting facility</i> is permitted in buildings existing at the date of the passing of the Zoning By-law;</p> <p>b) The gross floor area for a new <i>cannabis growing and harvesting facility</i> shall not exceed 2000 square metres;</p> <p>c) The testing, packaging, and shipping of cannabis shall be accessory to the <i>cannabis production growing and</i></p>		<p>cultivation and processing shall also be subject to the setback requirement identified in the general provisions for Employment Areas, and Site Plan Control.</p> <p><b>Agricultural/ Rural Areas</b> The indoor cultivation of cannabis may be permitted subject to the passage of an amendment to the implementing zoning By-law and will if approved through such a process be subject to Site Plan Control. Prior to considering the approval of a Zoning By-law Amendment, Council shall be satisfied that:</p> <ul style="list-style-type: none"><li>a) The use shall not have a negative impact on the enjoyment and privacy of neighbouring properties;</li><li>b) The proposed use will not have a negative impact on adjacent agricultural uses and is compatible with normal practices as set out in Agricultural Impact Assessment to the satisfaction of the Town and the Region;</li><li>c) The proposed use will not cause any traffic hazards or an unacceptable level of congestion on surrounding roads;</li><li>d) The proposed use can be designed and sited to blend In with surrounding land uses such that the rural character of the area is maintained; and where necessary the proposed use can be appropriately buffered from adjacent uses;</li><li>e) The impact of the noise, odour and dust generated by the proposed use on adjacent land uses can be appropriately mitigated;</li><li>f) There will be no negative impact on the quality and</li></ul>		



	HAMILTON	NORFOLK	HALTON HILLS	ERIN	KINCARDINE
	<p><i>harvesting facility;</i></p> <p>d) An appropriate setback between a cannabis production growing and harvesting facility and a sensitive land use shall be established in the Zoning By-law (remains under appeal);</p> <p>e) No retail sales are permitted;</p> <p>f) No outdoor storage is permitted; and,</p> <p>g) In accordance with Section <i>F.1.19 – Complete Application Requirements and Formal Consultation</i>, the following studies shall be submitted as part of an official plan amendment, zoning by-law amendment and site plan applications:</p> <p>i) Odour and Dust Impact Assessment;</p> <p>ii) Light Impact Assessment;</p> <p>iii) Transportation Impact Study;</p> <p>iv) Hydrogeological studies;</p> <p>v) Any other appropriate studies, identified as part of the complete application and formal consultation process; and,</p> <p>vi) The establishment of a new <i>cannabis production growing and harvesting facility</i> or the expansion of an existing facility shall be subject to Site Plan approval to address the appropriate building location, setbacks, drainage, sustainable private services, odour/dust, traffic and any other matters.</p>		<p>quantity of groundwater and surface water;</p> <p>g) Adequate parking facilities are available on the lot for the proposed use;</p> <p>h) The use can be serviced with an appropriate water supply and an appropriate means of sewage disposal;</p> <p>i) Stormwater management needs can be met on site;</p> <p>j) Signage advertising the use is to be designed and located in accordance with the Town’s Sign By-law; and,</p> <p>k) The proposed setback from adjacent land uses is appropriate, and in this regard, the minimum setback from proposed operations should be at least 150 metres. However, if a setback that is appropriate for the site can be established and if it is less than 150 metres, an Amendment to this Plan will not be required. Additionally, where proposed cultivation is to be operated under a micro cultivation licence, consideration for reduced setbacks (where required) will be given.</p> <p>Notwithstanding the above, a lot on which cannabis cultivation is located shall be set back 150 metres from Urban, Hamlet, and Rural Cluster Area lots where a sensitive land use is present.</p> <p>In addition to the above, the required studies for a proposed indoor cannabis cultivation operation, shall take into account the impacts from other cannabis operations developing or operating in the area.</p> <p>Where Zoning By-laws do not apply (in the Niagara Escarpment Plan Area),</p>		

	HAMILTON	NORFOLK	HALTON HILLS	ERIN	KINCARDINE
			<p>the above-noted criteria will be applied in considering the suitability of the location for indoor cannabis cultivation, including setbacks from Rural Cluster Area lots where a sensitive land use is present. These criteria will be applied in addition to any other relevant municipal or provincial policy.</p> <p>The processing of cannabis may be permitted as an agriculture-related use, operating in conjunction with a cannabis cultivation operation, subject to the passage of an amendment to the implementing zoning by-law and will if approved through such a process, be subject to Site Plan Control. Prior to considering the approval of a zoning by-law amendment, Council shall be satisfied that the criteria for an amendment has been satisfied.</p> <p>In addition to the above, and in order for the use to qualify as an agriculture-related use, it must be demonstrated that the proposed use satisfies all the criteria below:</p> <ul style="list-style-type: none"><li>a) Is directly related to farm operations in the area;</li><li>b) Supports agriculture;</li><li>c) Benefits from being in close proximity to farm operations; and,</li><li>d) Provides direct products and/or services to farm operations as a primary activity.</li></ul> <p>In considering the above, regard shall be given to the Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas prepared by the Ontario Ministry of Agriculture Food and Rural Affairs in 2016.</p> <p>Notwithstanding the above, a lot on which cannabis processing is located shall be set back 150 metres from Urban, Hamlet, and Rural Cluster Area</p>		



	HAMILTON	NORFOLK	HALTON HILLS	ERIN	KINCARDINE
			lots where a sensitive land use is present.  <b>Outdoor Cannabis Cultivation</b> The outdoor cultivation of cannabis is required to be set back a minimum of 50 metres from adjacent lot lines.		
	HAMILTON	NORFOLK	HALTON HILLS	ERIN	KINCARDINE
<b>Zoning</b>	<p><b>Parking Regulations</b></p> <p>1 space for each 30.0 square metres of gross floor area which accommodates the Office component of the use, plus 1 for each 200.0 square metres of gross floor area, which accommodates the remainder of the use.</p> <p><b>Regulations for Employment/ Industrial Zones</b></p> <p>Permitted in: General Business Park Zone (M2), Prestige Business Park Zone (M3), General Industrial Zone (M5), Light Industrial Zone (M6), Airport Light Industrial Zone (M10), Airport Prestige Business Zone (M11), Extractive Industrial Zone (M12);</p> <p>No outdoor storage or outdoor assembly or outdoor display shall be permitted in a Light Industrial Zone (M6);</p> <p>No retail sales shall be permitted;</p> <p>Any building or structure used for a Medical Marihuana Growing and Harvesting Facility shall be setback a minimum 20.0 metres from any portion of a property lot line abutting a property lot line within a Residential Zone, Commercial or an Institutional Zone. (M3 Zone Only);</p> <p>any building or structure used for a Cannabis Growing and Harvesting Facility shall be setback a minimum of</p>	<p>No lands, <i>buildings, structures</i>, or portion thereof used for <i>Cannabis Production and Processing</i> purposes that is equipped with <i>air treatment control</i> situated in the General Industrial Zone (MG), Light Industrial Zone (ML), Rural Industrial Zone (MR) may be located closer to any Residential Zone, Institutional Zone, or Open Space Zone than 70 metres;</p> <p>No lands, building or structure or portion thereof used for Cannabis Production and Processing purposes that is equipped with air treatment control situated in the Agricultural Zone (A) may be located closer than 150 metres to any Residential Zone, Institutional Zone, or Open Space Zone;</p> <p>No lands, building or structure or portion thereof used for Cannabis Production and Processing purposes that is equipped with air treatment control situated in the General Industrial Zone (MG), Light Industrial Zone (ML), Rural Industrial Zone (MR) may be located closer than 150 metres to any dwelling, public school, private school, place of worship, or day care nursery;</p> <p>No lands, building or structure or portion thereof used for Cannabis Production and Processing purposes that is equipped with air treatment control situated in the Agricultural Zone (A) may be located closer than 150 metres to any dwelling, public school,</p>	<p><b>Parking Regulations</b></p> <p>401 Corridor in By-law 2000-138: 1 space for each 100 square metres of gross floor area;</p> <p>All other zones: 1 space per 30 square metres for the first 1,000 square metres, 1 space per 100 square metres for the floor area between 1,000 and 5,000 square metres plus one space per 200 square metres in excess of 5,000 square metres;</p> <p>Loading spaces shall be located entirely within the main building on the lot;</p> <p><b>Permitted Uses</b></p> <p>Urban Employment Zone (EMP 1) Rural Employment Zone (RU-EMP) 401 Corridor in By-law 2000-138 (M7).</p> <p><b>Special Provisions</b></p> <p>Only permitted in a single-premises enclosed building and no outdoor cultivation, storage or processing permitted. In addition, the lot on which the use is located is required to be setback a minimum of 150 metres from a lot that is the site of: an arena, community centre, day nursery, dwelling unit, long-term care facility, public park, private park, place of worship, retirement home, library, public school, private school and a trade and convention centre.</p> <p><b>Outdoor Cultivation</b></p>	<p>A facility located within the Light Industrial (M1) Zone and General Industrial (M2) Zone must be 70 metres from a Residential Zone or use, an Institutional Zone or use, or an Open Space Zone;</p> <p>A facility located within the Agricultural (A) Zone and Rural Industrial (M3) Zone must be 150 metres from a Residential Zone or use, an Institutional Zone or use or an Open Space Zone;</p> <p>Facility operations, including loading spaces and storage, must be located within a wholly enclosed building;</p> <p>Outdoor storage is prohibited;</p> <p>All development in relation to establishment of or expansion to a facility shall be subject to Site Plan Control;</p> <p>A building or structure used exclusively for security guard(s) may be located in the front yard, side yard and rear yard building setbacks;</p> <p>No minor variance for regulations to the facility shall be permitted by Committee of Adjustment and shall only be dealt with by a Zoning By-law Amendment.</p>	<p>Subject to regulations for Industrial Use or Greenhouse</p> <p>Site Specific Zoning By-law Amendment required to establish the use</p> <p>One Amendment has been processed in the Rural Area (Amendment 2015-008)</p> <p>The Amendment permits a facility for the growing of fruits, vegetables, herb plants and the production of medical marijuana</p> <p>Specific regulations for medical marijuana are set out as follows:</p> <p>Processing and sales of medical marijuana, including but not limited to storing, drying, processing, analyzing, selling, shipping and destroying of medical marijuana or its by-products are permitted, in accordance with the Controlled Drugs and Substances Act, S.C 1996 and the Marijuana for Medical Purposes Regulations, SOR/2013-119, as amended from time to time</p> <p>An accessory office to a permitted agricultural commercial industrial use is also permitted</p> <p>Another operation was established in the urban area through the conversion of an existing greenhouse operation</p>

	HAMILTON	NORFOLK	HALTON HILLS	ERIN	KINCARDINE
	<p>150 metres from:</p> <p>a) Any portion of a lot line abutting a Residential, Institutional or Commercial and Mixed Use Zone; and,</p> <p>b) Any residential dwelling unit existing at the date of passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of worship, day care or park in a Rural Classification Zone. (Does not apply to M5, M6).</p> <p><b>Regulations for Extractive Industrial Zone</b></p> <p>The maximum gross floor area for all new buildings and structures devoted to a Cannabis Growing and Harvesting Facility shall not exceed 2,000.0 square metres;</p> <p>Notwithstanding, existing buildings may be used for a Cannabis Growing and Harvesting Facility;</p> <p>The testing, packaging, and shipping shall be accessory to the cannabis growing and harvesting facility;</p> <p>Any building, structure used for a cannabis growing and harvesting facility shall be setback a minimum of 150 metres from:</p> <p>Any portion of a lot line abutting a Settlement Residential (S1), Settlement Commercial (S2) or Settlement Institutional (S3) Zone; or,</p> <p>Any residential dwelling unit existing at the date of the passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility,</p>	<p>private school, place of worship, or day care nursery;</p> <p>No lands, building or structure or portion thereof used for Cannabis Production and Processing purposes that is not equipped with air treatment control situated in the Agricultural Zone (A), General Industrial Zone (MG), Light Industrial Zone (ML), Rural Industrial Zone (MR) may be located closer than 300 metres to any dwelling, public school, private school, place of worship, or day care nursery;</p> <p>A building or structure used for security purposes for Cannabis Production and Processing may be located in the front yard and does not have to comply with the required minimum front yard, side yard, and rear yard setbacks.</p> <p>Outdoor storage is prohibited on the property in which the Cannabis Production and Processing is located.</p> <p>Cannabis Production and Processing shall only be permitted within the zones as explicitly indicated in this Zoning By-law.</p> <p>All development in relation to the establishment of or expansion to a Cannabis Production and Processing shall be subject to Site Plan Control.</p> <p><b>Parking</b></p> <p>1 parking space for every 90 square metres of usable floor area.</p>	<p>Permitted Uses : Agricultural (A) Protected Countryside (PC)</p> <p><b>Special Provisions</b></p> <p>Outdoor cultivation shall be set back a minimum of 50 metres from lot lines.</p>		

	HAMILTON	NORFOLK	HALTON HILLS	ERIN	KINCARDINE
	<p>place of worship, day care or park;</p> <p>All buildings or structures associated with the use shall be setback a minimum of 30.0 metres from any lot line;</p> <p>Outdoor storage shall not be permitted;</p> <p>Retail sales shall not be permitted.</p> <p><b>Regulations for Rural/ Agricultural Zones</b></p> <p>Permitted Zones: Agriculture (A1) Rural (A2)</p> <p>Regulations:</p> <p>The maximum gross floor area for all new buildings and structures devoted to a Cannabis Growing and Harvesting Facility shall not exceed 2,000.0 square metres;</p> <p>Existing buildings may be used for a Cannabis Growing and Harvesting Facility;</p> <p>The testing, packaging, and shipping shall be accessory to the Cannabis Growing and Harvesting Facility;</p> <p>Any building, structure used for a cannabis growing and harvesting facility shall be setback a minimum 150 metres from:</p> <p>Any portion of a lot line abutting residential, institutional, commercial and mixed use zones, settlement residential (S1), settlement commercial (S2), or settlement institutional (S3) zone; or</p> <p>Any residential dwelling unit existing on</p>				

	HAMILTON	NORFOLK	HALTON HILLS	ERIN	KINCARDINE
	<p>the date of passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of worship, day care or park</p> <p>All buildings or structures associated with the use shall be set back a minimum 30 metres from any lot line</p> <p>Outdoor storage shall not be permitted</p> <p>Retail sales shall not be permitted</p> <p>Note: Items highlighted in green remain under appeal</p>				
	HAMILTON	NORFOLK	HALTON HILLS	ERIN	KINCARDINE
Site Plan Control	Yes- in Agricultural/ Rural Zones and Industrial/ Employment Zones	Yes- in Agricultural/ Rural Zones and Industrial/ Employment Zones	Yes- in Agricultural/ Rural Zones and Industrial/ Employment Zones	Yes- in Agricultural/ Rural Zones and Industrial/ Employment Zones	Unknown

# Appendix 3

## **City of Hamilton Official Plan and Zoning By-law Amendments**

**Authority:** Item 9, Planning Committee  
Report: 18-013 (PED18194)  
CM: September 12, 2018  
Ward: City Wide

**Bill No. 265**

**CITY OF HAMILTON**

**BY-LAW NO. 18-265**

**To Adopt:**

**Official Plan Amendment No. 112 to the  
Urban Hamilton Official Plan**

Respecting:

**Cannabis Growing and Harvesting Facilities,  
Aquaponics and Greenhouses within Specific Employment Districts**

**NOW THEREFORE** the Council of the City of Hamilton enacts as follows:

1. Amendment No. 112 to the Urban Hamilton Official Plan consisting of Schedule “1”, hereto annexed and forming part of this by-law, is hereby adopted.

**PASSED** this 12<sup>th</sup> day of September, 2018.

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F. Eisenberger  
Mayor

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J. Pilon  
Acting City Clerk

## Urban Hamilton Official Plan Amendment No. 112

The following text constitutes Official Plan Amendment No. 112 to the Urban Hamilton Official Plan.

### 1.0 **Purpose and Effect:**

The purpose and effect of this Amendment is to revise medical marihuana growing and harvesting facility policies to reflect the recent approval of the *Cannabis Act* and to include additional regulations related to the use.

### 2.0 **Location:**

The lands affected by this Amendment are located within the Employment Area, specifically, the Industrial Land and Business Park Designations on Volume 1, Schedule E-1 – Urban Land Use Designations, as well as lands designated Airport Prestige Business and Airport Light Industrial Designations on Volume 2, Map B.8-1 – Airport Employment Growth District Secondary Plan, Land Use Plan.

### 3.0 **Basis:**

The basis for permitting this Amendment is:

- The Federal government introduced the *Cannabis Act* which allows for the growing and harvesting of cannabis for recreational purposes. A consistent policy framework for both medical and recreational marihuana is appropriate;
- The addition of separation distances between sensitive land uses and a cannabis production facility additional regulations to separate a cannabis production facility from sensitive land uses; and,
- The proposed Amendment is consistent with the Provincial Policy Statement, 2014 and conforms to the Growth Plan for the Greater Golden Horseshoe, 2017.

#### 4.0 Actual Changes:

#### 4.1 Volume 1 – Parent Plan

##### *Text*

##### 4.1.1 Chapter E – Urban Systems/Designations

- a. That Section E.5.3 – Employment Area – Industrial Land Designation be amended as follows:
  - i) Policy E.5.3.2 d) be amended by deleting the words “medical marihuana” and replacing them with “cannabis”
  - ii) Policy E.5.3.9 be amended by deleting the words “medical marihuana” and replacing them with “cannabis”
  - iii) Policy E.5.3.9 b) be deleted in its entirety and replaced with the following new policy:

“E.5.3.9 b) an appropriate setback between a cannabis growing and harvesting facility and a sensitive land use shall be established in the Zoning By-law;”
  - iii) Policy E.5.3.9 c) be amended by deleting the word “and,”;
  - iv) Policy E.5.3.9 d) be amended by replacing the period with a semi colon and adding the word “and,” at the end of the clause;
  - v) Section E.5.3.9 be amended by adding a new clause e):
    - e) In accordance with Section F.1.19 – Complete Application Requirements and Formal Consultation, the following studies shall be submitted as part of an official plan amendment, zoning by-law amendment and site plan applications:
      - i) Odour and Dust Impact Assessment;
      - ii) Light Impact Assessment;
      - iii) Transportation Impact Study;
      - iv) Hydrogeological studies; and,
      - v) any other appropriate studies, identified as part of the complete application and formal consultation process.”



b. That Section E.5.4 – Employment Area – Business Park Designation be amended as follows:

- i) Policy E.5.4.3 d) be amended by deleting the words “medical marihuana” and replacing them with “cannabis”;
- ii) Policy E.5.4.9 be amended by deleting the words “medical marihuana” and replacing them with “cannabis”;
- iii) Policy E.5.4.9 b) be deleted in its entirety and replaced with the following new policy:

“E.5.4.9 b) an appropriate setback between a cannabis growing and harvesting facility and a sensitive land use shall be established in the Zoning By-law;”.

- iii) Policy E.5.4.9 c) be amended by deleting the word “and,”;
- iv) Policy E.5.4.9 d) be amended by replacing the period with a semi colon and adding the word “and,” at the end of the clause;
- v) Section E.5.4.9 be amended by adding a new clause e):
  - e) In accordance with Section F.1.19 – Complete Application Requirements and Formal Consultation, the following studies shall be submitted as part of an official plan amendment, zoning by-law amendment and site plan applications:
    - i) Odour and Dust Impact Assessment;
    - ii) Light Impact Assessment;
    - iii) Transportation Impact Study;
    - iv) Hydrogeological studies; and,
    - v) any other appropriate studies, identified as part of the complete application and formal consultation process.”

c. That Section E.5.5 – Employment Area – Airport Employment Growth District Designation be amended as follows:

- i) Policy E.5.5.1 f) be amended by deleting the word “and,”;
- ii) Policy E.5.5.1 g) be amended by replacing the period with a semi colon and adding the word “and,” at the end of the clause;
- iii) Policy E.5.5.1 be amended by adding a new clause h) as follows:

“h) Limited agricultural uses, including only a *cannabis growing and harvesting facility*, a greenhouse and an aquaponics facility.”

iv) adding the following as Policy E.5.5.10:

**“Cannabis Growing and Harvesting Facility**

E.5.5.10 In addition to the requirements of Section E.5 – Employment Area-Airport Employment Growth District Designation, the following conditions shall apply to a *cannabis growing and harvesting facility*:

- a) the appropriate locations within the Employment Area – Business Park Designation and regulations for *cannabis growing and harvesting facility* shall be determined in accordance with the Zoning By-law;
- b) an appropriate setback between a cannabis growing and harvesting facility and a sensitive land use shall be established in the Zoning By-law;
- c) notwithstanding E.5.5.1, retail sales shall not be permitted;
- d) no outside storage shall be permitted; and,
- e) In accordance with Section F.1.19 – Complete Application Requirements and Formal Consultation, the following studies shall be submitted as part of an official plan amendment, zoning by-law amendment and site plan applications:
  - i) Odour and Dust Impact Assessment;
  - ii) Light Impact Assessment;
  - iii) Transportation Impact Study;
  - iv) Hydrogeological studies; and,
  - v) any other appropriate studies, identified as part of the complete application and formal consultation process.”

- a. That the definition of Medical Marihuana Growing and Harvesting facility Production Growing and Harvesting Facility be deleted and replaced with the following new definition:

**“Cannabis Growing and Harvesting Facility:** shall mean a wholly enclosed building or structure used for growing, harvesting, testing, destroying, packaging and shipping of cannabis, for a facility where a licence, permit or authorization has been issued under applicable federal law.”

## 4.2 **Volume 2 – Secondary Plans**

### *Text*

#### 4.2.1 Chapter B.8.0 – Airport Employment Growth District Secondary Plan

- a. That Policy B.8.2.13 – Agricultural Principles be amended by adding the words “agricultural and” between the words “complements” and “food” so that portion of the policy reads, as follows:

“B.8.2.13 The employment lands shall develop in a manner which complements agricultural and food production operations and minimizes conflict between land uses.”

- b. That Policy B.8.4 – Employment Area Policies be amended by deleting the first sentence of the preamble and replacing it with the following new sentence:

#### **“B.8.4 Employment Area Policies**

The Airport Employment Growth District Secondary Plan provides for a wide range of employment, airport-related employment and limited agricultural uses within the Airport Prestige Business, Airport Light Industrial, Airside Industrial, and Airport Related Business Designations.”

- c. That Section B.8.4.5 – Airport Prestige Business be amended by:

- i) adding a new clause as Policy B.8.4.5.2, as follows:

“B.8.4.5.2 Limited agricultural uses including only a *cannabis growing and harvesting facility*, a greenhouse and an aquaponics facility may be permitted in accordance with Policy E.5.5.10 of Volume 1.”; and,

- ii) renumbering the subsequent policies.
- d. That Section B.8.4.6 – Airport Light Industrial, be amended by:
  - i) adding a new clause as Policy B.8.4.6.2, as follows:

“B.8.4.6.2 Limited agricultural uses including only a *cannabis growing and harvesting facility*, a greenhouse and an aquaponics facility may be permitted in accordance with Policy E.5.5.10 of Volume 1.”; and,
  - ii) renumbering the subsequent policies.

## 5.0 **Implementation:**

An implementing Zoning By-Law Amendment will give effect to the intended uses on the subject lands.

This Official Plan Amendment is Schedule “1” to By-law No. 18-264 passed on the 12<sup>th</sup> day of September, 2018.

### The City of Hamilton

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F. Eisenberger  
MAYOR

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J. Pilon  
ACTING CITY CLERK

**Local Planning Appeal Tribunal**  
Tribunal d'appel de l'aménagement  
local



**18-264-LPAT-01**  
**Attachment 1**

**18-266-LPAT-01**  
**Attachment 2**

**ISSUE DATE:** May 10, 2019

**CASE NO(S):** PL180818  
PL180819

The Ontario Municipal Board (the "OMB") is continued under the name Local Planning Appeal Tribunal (the "Tribunal"), and any reference to the Ontario Municipal Board or Board in any publication of the Tribunal is deemed to be a reference to the Tribunal.

**PROCEEDING COMMENCED UNDER** subsection 17(24) of the *Planning Act*, R.S.O. 1990, c. P.13, as amended

Appellant: Red Hill Cannabis Inc.  
Appellant: The Green Organic Dutchman Holdings Limited  
Subject: Proposed Official Plan Amendment No. OPA 21  
Municipality: City of Hamilton  
OMB Case No.: PL180818  
OMB File No.: PL180818  
OMB Case Name: Red Hill Cannabis Inc. et al v. Hamilton (City)

**PROCEEDING COMMENCED UNDER** subsection 34(19) of the *Planning Act*, R.S.O. 1990, c. P.13, as amended

Appellant: Red Hill Cannabis Inc.  
Appellant: The Green Organic Dutchman Holdings Limited  
Subject: By-law No. 18-266  
Municipality: City of Hamilton  
OMB Case No.: PL180818  
OMB File No.: PL180819

**Heard:** May 2, 2019 in Hamilton, Ontario

**APPEARANCES:****Parties****Counsel\*/Representative**

City of Hamilton

Patrick MacDonald and Stephen Chisholm

The Green Organic Dutchman  
Holdings Limited

Melissa Winch

Red Hill Cannabis Inc.

Anna Toumanians

Beleave Inc.

Andrew Jeanrie

**MEMORANDUM OF ORAL DECISION DELIVERED BY GERALD S. SWINKIN AND  
JOHN DOUGLAS ON MAY 2, 2019**

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[1] This hearing event before the Local Planning Appeal Tribunal (the “Tribunal”) was the first Case Management Conference (“CMC”) with respect to the appeals of Official Plan Amendment 21 (“OPA 21”) and its implementing amendment by Zoning By-law No. 18-266 (the “Zoning Amendment”) as adopted and enacted respectively by the Council of the City of Hamilton (the “City”).

[2] The enactments were appealed by The Green Organic Dutchman Holdings Limited (“TGOD”) and by Red Hill Cannabis Inc. (“Red Hill”).

**The Planning Instruments**

[3] The purpose of OPA 21, as expressed in its Purpose statement, is to revise medical marihuana growing and harvesting facility policies to reflect the recent approval of the *Cannabis Act* and to include additional regulations related to the use.

[4] The City divides its official plan into a Rural Hamilton Official Plan and an Urban Hamilton Official Plan. OPA 21 effects amendments only to the Rural Hamilton Official Plan.

[5] The implementing Zoning Amendment introduces new definitions into the new

Comprehensive Zoning By-law No. 05-200, as amended, most particularly with respect to a “Cannabis Growing and Harvesting Facility”, and replaces references to medical marihuana throughout the by-law with reference to cannabis in its place.

[6] The Zoning Amendment introduces new Additional Regulations for Cannabis Growing and Harvesting Facility as well as enhanced setback standards from sensitive uses, the latter being the provisions which largely drew the appeals.

### **The Parties**

[7] TGOD and Red Hill are licensed cannabis producers with facilities in the City and they maintain aspirations of expansion for those facilities.

[8] Being formal appellants, TGOD and Red Hill are statutory Parties, as well as the City.

[9] In accordance with the requirements of s. 40 of the *Local Planning Appeal Tribunal Act*, 2017 (“LPATA”), a submission was made to the Tribunal for party status on behalf of Beleave Inc. (“Beleave”). Beleave owns a farm property municipally known as 1653 Hwy. 6 in the former Flamborough area, upon which it presently grows cannabis, and undertakes production of, and research with respect to, cannabis.

[10] Beleave’s counsel, Andrew Jeanrie, advised the Tribunal that Beleave is presently pursuing a private application for official plan amendment and zoning amendment with respect to these lands for the purpose of securing permissions and regulations that will accommodate its operational needs. That application is apparently at the stage where the statutory public meeting will occur within two weeks’ time from the date of the CMC.

[11] Mr. Jeanrie is hopeful that the private application will yield the approvals being sought by Beleave. However, in order to ensure input into the general policies and requirements which emanate from OPA 21 and the Zoning Amendment, Beleave has

sought party status in this proceeding.

[12] None of the statutory parties objected to the grant of party status to Beleave. The Tribunal was satisfied that Beleave has a sufficient interest in the matter as to be of assistance to the Tribunal and can address the statutory tests that would have to be considered by the Tribunal in any ultimate hearing. As such, the Tribunal granted party status to Beleave.

### **Opportunities for Settlement**

[13] Section 39(2) of LPATA obliges the Tribunal to explore with the Parties opportunities for settlement.

[14] The Tribunal was advised that TGOD has settled its issues with the City regarding these matters through the instrumentality of resolution of its private applications for official plan amendment and zoning amendment. In fact, the settlement hearing with respect to those private applications was scheduled to follow this CMC. Upon the approval of the settlement in that proceeding, by way of commitments in formal Minutes of Settlement, TGOD undertook to withdraw its appeals of OPA 21 and the Zoning Amendment.

[15] As of the drafting of the Decision in this proceeding, the Tribunal has conducted that settlement hearing, allowed the TGOD appeals in accordance with forms of official plan amendment and zoning amendment agreed upon between TGOD and the City and approved those amendments. Consequently, the TGOD appeals in this case are withdrawn.

[16] The Tribunal canvassed with counsel for Red Hill the prospect of settlement. Anna Toumanians advised that although only in the early stages, some discussions have occurred between her client and the City and she was optimistic that this may lead to resolution of their issues and ultimate settlement of the appeals.



**(The “Rail Deck Case”) (Canadian National Railway Co. v. Toronto (City) 2018  
CanLII 102206 (ON LPAT))**

[17] All parties were in concurrence that, if the appeals are not settled, the hearing should not be scheduled until the decision of the Divisional Court in the Rail Deck Case has been rendered, as this may impact the treatment of the evidence and filings in this appeal.

[18] The directions which have been sought from the court by way of the stated case address fundamental issues with respect to the matter of affidavit evidence and the question of cross-examination on such affidavits, as well as any evidence which may be adduced at the instance of the Tribunal by requiring the attendance of witnesses before the Tribunal at the hearing.

[19] There are many instances now of hearings being deferred pending the issuance of the court's disposition on the application which is before it in the Rail Deck Case.

[20] This panel of the Tribunal assented to the requested deferral of the scheduling of the hearing in this matter pending the issuance of the court's disposition.

[21] The Tribunal determined that following the court's disposition, counsel in this matter should conduct a discussion as to the impact of that decision on the issues in these appeals and any effect on the procedure which has been, or may be, followed regarding the receipt of evidence in this proceeding. Counsel should then contact the case coordinator at the Tribunal to canvas a date and time for the scheduling of a telephone conference call (“TCC”) amongst the Parties and this Member.

[22] The intention is that the matter of scheduling the hearing of these appeals would be addressed on the TCC as well as any procedural matters that are attendant upon the requirements of LPATA and the Tribunal's *Rules of Practice and Procedure* in light of the direction from the court regarding same.

[23] The fixing of the date for the TCC should be beyond the last date for the seeking of leave to appeal the court decision, so that the Tribunal and the Parties know whether there will be pursuit of an appeal of that decision or not.

[24] In any event, the TCC should be scheduled no later than six months from the issuance of this disposition.

[25] The Tribunal, in aid of the most effective use of the TCC, requests that counsel submit an agenda in advance of the call setting out the matters to be addressed on the TCC, along with any material that may be apposite in that regard.

### **Timeline under Ontario Regulation 102/18**

[26] In light of the importance of the Divisional Court decision to the conduct of any hearing which may proceed with respect to these appeals, under the authority of s. 1(2).1.ii of Ontario Regulation 102/18, the Tribunal will exclude from the calculation of months in s. 1(1) of that Regulation the time from the CMC hearing until the Tribunal has commenced a hearing of the appeals, in order to secure a fair and just determination of the appeals.

### **Motion for Partial Approval of Unappealed Portions of OPA 21 and the Zoning Amendment**

[27] The City served and filed a Notice of Motion seeking a determination by the Tribunal under s. 17(27) of the Planning Act as to the effectiveness of those portions of OPA 21 which were not appealed and an order under s. 34(31) of the Planning Act providing that those portions of the Zoning Amendment which were not appealed are deemed to have come into force as of the day of by-law enactment.

[28] That Motion was supported by the affidavit of Joanne Hickey-Evans, Manager, Policy Planning and Zoning By-law Reform at the City. Ms. Hickey-Evans' affidavit had attached to it copies of the two planning instruments, which by yellow highlighting

identified the provisions which remained under appeal.

[29] Counsel for the Parties assented to allowing the Motion. The Tribunal was satisfied, based upon the filed evidence and the submissions of counsel, that the annotated planning instruments accurately reflected the provisions which remained under appeal.

[30] Consequently, the Tribunal exercises its authority to determine under s. 17(27) of the *Planning Act* that the provisions set forth on the version of OPA 21 attached to this Decision as Attachment 1 which are not highlighted are in force as of the day after the last day for filing an appeal as to that amendment. The Tribunal also orders, under the authority of s. 34(31) of the *Planning Act* that the provisions of the Zoning Amendment attached as Attachment 2 to this Decision which are not highlighted are in force as of the day of enactment of the Zoning Amendment.

[31] There being no further matters to address, the CMC was adjourned.

[32] The Tribunal orders the determinations and directions which are embodied in this Decision.

*“Gerald S. Swinkin”*

GERALD S. SWINKIN  
MEMBER

*“John Douglas”*

JOHN DOUGLAS  
MEMBER

If there is an attachment referred to in this document,  
please visit [www.elto.gov.on.ca](http://www.elto.gov.on.ca) to view the attachment in PDF format.

**Local Planning Appeal Tribunal**

A constituent tribunal of Tribunals Ontario - Environment and Land Division  
Website: [www.elto.gov.on.ca](http://www.elto.gov.on.ca) Telephone: 416-212-6349 Toll Free: 1-866-448-2248

**ATTACHMENT 1**

**Authority:** Item 9, Planning Committee  
Report: 18-013 (PED18194)  
CM: September 12, 2018  
Ward: City Wide

**Bill No. 264**

**CITY OF HAMILTON**

**BY-LAW NO. 18-264**

**To Adopt:**

**Official Plan Amendment No. 21 to the  
Rural Hamilton Official Plan**

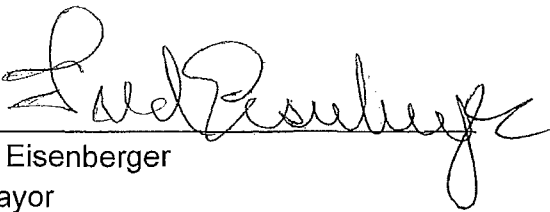
**Respecting:**

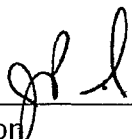
**Cannabis Growing and Harvesting Facilities**

**NOW THEREFORE** the Council of the City of Hamilton enacts as follows:

1. Amendment No. 21 to the Rural Hamilton Official Plan consisting of Schedule "1", hereto annexed and forming part of this by-law, is hereby adopted.

**PASSED** this 12<sup>th</sup> day of September, 2018.

  
\_\_\_\_\_  
F. Eisenberger  
Mayor

  
\_\_\_\_\_  
J. Pilon  
Acting City Clerk

Dated: April 10, 2019

## Rural Hamilton Official Plan Amendment No. 21

The following text constitutes Official Plan Amendment No. 21 to the Rural Hamilton Official Plan.

### 1.0 Purpose and Effect:

The purpose and effect of this Amendment is to revise medical marihuana growing and harvesting facility policies to reflect the recent approval of the *Cannabis Act* and to include additional regulations related to the use.

### 2.0 Location:

Lands affected by this Amendment are located within the Agricultural, Rural and Specialty Crop Land Use Designations, as identified on Volume 1, Schedule D of the RHOP.

### 3.0 Basis:

The basis for permitting this Amendment is:

- The Federal government introduced the *Cannabis Act* which allows for the growing and harvesting of cannabis for recreational purposes. A consistent policy framework for both medical and recreational marihuana is appropriate;
- The addition of separation distances between sensitive land uses and a cannabis production facility additional regulations to separate a cannabis production facility from sensitive land uses; and,
- The proposed Amendment is consistent with the Provincial Policy Statement, 2014 and conforms to the Growth Plan for the Greater Golden Horseshoe, 2017.

#### 4.0 Actual Changes:

#### 4.1 Volume 1 – Parent Plan

##### **Text**

##### 4.1.1 Chapter D – Rural Systems/Designations

a. That Policy D.2.1.1.4 of Section D.2.1 – Permitted Uses, be amended by:

- i) deleting the words “medical marihuana” and replacing them with “cannabis”;
- ii) adding three new policies, as follows:

“c) The testing, packaging, and shipping of cannabis shall be accessory to the cannabis production growing and harvesting facility;

d) An appropriate setback between a cannabis production growing and harvesting facility and a sensitive land use shall be established in the Zoning By-law;

g) In accordance with Section F.1.19 – Complete Application Requirements and Formal Consultation, the following studies shall be submitted as part of an official plan amendment, zoning by-law amendment and site plan applications:

- i) Odour and Dust Impact Assessment;
- ii) Light Impact Assessment;
- iii) Transportation Impact Study;
- iv) Hydrogeological studies; and,
- v) any other appropriate studies, identified as part of the complete application and formal consultation process; and,”

and renumbering the existing clauses c), d) and e) to clauses e), f) and h).

b. That renumbered Policy D.2.1.1.4 h) of Section D.2.1 – Permitted Uses, be amended by:

- i) deleting the words “size and” between the words “building” and “location”;

- ii) replacing the word "set-backs" with the word "setbacks"; and,
- iii) adding the words ", sustainable private services, odour/dust, traffic" between the words "drainage" and "and",

so that the policy reads, as follows:

- "D.2.1.1.4 h) The establishment of a new *cannabis production growing and harvesting facility* or the expansion of an existing facility shall be subject to Site Plan approval to address the appropriate building location, setbacks, drainage, sustainable private services, odour/dust, traffic and any other matters."
- c. That Section D.6.6 – Permitted uses be amended by adding a new clause c) as follows:
    - c) a cannabis production growing and harvesting facility, in accordance with the regulations in Policy D.2.1.1.4.

and renumbering the subsequent policies.

#### 4.1.2 Chapter G – Glossary

- a. That the definition of Medical Marihuana Growing and Harvesting Facility Production Growing and Harvesting Facility be deleted and replaced with the following new definition:

**"Cannabis Growing and Harvesting Facility:** shall mean a wholly enclosed building or structure used for growing, harvesting, testing, destroying, packaging and shipping of cannabis, for a facility where a licence, permit or authorization has been issued under applicable federal law."

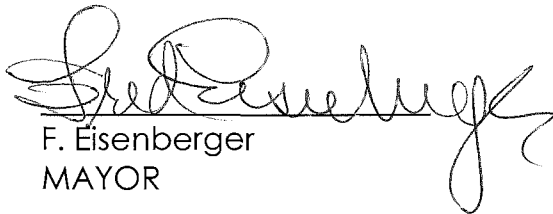


## **5.0 Implementation:**

An implementing Zoning By-Law Amendment will give effect to the intended uses on the subject lands.

This Official Plan Amendment is Schedule "1" to By-law No. 18-264 passed on the 12<sup>th</sup> of September, 2018.

### **The City of Hamilton**



F. Eisenberger  
MAYOR



J. Pilon  
ACTING CITY CLERK

PL180818 - The text highlighted in yellow show the portions of the By-law that remain under appeal.

**Authority:** Item: 9, Planning Committee  
Report :18-013 (PED18194)  
CM: September 12, 2018  
Wards: City Wide

Dated: April 10, 2019

**Bill No. 266**

## **CITY OF HAMILTON**

### **BY-LAW NO. 18-266**

#### **To Amend Zoning By-law No. 05-200 Respecting General Text for Greenhouses, Aquaponics and Cannabis Growing and Harvesting Facilities**

**WHEREAS** the City of Hamilton has in force several Zoning By-laws which apply to different areas incorporated into the City by virtue of the *City of Hamilton Act, 1999*, S.O. 1999, Chap. 14;

**WHEREAS** the City of Hamilton is the lawful successor to the former Municipalities identified in Section 1.7 of By-law No. 05-200;

**WHEREAS** the first stage of the new Zoning By law, being By-law No. 05-200, came into force on the 25<sup>th</sup> day of May, 2005;

**WHEREAS** the Council of the City of Hamilton, in adopting Item 9 of Report 18-013 of the Planning Committee, at its meeting held on the 12<sup>th</sup> day of September, 2018, which recommended that Zoning By-law No. 05-200 be amended as hereinafter provided; and,

**WHEREAS** this By-law is in conformity with the Urban Hamilton Official Plan, upon approval of Official Plan Amendment No. 112.

**WHEREAS** this By-law is in conformity with the Rural Hamilton Official Plan, upon approval of Official Plan Amendment No. 21.

**NOW THEREFORE** the Council of the City of Hamilton enacts as follows:

1. That SECTION 3: DEFINITIONS of By-law No. 05-200 is hereby amended as follows:
  - 1.1 That the definition of **Agricultural Processing Establishment - Stand Alone** be amended by adding the words "or processing of cannabis products" after the words "Agricultural Brewery/Cidery/Winery".
  - 1.2 That the definition of **Agriculture** be amended by deleting the words "medical marihuana" and replacing with "cannabis";
  - 1.3 That the definition of **Medical Marihuana Growing and Harvesting Facility** be deleted and replaced with the following new definition

**“Cannabis Growing and Harvesting Facility** shall mean a wholly enclosed building or structure used for growing, harvesting, testing, destroying, packaging and shipping of cannabis, for a facility where a licence, permit or authorization has been issued under applicable federal law. “

- 1.4 That the definition of **Urban Farm** be amended by deleting the words “medical marihuana” and replacing with “cannabis”.
2. That SECTION 5: PARKING be amended as follows:
  - 2.1. That Subsection 5.6 vi be amended by deleting the words “medical marihuana” and replacing them with “cannabis”.
3. That SECTION 9: INDUSTRIAL ZONES be amended as follows:
  - 3.1 That Subsection 9.2.1 - PERMITTED USES is amended by deleting the words “medical marihuana” and replacing them with the word “cannabis”.
  - 3.2 That Subsection 9.2.3 l) - Additional Regulations For Medical Marihuana Growing and Harvesting Facility be amended by:
    - a) deleting the words “medical marihuana” and replacing them with the word “cannabis”;
    - b) amending clause ii) to delete “h)” and replace it with “i); and,
    - c) adding the following new clause as iii) :
      - “iii) Notwithstanding Section 4.12 c), any building or structure used for a Cannabis Growing and Harvesting Facility shall be setback a minimum of 150 metres from:
        - a) any portion of a lot line abutting a Residential, Institutional or Commercial and Mixed Use Zone; and,
        - b) any residential dwelling unit existing at the date of the passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of worship, day care or park in a Rural Classification Zone.”
  - 3.3 That Subsection 9.3.1 - PERMITTED USES is amended by deleting the words “medical marihuana” and replacing them with the word “cannabis”.
  - 3.4 That Subsection 9.3.3 s) - Additional Regulations For Medical Marihuana Growing And Harvesting Facility be amended by:

- a) deleting the words “medical marihuana” and replacing them with the word “cannabis”;
  - b) amending clause ii) to delete “m)” and replace it with “o); and,
  - c) adding the following new clause as iii) :
    - “iii) Notwithstanding Section 4.12 c), any building or structure used for a Cannabis Growing and Harvesting Facility shall be setback a minimum of 150 metres from:
      - a) any portion of a lot line abutting a Residential, Institutional or Commercial and Mixed Use Zone; and,
      - b) any residential dwelling unit existing at the date of the passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of worship, day care or park in a Rural Classification Zone.”
- 3.5 That Subsection 9.5.1 - PERMITTED USES is amended by deleting the words “medical marihuana” and replacing them with the word “cannabis”.
- 3.6 That Subsection 9.5.3 k) - Additional Regulations For Medical Marihuana Growing And Harvesting Facility be amended by:
- a) deleting the words “medical marihuana” and replacing them with the word “cannabis”; and,
  - b) deleting the existing clause iii) and replacing it with a new clause as iii) :
    - “iii) Notwithstanding Section 4.12 c), any building or structure used for a Cannabis Growing and Harvesting Facility shall be setback a minimum of 150 metres from any portion of a lot line abutting a Residential, Institutional or Commercial and Mixed Use Zone.”
- 3.7 That Subsection 9.6.1 – PERMITTED USES is amended by deleting the words “medical marihuana” and replacing them with the word “cannabis”.
- 3.8 That Subsection 9.6.3 s) - Additional Regulations for Medical Marihuana Growing and Harvesting Facility be amended by:
- a) deleting the words “medical marihuana” and replacing them with the word “cannabis”; and,

b) delete clause iii) and replace it with the following new clause :

“iii) Notwithstanding Section 4.12 c), any building or structure used for a Cannabis Growing and Harvesting Facility shall be setback a minimum of 150 metres from any portion of a lot line abutting a Residential, Institutional or Commercial and Mixed Use Zone.”

3.9. That Subsection 9.10.1– PERMITTED USES be amended by adding the following three new uses alphabetically:

- a) Aquaponics;
- b) Greenhouse; and,
- c) Cannabis Growing and Harvesting Facility

3.10 That Subsection 9.10.2 I) – PROHIBITED USES be amended by deleting “agricultural greenhouse”;

3.11. That Subsection 9.10.3 - REGULATIONS be amended by adding the following new provisions and renumbering the subsequent clauses:

m) Additional Regulations for Cannabis Growing and Harvesting Facility	In addition to the regulations of Section 9.10.3, the following additional regulations shall apply:
	i) Notwithstanding Section 9.10.3 g), no outdoor storage or outdoor assembly shall be permitted.
	ii) Notwithstanding Section 9.10.3 I), no retail sales shall be permitted.
	<p>iii) Notwithstanding Section 4.12 c), any building or structure used for a Cannabis Growing and Harvesting Facility shall be setback a minimum of 150 metres from:</p> <ul style="list-style-type: none"> <li>a) any portion of a lot line abutting a Residential, Institutional or Commercial and Mixed Use Zone; and,</li> <li>b) any residential dwelling unit existing at the date of the passing of the by-law, any building used for farm labour residence, mobile home, educational establishment,</li> </ul>

	residential care facility, place of worship, day care or park in a Rural Classification Zone.
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3.12. That Subsection 9.11.1- PERMITTED USES be amended by adding the following threes new uses alphabetically:

- a) Aquaponics;
- b) Greenhouse; and,
- c) Cannabis Growing and Harvesting Facility

3.13 That Subsection 9.11.2. iii) be deleted in its entirety and renumber the subsequent clause.

3.14. That Subsection 9.11.3 - REGULATIONS be amended by adding the following new provisions and renumbering the subsequent clauses:

o) Additional Regulations for Cannabis Growing and Harvesting Facility	In addition to the regulations of Section 9.11.3, the following additional regulations shall apply:
	i) Notwithstanding Section 9.11.3 m), no outdoor storage or outdoor assembly shall be permitted.
	ii) Notwithstanding Section 9.11.3 o), No retail sales shall be permitted.
	<p>iii) Notwithstanding Section 4.12 c), any building or structure used for a Cannabis Growing and Harvesting Facility shall be setback a minimum of 150 metres from:</p> <ul style="list-style-type: none"> <li>a) any portion of a lot line abutting a Residential, Institutional or Commercial and Mixed Use Zone; and,</li> <li>b) any residential dwelling unit existing at the date of the passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of</li> </ul>

	worship, day care or park in a Rural Classification Zone.
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3.15 That Subsection 9.12.3.1 m) - Additional Regulations for Medical Marihuana Growing and Harvesting Facility be amended by:

- a) deleting the words “medical marihuana” and replacing them with “cannabis”;
- b) deleting “20” and replacing it with “30” in clause iii);
- c) adding the following two new clauses as iii) and iv) and renumbering the subsequent clauses:
  - “iii) The testing, packaging, and shipping shall be accessory to the cannabis growing and harvesting facility.
  - iv) Notwithstanding Section 4.12 c), any building, structure used for a cannabis growing and harvesting facility shall be setback a minimum of 150 metres from:
    1. any portion of a lot line abutting a Settlement Residential (S1), Settlement Commercial (S2) or Settlement Institutional (S3) Zones; or
    2. any residential dwelling unit existing at the date of the passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of worship, day care or park.”

4. That SECTION 12: RURAL ZONES be amended as follows:

4.1 That Subsection 12.1.3.1 m) - Medical Marihuana Growing and Harvesting Facility be amended by:

- a) deleting the words “medical marihuana” and replacing them with “cannabis”;
- b) deleting “20” and replacing it with “30” in clause iii);
- c) adding the following two new clauses as iii) and iv) and renumbering the subsequent clauses:
  - “iii) The testing, packaging, and shipping shall be accessory to the Cannabis Growing and Harvesting Facility.

iv) Notwithstanding Section 4.12 d), any building, structure used for a cannabis growing and harvesting facility shall be setback a minimum of 150 metres from:

1. any portion of a lot line abutting Residential, Institutional Commercial and Mixed Use Zones, Settlement Residential (S1), Settlement Commercial (S2) or Settlement Institutional (S3) Zone; or,

2. any residential dwelling unit existing at the date of the passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of worship, day care or park.”

4.2 That Subsection 12.2.3.1 m) - Medical Marihuana Growing and Harvesting Facility be amended by:

a) deleting the words “medical marihuana” and replacing them with “cannabis”;

b) deleting “20” and replacing it with “30” in clause iii);

c) adding the following two new clauses as iii) and iv) and renumbering the subsequent clauses:

“iii) The testing, packaging, and shipping shall be accessory to the Cannabis Growing and Harvesting Facility.

iv) Notwithstanding Section 4.12 d), any building, structure used for a cannabis growing and harvesting facility shall be setback a minimum of 150 metres from:

1. any portion of a lot line abutting Residential, Institutional Commercial and Mixed Use Zones, Settlement Residential (S1), Settlement Commercial (S2) or Settlement Institutional (S3) Zone; or,

2. any residential dwelling unit existing at the date of the passing of the by-law, any building used for farm labour residence, mobile home, educational establishment, residential care facility, place of worship, day care or park.”.

5.0 That Schedule “C” – SPECIAL EXCEPTIONS is amended by:

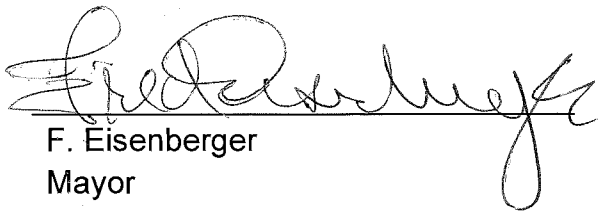
a) That Special Exceptions 271 and 459 be amended by deleting the words “medical marihuana” and replacing them with “cannabis”;



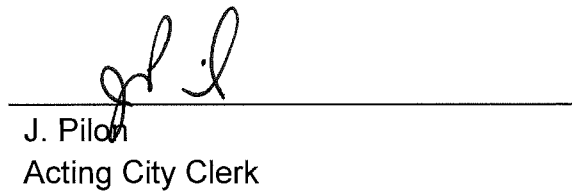
6.0 That the Clerk is hereby authorized and directed to proceed with the giving of notice of passing of this By-law in accordance with the *Planning Act*.

7.0 That this By-law comes into force in accordance with Section 34 of the *Planning Act*.

**PASSED** this 12th day of September, 2018



F. Eisenberger  
Mayor



J. Pilon  
Acting City Clerk

CI-18-H

# Appendix 4

## **Town of Erin Zoning By-law Amendment**



## THE CORPORATION OF THE TOWN OF ERIN

### By-law #18 - 35

#### A by-law to amend the Zoning By-law 07/67, as amended, being the Zoning By-law of the Town of Erin.

**Whereas** the Council of the Corporation of the Town of Erin deems it desirable to amend By-law 07-67 as amended, pursuant to Section 34 of the Planning Act, R.S.O. 1990 as amended;

Therefore Council enacts as follows:

1. That **SECTION 2 – DEFINITIONS** is amended by adding the following definition:  
“**Medical Cannabis Production Facility**” shall mean premises used for the growing, producing, processing, testing, destroying, packaging and shipping of medical cannabis authorized by a license issued by the federal Minister of Health, pursuant to the Marihuana for Medical Purposes Regulations, under the Controlled Drugs and Substances Act, as amended from time to time, or any successors thereto.”
2. That **SECTION 4 – GENERAL PROVISIONS** is amended by adding the following new section:  
“4.20.1 **Medical Cannabis Production Facility**
  - (a) A building or structure or portion thereof used for a Medical Cannabis Production Facility situated in the Light Industrial Zone (M1) and General Industrial Zone (M2) must be 70 metres from:
    - i. A Residential Zone or Use,
    - ii. An Institutional Zone, or
    - iii. An Open Space Zone.
  - (b) A building or structure or portion thereof used for a Medical Cannabis Production Facility situated in the Agricultural Zone (A) and Rural Industrial Zone (M3) must be 150 metres from:
    - i. A Residential Zone or Use,
    - ii. An Institutional Zone, or
    - iii. An Open Space Zone.
  - (c) The facility operations, including loading spaces and storage, must be located within a wholly enclosing building.
  - (d) Outdoor storage is prohibited on a property where a Medical Cannabis Production Facility is located.

- (e) Medical Cannabis Production Facility shall only be permitted within zones as explicitly indicated in this Zoning By-law.
  - (f) All development in relation to the establishment of or expansion to a Medical Cannabis Production Facility shall be subject to Site Plan Control.
  - (g) A building or structure used exclusively for security guard(s) for a Medical Cannabis Production Facility may be located in the front yard, side yard and rear yard building setbacks.
  - (h) No minor variance for regulations to the Medical Cannabis Production Facility shall be permitted by Committee of Adjustment and shall only be dealt with by a Zoning By-law Amendment.
  - (i) A Medical Cannabis Production Facility shall only be permitted in the following zones:
    - i. Agricultural Zone (A)
    - ii. Light Industrial Zone (M1)
    - iii. General Industrial Zone (M2)
    - iv. Rural Industrial Zone (M3)"
3. This By-law shall become effective from the date of passage by Council and come into force in accordance with the requirements of the Planning Act, R.S.O. 1990, as amended.

**Passed in open Council on June 5, 2018.**

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**Mayor, Allan Ails**

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**Deputy Clerk, Lisa Campion**

# **THE CORPORATION OF THE TOWN OF ERIN**

## **EXPLANATION OF BY-LAW #18 -**

By-law #18 - \_\_\_\_\_ amends the Town of Erin Zoning By-law 07-67 by adding a new definition for Medical Cannabis Production Facility and introducing new regulations for the Medical Cannabis Production Facility use.

# Appendix 5

## **Norfolk County Zoning By-law Amendment**



## The Corporation of Norfolk County

### By-Law 25-Z-2018

**Being a By-Law to Amend Zoning By-Law 1-Z-2014, as amended, for all lands within Norfolk County.**

**WHEREAS** Norfolk Council is empowered to enact this By-Law, by virtue of the provisions of Section 34 of the *Planning Act, R.S.O. 1990, CHAPTER P.13*, as amended;

**AND WHEREAS** this By-Law conforms to the Norfolk County Official Plan.

**NOW THEREFORE** the Council of The Corporation of Norfolk County hereby enacts as follows:

1. That Section 2 – Definitions is hereby amended by adding the following, Subsection 2.28 “CANNABIS” and renumbering the balance of the Section accordingly:

2.28 “**CANNABIS**” shall mean a genus of flowering plants in the family *Cannabaceae*. Synonyms include but are not limited to marijuana, and marihuana. This definition does not include the industrial or agricultural production of hemp (a source of foodstuffs (hemp milk, hemp seed, hemp oil), fiber and biofuels).

2. That Section 2 – Definitions is hereby amended by adding the following and renumbering the balance of the Section accordingly:

2.29 “**CANNABIS PRODUCTION AND PROCESSING**” means lands, *buildings* or *structures* used for producing, processing, testing, destroying, packaging and/or shipping of *cannabis* authorized by an issued license or registration by the federal Minister of Health, pursuant to the Access to Cannabis for Medical Purposes Regulations, SOR/2016-230, to the *Controlled Drugs and Substances Act, SC 1996, c 19*, as amended from time to time, or any successors thereto.”

3. That Section 2 – Definitions is hereby further amended by adding the following to the end of existing Subsection 2.53 “FARM”:

, but does not include *Cannabis Production and Processing*.

4. That Section 2 – Definitions is hereby amended by replacing the words “*Medical Marihuana Production Facility*” with “*Cannabis Production and Processing*” in the existing Subsection 2.67 “GARDEN CENTRE”



## The Corporation of Norfolk County

### By-Law 5-Z-2019

**Being a By-Law to Amend Zoning By-Law 1-Z-2014, as amended, with respect to all land within the County in the Name of Norfolk County.**

**WHEREAS** Norfolk Council is empowered to enact this By-Law, by virtue of the provisions of Section 34 of the *Planning Act, R.S.O. 1990, CHAPTER P.13*, as amended;

**AND WHEREAS** this By-Law conforms to the Norfolk County Official Plan.

**NOW THEREFORE** the Council of The Corporation of Norfolk County hereby enacts as follows:

1. That Section 3 – General Provisions is hereby amended by adding the following words to Subsection 3.21 c), d) and e) between the words “*place of worship*” and “*or day care nursery*”:

*campground, group home, hotel, long-term care facility, mobile home park, place of assembly, place of entertainment, place of sports and recreation, tent and trailer park, tourist cabin, hospital*

2. That Section 3 – General Provisions is hereby amended by adding the following words to Subsection 3.21 c), d) and e) between the words “*dwelling*” and “*public school*”:

*on a separate lot,*

3. That Section 3 – General Provisions is hereby further amended by adding the following words to Subsection 3.21 i) between the words “*Processing*” and “*shall*”:

*and accessory use(s).*

4. That Section 3 – General Provisions is hereby further amended by adding the following Subsections after Subsection 3.21 i):

j) Notwithstanding Subsections 3.21 c), d) and e), within the Agricultural (A) Zone, a *hotel, place of assembly, and tourist cabin* shall be permitted on the same *lot* as a *Cannabis Production and Processing* use as an *accessory use*.

k) The following provisions apply to a *hotel, place of assembly, and tourist cabin* or a combination thereof located on the same *lot* as a *Cannabis Production and*



*Processing use:*

- i. up to two (2) percent of a farm parcel to a maximum of one (1) hectare;
- ii. the gross floor area of *building(s)* used for a *hotel, place of assembly*, and/or *tourist cabin* is limited to an approximate 20 percent of the acceptable land area, as calculated in 3.21 k) i);
- iii. the land area and the area of *existing building(s)* used for a *hotel, place of assembly*, and/or *tourist cabin* may be discounted at the rate of 50 percent. Where a *hotel, place of assembly*, and/or *tourist cabin* use occupies the same footprint as a demolished *building*, the land area for the use may be similarly discounted by 50 percent. Furthermore, discounted area calculations may be permitted based on the Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas Publication 851, 2016 or any successors thereto.

5. That the effective date of this By-Law shall be the date of passage thereof.

**ENACTED AND PASSED** this 30th day of January, 2019.

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Mayor

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County Clerk

5. That Section 2 – Definitions is here by amended by deleting the existing Subsection 2.91 “Medical Marihuana Production Facility” and renumbering the balance of the Section accordingly:
6. That Section 2 – Definitions is hereby amended by adding the following, Subsection 2.98 “AIR TREATMENT CONTROL” and renumbering the balance of the Section accordingly:

2.98 “**AIR TREATMENT CONTROL**” shall mean the functional use of industrial grade multi-stage carbon filtration system, or similar technology, to reduce and/or treat the emission of pollen, dust and odours expelled from a facility and sized accordingly in comparison to the facility it serves as designed by a qualified person.
7. That Section 2 – Definitions is hereby amended by replacing the words “Medical Marihuana Production Facility” with “Cannabis Production and Processing” in the existing Subsection 2.170 “WHOLESALE OUTLET”
8. That Section 3 – General Provisions is hereby amended by deleting Subsection 3.21 “Medical Marihuana Production Facility” and replacing with the following:

3.21 *Cannabis Production and Processing*

Notwithstanding any other provision of this By-law, any *Cannabis Production and Processing* shall be subject to the following provisions:

- a) No lands, *building* or *structure* or portion thereof used for *Cannabis Production and Processing* purposes that is equipped with *air treatment control* situated in the General Industrial Zone (MG), Light Industrial Zone (ML), Rural Industrial Zone (MR) may be located closer to any Residential Zone, Institutional Zone, or Open Space Zone than 70 metres.
- b) No lands, *building* or *structure* or portion thereof used for *Cannabis Production and Processing* purposes that is equipped with *air treatment control* situated in the Agricultural Zone (A) may be located closer to any Residential Zone, Institutional Zone, or Open Space Zone than 150 metres.
- c) No lands, *building* or *structure* or portion thereof used for *Cannabis Production and Processing* purposes that is equipped with *air treatment control* situated in the General Industrial Zone (MG), Light Industrial Zone (ML), Rural Industrial Zone (MR) may be located closer to any *dwelling*, public school, private school, *place of worship*, or *day care nursery* than 150 metres.
- d) No lands, *building* or *structure* or portion thereof used for *Cannabis Production and Processing* purposes that is equipped with *air treatment control* situated in

the Agricultural Zone (A) may be located closer to any *dwelling*, public school, private school, *place of worship*, or *day care nursery* than 150 metres.

- e) No lands, *building* or *structure* or portion thereof used for *Cannabis Production and Processing* purposes that is not equipped with *air treatment control* situated in the Agricultural Zone (A), General Industrial Zone (MG), Light Industrial Zone (ML), Rural Industrial Zone (MR) may be located closer to any *dwelling*, public school, private school, *place of worship*, or *day care nursery* than 300 metres.
  - f) A *building* or *structure* used for security purposes for *Cannabis Production and Processing* may be located in the *required front yard* and does not have to comply with the required minimum *front yard*, *side yard*, and *rear yard* setbacks.
  - g) *Outdoor storage* is prohibited on the property in which the *Cannabis Production and Processing* is located.
  - h) *Cannabis Production and Processing* shall only be permitted within the zones as explicitly indicated in this Zoning By-law.
  - i) All development in relation to the establishment of or expansion to a *Cannabis Production and Processing* shall be subject to Site Plan Control.
9. That Section 3.8.1 – Site Plan Control is hereby amended by replacing the words “*Medical Marihuana Production Facility*” with “*Cannabis Production and Processing*”.
10. That Section 4 – Off Street Parking Provisions is hereby amended by replacing the words “*Medical Marihuana Production Facility*” with “*Cannabis Production and Processing*” in existing Subsection 4.9 (y).
11. That Section 7.1 – General Industrial Zone is hereby amended by replacing the words “*Medical Marihuana Production Facility*” with “*Cannabis Production and Processing*” in existing Subsection 7.1.1 (o) “Permitted Uses”.
12. That Section 7.2 – Light Industrial Zone is hereby amended by replacing the words “*Medical Marihuana Production Facility*” with “*Cannabis Production and Processing*” in existing Subsection 7.2.1 (o) “Permitted Uses”.
13. That Section 7.5 – Rural Industrial Zone is hereby amended by replacing the words “*Medical Marihuana Production Facility*” with “*Cannabis Production and Processing*” in existing Subsection 7.5.1 (z) “Permitted Uses”.

14. That Section 12.1 – Agricultural Zone is hereby amended by replacing the words “*Medical Marihuana Production Facility*” with “*Cannabis Production and Processing*” in existing Subsection 12.1.1 (m) “Permitted Uses”.
15. That Section 14 – Special Provisions is hereby amended by replacing the words “*Medical Marihuana Production Facility*” with “*Cannabis Production and Processing*” in existing Subsection 14.647.
16. That Section 14 – Special Provisions is hereby amended by replacing the words “*Medical Marihuana Production Facility*” with “*Cannabis Production and Processing*” in existing Subsection 14.856.
17. That Section 14 – Special Provisions is hereby amended by replacing the words “*Medical Marihuana Production Facility*” with “*Cannabis Production and Processing*” in existing Subsection 14.902.

**ENACTED AND PASSED** this 27th day of March, 2018.

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Mayor

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County Clerk

**Explanation of the Purpose and Effect of  
By-Law 25-Z-2018**

This By-Law affects lands located throughout Norfolk County, with the purposes of addressing matters identified through application of the By-Law, providing streamlining improvements and clearer interpretation of provisions in regards to cannabis production and processing.



## The Corporation of Norfolk County

### By-Law 44-Z-2019

**Being a By-Law to Amend Zoning By-Law 1-Z-2014, as amended, with respect to all land within the County in the Name of Norfolk County.**

**WHEREAS** Norfolk Council is empowered to enact this By-Law, by virtue of the provisions of Section 34 of the *Planning Act, R.S.O. 1990, CHAPTER P.13*, as amended;

**AND WHEREAS** this By-Law conforms to the Norfolk County Official Plan.

**NOW THEREFORE** the Council of The Corporation of Norfolk County hereby enacts as follows:

1. That Section 2 – Definitions is hereby amended by deleting and replacing Subsection 2.30 “CANNABIS PRODUCTION AND PROCESSING” with the following:

2.30 “**CANNABIS PRODUCTION AND PROCESSING**” shall mean the industrial production, processing, testing, destroying, packaging and/or shipping of *cannabis* as authorized by an issued license or registration or other lawful authorization or permission by the federal Minister of Health or designate, pursuant to the Access to Cannabis for Medical Purposes Regulations, SOR/2016-230, as issued pursuant to the *Controlled Drugs and Substances Act*, SC 1996, c 19, or pursuant to the Cannabis Act, S.C. 2018, c. 16, as amended from time to time, or any successor legislation thereto, upon any lands, or within any *buildings* or *structures*.

2. That the effective date of this By-Law shall be the date of passage thereof.

**ENACTED AND PASSED** this June 25th, 2019.

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Mayor

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County Clerk

**Explanation of the Purpose and Effect of  
By-Law 44-Z-2019**

This By-Law affects lands located throughout Norfolk County, with the purposes of addressing matters identified through application of the By-Law, and providing streamlining improvements and clearer interpretation of provisions with regard to cannabis production and processing.

# Appendix 6

## **Town of Halton Hills Official Plan and Zoning By-law Amendments**





**BY-LAW NO. 2019-0034**

A By-law to adopt Amendment No. 35 to the Official Plan of the  
Town of Halton Hills -  
Cannabis Cultivation and Processing

**WHEREAS** the Council of the Corporation of the Town of Halton Hills is empowered to enact this By-law by virtue of the provisions of the Planning Act, 1990, R.S.O., c.p. 13, as amended;

**AND WHEREAS** the Regional Municipality of Halton, as the approval authority, has exempted this Official Plan Amendment from their approval;

**AND WHEREAS** on July 8, 2019, Council for the Town of Halton Hills approved Report No. PLS-2019-0042, June 14, 2019, in which certain recommendations were made relating to Cannabis Cultivation and Processing.

**NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CORPORATION OF THE TOWN OF HALTON HILLS ENACTS AS FOLLOWS:**

1. That Amendment No. 35 to the Official Plan of the Town of Halton Hills, being the attached text and schedules is hereby approved;
2. That the Town Clerk is hereby authorized to circulate the Official Plan Amendment as provided for by the Planning Act regulating the appeal process.

**BY-LAW** read and passed by the Council for the Town of Halton Hills this 8<sup>th</sup> day of July, 2019.

  
\_\_\_\_\_  
MAYOR – RICK BONNETTE

  
\_\_\_\_\_  
CLERK – SUZANNE JONES

**OFFICIAL PLAN AMENDMENT No. 35**

**TO THE OFFICIAL PLAN FOR THE TOWN OF HALTON HILLS**

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**PART A: THE PREAMBLE** does not constitute part of this Amendment

**PART B: THE AMENDMENT** consisting of the following Schedule and Text constitutes Amendment No. 35 to the Official Plan for the Town of Halton Hills.

**AMENDMENT NO. 35 TO THE OFFICIAL PLAN  
OF THE TOWN OF HALTON HILLS**

The attached text and schedules constitute Amendment No. 35 to the Official Plan of the Town of Halton Hills, which was adopted by the Council of the Town of Halton Hills by By-law 2019-0034 in accordance with the provisions of the Planning Act, 1990. R.S.O., c.p. 13, as amended;

THE CORPORATION OF THE TOWN OF HALTON HILLS



MAYOR – Rick Bonnette



TOWN CLERK – Suzanne Jones

## **PART A – THE PREAMBLE**

### **PURPOSE OF THE AMENDMENT**

The main purpose of this Amendment is to include policies in the Town of Halton Hills Official Plan that control the location of cannabis cultivation and processing uses.

### **LOCATION**

The Amendment applies to the Protected Countryside and Agricultural designations, the Prestige Industrial designation (within the Prestige Gateway Employment Area), the General Employment Area designation (in Georgetown and Acton) and the General Employment Area designation in Mansewood. The Amendment also provides policy direction in the Niagara Escarpment Plan Area.

### **BASIS FOR THE AMENDMENT**

On April 13, 2017, the Government of Canada introduced Bill C-45 (the Cannabis Act) in the House of Commons. Based in large part on the advice provided by the Task Force on Cannabis Legalization and Regulation, the Cannabis Act created the foundation for a comprehensive national framework to provide restricted access to regulated cannabis, and to control its production, distribution, sale, importation, exportation, and possession. Following parliamentary review, the Cannabis Act received royal assent on June 21, 2018 and it became law on October 17, 2018.

The Federal Cannabis Regulation SOR-2018-144 ('the Regulation') was published in the Canada Gazette, Part II, on July 11 2018 and it also came into effect on October 17, 2018. This Regulation is one of a series of regulations that are intended to implement the Cannabis Act. The Regulation established a series of classes of licences that authorize activities that are related to cannabis and these are as follows:

- a) A licence for cultivation;
- b) A licence for processing;
- c) A licence for analytical testing;
- d) A licence for sale (medical purposes);
- e) A licence for research; and,
- f) A cannabis drug licence.

A series of subclasses of a licence for cultivation have also been established and they are:

- a) A licence for micro-cultivation;
- b) A licence for standard cultivation; and,
- c) A licence for a nursery.

In addition, the following subclasses have been established as a licence for processing:

- a) A licence for micro-processing; and
- b) A licence for standard processing

The outdoor cultivation of cannabis is considered to be an agricultural use and is currently permitted wherever agricultural uses are permitted. The processing of

cannabis may be considered an agriculture-related use. However for a use to be considered as agriculture-related, it must be a farm related commercial use and/or a farm related industrial use that satisfies all of the criteria below:

- a) Is directly related to farm operations in the area;
- b) Supports agriculture;
- c) Benefits from being in close proximity to farm operations; and
- d) Provides direct products and/or services to farm operations as a primary activity.

In addition to satisfying the above criteria, there is a need to consider a number of other potential impacts, such as odour, traffic and impacts of the required water and wastewater servicing. In some cases, setbacks will be required and in this regard, this Amendment indicates that a minimum setback of 150 metres from lot lines is desired, but can be reviewed through the zoning by-law amendment process.

In addition, the scale of the proposed facility is a consideration and should reflect the character of the surrounding agricultural area. For the above reasons, this Amendment recognizes that the cultivation of cannabis and the processing of cannabis within buildings is a permitted use, subject to the consideration of a site-specific zoning by-law amendment application. In addition, this Amendment makes it clear that indoor cultivation and cannabis processing uses are subject to site plan control, which will assist in ensuring that the site is designed appropriately and that any off-site impacts are mitigated. In addition to the above, and in recognition of the security requirements associated with outdoor cultivation, this Amendment also establishes the requirement for a 50-metre setback from lot lines for outdoor cultivation.

It is also anticipated that the cultivation of cannabis may be desired in the Town's fully serviced employment areas where industrial, manufacturing and warehouse uses are permitted; but where the cultivation of any crop is currently not permitted. In this regard, this Amendment permits indoor cannabis cultivation and processing in the Prestige Industrial designation (within the Prestige Gateway Employment Area), the General Employment Area designation (in Georgetown and Acton) and General Employment Area in Mansewood.

However, the Amendment also requires that these uses be set back a minimum of 150 metres from sensitive land uses which includes buildings, amenity spaces or open spaces where normal activities occurring at reasonable expected times would experience one or multiple adverse effects from contaminant discharges, fumes, odours, vibrations, noise or air pollutants generated from a nearby facility. Examples of sensitive land uses include, but are not limited to a place of residence, daycare centre, educational and health facility, community gathering places, parks and playgrounds. Site plan approval would also be required if the proposed use meets the 150 metre setback requirement.

## PART B – THE AMENDMENT

All of this part of the document consisting of the following Schedule and Text constitutes Amendment No. 35 of the Official Plan for the Town of Halton Hills.

### DETAILS OF THE AMENDMENT

The Official Plan for the Town of Halton Hills is amended as follows:

**Item 1:** Section D3.4.1.3 of the Official Plan is amended by adding a new sub-section g) which reads as follows: *"cannabis cultivation and processing subject to Section D3.4.1.4.8"*

**Item 2:** Section D3.4.1.4 of the Official Plan is amended by adding a new Section D3.4.1.4.8 as follows:

*"D3.4.1.4.8 Cannabis Cultivation and Processing*

*Cannabis cultivation and processing is permitted within an enclosed building provided the lot on which it is located is set back a minimum of 150 metres from a lot that is the site of a child care centre (formerly known as a day nursery), a private or public school, a place of worship or other institutional use, a residential use, a long term care facility, a retirement home or a public park. Cannabis cultivation and processing shall also be subject to Site Plan Control in accordance with Section G8 of this Plan."*

**Item 3:** Section D3.5.4.1.1 of the Official Plan is amended by adding a new sub-section g) which reads as follows: *"cannabis cultivation and processing subject to Section D3.5.4.1.6"*

**Item 4:** Section D3.5.4.1 of the Official Plan is amended by adding a new Section D3.5.4.1.6 as follows:

*"D3.5.4.1.6 Cannabis Cultivation and Processing*

*Cannabis cultivation and processing is permitted within an enclosed building provided the facade of any building facing Highway 401 and Steeles Avenue is clad in brick or other suitable material that does not give the impression that the building is a greenhouse. In addition, the height of any greenhouse portion of a building should not extend higher than the front facade of a building facing Highway 401 and Steeles Avenue. Cannabis cultivation and processing shall also be subject to the setback requirement identified in Section D3.4.1.4.8 of this Plan, and Site Plan Control in accordance with Section G8 of this Plan."*

**Item 5:** Section E1.4 of the Official Plan is amended by adding a new Section E1.4.11 as follows:

*"E1.4.11 Indoor Cannabis Cultivation*

*The indoor cultivation of cannabis may be permitted subject to the passage of an amendment to the implementing zoning by-law and will if approved through such a process, be subject to Site Plan Control in accordance with Section G8 of this Plan. Prior to considering the approval of a zoning by-law amendment, Council shall be satisfied that:*

- a) *The use shall not have a negative impact on the enjoyment and privacy of neighbouring properties;*
- b) *The proposed use will not have a negative impact on adjacent agricultural uses and is compatible with normal practices as set out in an Agricultural Impact Assessment to the satisfaction of the Town and the Region;*
- c) *The proposed use will not cause any traffic hazards or an unacceptable level of congestion on surrounding roads;*
- d) *The proposed use can be designed and sited to blend in with surrounding land uses such that the rural character of the area is maintained; and where necessary the proposed use can be appropriately buffered from adjacent uses;*
- e) *The impact of the noise, odour and dust generated by the proposed use on adjacent land uses can be appropriately mitigated;*
- f) *There will be no negative impact on the quality and quantity of groundwater and surface water;*
- g) *Adequate parking facilities are available on the lot for the proposed use;*
- h) *The use can be serviced with an appropriate water supply and an appropriate means of sewage disposal;*
- i) *Stormwater management needs can be met on site;*
- j) *The signage advertising the use is to be designed and located in accordance with the Town's sign by-law; and*
- k) *The proposed setback from adjacent land uses is appropriate, and in this regard, the minimum setback from proposed operations should be at least 150 metres. However, if a setback that is appropriate for the site can be established and if it less than 150 metres, an Amendment to this Plan will not be required. Additionally, where proposed cultivation is to be operated under a micro cultivation licence, consideration for reduced setbacks (where required) will be given.*

*Notwithstanding the above, a lot on which cannabis cultivation is located shall be set back 150 metres from Urban, Hamlet, and Rural Cluster Area lots where a sensitive land use (specified in Section D3.4.1.4.8) is present.*

*In addition to the above, the required studies for a proposed indoor cannabis cultivation operation, that address matters identified in Section E1.4.11 of this Plan, shall take into account the impacts from other cannabis cultivation operations developing or operating in the area.*

*Where zoning by-laws do not apply (in the Niagara Escarpment Plan Area), the above-noted criteria will be applied in considering the suitability of the location for indoor cannabis cultivation, including setbacks from Rural Cluster Area lots where a sensitive land use (specified in section D3.4.1.4.8) is present. These criteria will be applied in addition to any other relevant municipal or provincial policy.”*

**Item 6:** Section E1.4 of the Official Plan is amended by adding a new Section E1.4.12 as follows:

*"E1.4.12 The Processing of Cannabis*

*The processing of cannabis may be permitted as an agriculture-related use, operating in conjunction with a cannabis cultivation operation, subject to the passage of an amendment to the implementing zoning by-law and will if approved through such a process, be subject to Site Plan Control in accordance with Section G8 of this Plan. Prior to considering the approval of a zoning by-law amendment, Council shall be satisfied that the matters listed in Section E1.4.11 a) to k) have been satisfied.*

*In addition to the above, and in order for the use to qualify as an agriculture-related use, it must be demonstrated that the proposed use satisfies all of the criteria below:*

- e) Is directly related to farm operations in the area;*
- f) Supports agriculture;*
- g) Benefits from being in close proximity to farm operations; and*
- h) Provides direct products and/or services to farm operations as a primary activity.*

*In considering the above, regard shall be given to the Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas prepared by the Ontario Ministry of Agriculture Food and Rural Affairs in 2016.*

*Notwithstanding the above, a lot on which cannabis processing is located shall be set back 150 metres from Urban, Hamlet, and Rural Cluster Area lots where a sensitive land use (specified in Section D3.4.1.4.8) is present.*

*Where zoning by-laws do not apply (in the Niagara Escarpment Plan Area), the above-noted criteria will be applied in considering the suitability of the location for cannabis processing, including setbacks from Rural Cluster Area lots where a sensitive land use (specified in section D3.4.1.4.8) is present. These criteria will be applied in addition to any other relevant municipal or provincial policy."*

**Item 7:** Section E1.4 of the Official Plan is amended by adding a new Section E1.4.13 as follows:

*"E1.4.13 Outdoor Cannabis Cultivation*

*The outdoor cultivation of cannabis is required to be set back a minimum of 50 metres from adjacent lot lines.*

**Item 8:** Section E2.3 of the Official Plan is amended by adding a new sub-section w) which reads as follows: "cannabis cultivation subject to Section E1.4.11"

**Item 9:** Section E2.3 of the Official Plan is amended by adding a new sub-section x) which reads as follows: "cannabis processing subject to Section E1.4.12"

**Item10:** Section E2.3 of the Official Plan is amended by adding a new sub-section y) which reads as follows: "outdoor cannabis cultivation subject to Section E1.4.13"





**BY-LAW NO. 2019-0035**

**A By-law to Amend  
Town of Halton Hills Comprehensive Zoning By-law 2010-0050**

**WHEREAS** Council is empowered to enact this By-law by virtue of the provisions of Section 34 of the Planning Act, R.S.O.1990, as amended;

**AND WHEREAS** Council has recommended that Zoning By-law 2010-0050 be amended as hereinafter set out;

**AND WHEREAS** said recommendation conforms to the Official Plan for the Town of Halton Hills;

**AND WHEREAS** on July 8, 2019, Council for the Town of Halton Hills approved Report No. PLS-2019-0042, June 14, 2019, in which certain recommendations were made relating to Cannabis Cultivation and Processing.

**NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CORPORATION OF THE TOWN OF HALTON HILLS ENACTS AS FOLLOWS:**

1. That **PART 3, DEFINITIONS**, of Zoning By-law 2010-0050 is hereby amended by adding the following definitions:

**Cannabis Analytical Testing Facility** means: A facility where the alteration of the chemical or physical properties of cannabis by any means is carried out, subject to regulations under the Cannabis Act, as amended.

**Cannabis Cultivation - Indoor** means: The growing of cannabis within a wholly enclosed building or structure, for medical or recreational purposes, subject to regulations under the Cannabis Act, as amended.

**Cannabis Cultivation - Outdoor** means: The growing of cannabis in an open air setting, for medical or recreational purposes, subject to regulations under the Cannabis Act, as amended.

**Cannabis Drug Production Facility** means: A facility where the production or manufacturing of a drug containing cannabis is carried out, subject to regulations made under the Cannabis Act, as amended, and the Food and Drugs Act, as amended.

**Cannabis Processing Facility** means: A facility where the extraction of cannabis oil for the purpose of producing or manufacturing cannabis oils, gels or other edibles is carried out, subject to regulations under the Cannabis Act, as amended.

**Cannabis Research Facility** means: A facility used for activities in accordance with a Licence for Research, subject to regulations under the Cannabis Act, as amended.

2. That **PART 5, PARKING AND LOADING STANDARDS**, of Zoning By-law 2010-0050 is hereby amended by adding a new row to Table 5.3 (Non-Residential Parking Requirements) as set out below:

Use	Minimum Parking Space Requirement (net floor area unless otherwise noted)
<i>Cannabis Analytical Testing Facilities, Cannabis Cultivation - Indoor, Cannabis Drug Production Facilities, Cannabis Processing Facilities and Cannabis Research Facilities</i>	1/30 m2 for the first 1,000 m2, 1/100 m2 for the floor area between 1,000 and 5,000 m2 plus 1/200 m2 in excess of 5,000 m2

3. That **PART 5, PARKING AND LOADING STANDARDS**, of Zoning By-law 2010-0050 is hereby amended by adding a new Section 5.5.7 as per below and re-numbering the following sections accordingly:

**5.5.7 Loading spaces for Cannabis Analytical Testing Facilities, Cannabis Cultivation - Indoor, Cannabis Drug Production Facilities, Cannabis Processing Facilities and Cannabis Research Facilities**

Notwithstanding Section 5.5.6 b), c) and d), *loading spaces for Cannabis Analytical Testing Facilities, Cannabis Cultivation - Indoor, Cannabis Drug Production Facilities, Cannabis Processing Facilities and Cannabis Research Facilities* shall be located entirely within the *main building* on the *lot*.

4. That **PART 8, URBAN EMPLOYMENT ZONE**, of Zoning By-law 2010-0050 is hereby amended by adding a new row to Table 8.1 as set out below and by adding the following additional special provisions below the table:

Use	EMP1
<i>Cannabis Analytical Testing Facilities, Cannabis Cultivation - Indoor, Cannabis Drug Production Facilities, Cannabis Processing Facilities and Cannabis Research Facilities</i>	X (8)

**SPECIAL PROVISIONS:**

8. Only permitted in a single - *premises* enclosed *building* and no outdoor cultivation, storage or processing permitted. In addition, the *lot* on which the use is located is required to be *setback* a minimum of 150 metres from a *lot* that is the site of:
- a) An *arena*;
  - b) A *community centre*;
  - c) A *day nursery*;
  - d) A *dwelling unit*;
  - e) A *long term care facility*;
  - f) A *park, public*;
  - g) A *park, private*;
  - h) A *place of worship*;
  - i) A *retirement home*;
  - j) A *library*;
  - k) A *school, public*;
  - l) A *school, private*; and
  - m) A *trade and convention centre*.

5. That **PART 9, NON-URBAN ZONES**, of Zoning By-law 2010-0050 is hereby amended by adding a new row to Table 9.1 as set out below and by adding the following additional special provisions below the table:

USE	A	PC	HR1 HR2	HCC HC	HI	RCR1 RCR2	RCC	RCI	CR	MAR	RU- EMP
Cannabis cultivation - outdoor	X (18)	X (18)									
Cannabis Analytical Testing Facilities, Cannabis Cultivation - Indoor, Cannabis Drug Production Facilities, Cannabis Processing Facilities and Cannabis Research Facilities											X (17)

**SPECIAL PROVISIONS:**

17. Only permitted in a single - *premises* enclosed *building* and no outdoor cultivation, storage or processing permitted. In addition, the *lot* on which the use is located is required to be *setback* a minimum of 150 metres from a *lot* that is the site of:
- a) An *arena*;
  - b) A *community centre*;
  - c) A *day nursery*;
  - d) A *dwelling unit*;
  - e) A *long term care facility*;
  - f) A *park, public*;
  - g) A *park, private*;
  - h) A *place of worship*;
  - i) A *retirement home*;
  - j) A *library*;
  - k) A *school, public*;
  - l) A *school, private*; and
  - m) A *trade and convention centre*.
18. Outdoor cultivation shall be set back a minimum of 50 metres from lot lines.

**BY-LAW** read and passed by the Council for the Town of Halton Hills this 8<sup>th</sup> day of July, 2019.

  
MAYOR – RICK BONNETTE

  
CLERK – SUZANNE JONES



**BY-LAW NO. 2019-0036**

A By-law to Amend  
401 Corridor Zoning By-law 2000-138

**WHEREAS** Council is empowered to enact this By-law by virtue of the provisions of Section 34 of the Planning Act, R.S.O.1990, as amended;

**AND WHEREAS** Council has recommended that Zoning By-law 2000-138 be amended as hereinafter set out;

**AND WHEREAS** said recommendation conforms to the Official Plan for the Town of Halton Hills;

**AND WHEREAS** on July 8, 2019, Council for the Town of Halton Hills approved Report No. PLS-2019-0042, dated June 14, 2019, in which certain recommendations were made relating to Cannabis Cultivation and Processing.

**NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CORPORATION OF THE TOWN OF HALTON HILLS ENACTS AS FOLLOWS:**

1. That **Section 7.5** of Zoning By-law 2000-138 is hereby amended by adding the following use permissions and re-lettering the remaining sub-sections accordingly:

- v) Cannabis analytical testing facility within an enclosed single - premise building
- vi) Cannabis cultivation - indoor within a single - premise building
- viii) Cannabis drug production facility within an enclosed single - premise building
- ix) Cannabis processing facility within an enclosed single - premise building
- x) Cannabis research facility within an enclosed single - premise building

2. That **Section 7.5.2** of Zoning By-law 2000-138 is hereby amended by adding the following sub-section 7.5.2.18:

7.5.2.18 Cannabis analytical testing, Cannabis cultivation – indoor, Cannabis drug production, Cannabis processing, and Cannabis research facilities are required to be *setback* a minimum of 150 metres from a *lot* that is the site of:

- a) An *arena*;
- b) A *community centre*;
- c) A *day nursery*;
- d) A *dwelling unit*;
- e) A *long term care facility*;
- f) A *park, public*;
- g) A *park, private*;
- h) A *place of worship*;
- i) A *retirement home*;
- j) A *library*;
- k) A *school, public*;
- l) A *school, private*; and
- m) A *trade and convention centre*.

3. That **Section 7.5.2.12** of Zoning By-law 2000-138 is hereby amended by adding the following sub-section iv):

iv) Loading spaces for cannabis analytical testing facilities, cannabis cultivation - indoor, cannabis drug production facilities, cannabis processing facilities and cannabis research facilities shall be located entirely within the main building on the lot.


4. That **Section 13.102.4** of Zoning By-law 2000-138 is hereby amended by adding the following definitions and re-lettering the following sub-sections accordingly:


- vi) "Cannabis analytical testing facility" means a facility where the alteration of the chemical or physical properties of cannabis by any means is carried out, subject to regulations under the Cannabis Act, as amended.
- vii) "Cannabis cultivation - indoor" means the growing of cannabis within a wholly enclosed building or structure, for medical or recreational purposes, subject to regulations under the Cannabis Act, as amended.
- viii) "Cannabis drug production facility" means a facility where the production or manufacturing of a drug containing cannabis is carried out, subject to regulations made under the Cannabis Act, as amended and the Food and Drugs Act, as amended.
- ix) "Cannabis processing facility" means a facility where the extraction of cannabis oil for the purpose of producing or manufacturing cannabis oils, gels or other edibles is carried out, subject to regulations under the Cannabis Act, as amended.
- x) "Cannabis research facility" means a facility used for activities in accordance with a licence for research, subject to regulations under the Cannabis Act, as amended.

5. That **Table B in Section 13.102.6** of Zoning By-law 2000-0138 is hereby amended by adding the following row:

Use	Required parking space (per square metre (sm) of Gross Floor Area, unless otherwise noted)
Cannabis Analytical Testing Facility, Cannabis Cultivation - Indoor, Cannabis Drug Production Facility, Cannabis Processing Facility and Cannabis Research Facility	1/100 sm

**BY-LAW** read and passed by the Council for the Town of Halton Hills this 8<sup>th</sup> day of July, 2019.

  
MAYOR – RICK BONNETTE

  
CLERK – SUZANNE JONES

# Appendix 7

**Proposed Draft Official Plan  
Amendment and Zoning By-law  
Amendments for the Town of Milton**

**THE CORPORATION OF THE TOWN OF MILTON**

BY-LAW NO. -2019

BEING A BY-LAW OF THE TOWN OF MILTON TO ADOPT AN AMENDMENT TO THE TOWN OF MILTON OFFICIAL PLAN PURSUANT TO SECTIONS 17 AND 21 OF THE *PLANNING ACT*, AS AMENDED, TO ADOPT AMENDMENT NO. XX SHARED HOUSING TO THE APPROVED OFFICIAL PLAN

The Council of the Corporation of the Town of Milton, in accordance with the provisions of Sections 17 and 21 of the *Planning Act*, R.S.O. 1990, c. P.13, as amended, hereby enacts as follows:

1. THAT Amendment No. XX to the Official Plan of the Corporation of the Town of Milton, attached hereto, is hereby adopted
2. THAT pursuant to Subsection 17(27) of the *Planning Act*, R.S.O. 1990, c.P. 13, as amended, this Official Plan Amendment comes into effect the day after the last day for filing a notice of appeal, if no appeal is filed pursuant to subsections 17 (24) and (25). Where one or more appeals have been filed under Subsection 17 (24) or (25) of the said Act, as amended, this Official Plan Amendment comes into effect when all such appeals have been withdrawn or finally disposed of in accordance with the direction of the Land Use Planning Appeals Tribunal
3. THAT in the event that the Regional Municipality of Halton, being the Approval Authority, has declared this Official Plan Amendment to not be exempt, the Clerk is hereby authorized and directed to make application to the Approval Authority for approval of the aforementioned Amendment Number XX to the Official Plan of the town of Milton

**READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED** this \*\* day of \*\*\*, 2019

\_\_\_\_\_ Mayor Gordon A. Krantz

\_\_\_\_\_ Clerk Troy McHarg

AMENDMENT NUMBER XX

TO THE OFFICIAL PLAN  
OF THE TOWN OF MILTON

Subject: Cannabis Policy Review

The following text and schedules constitute

Amendment No. XX to the Official Plan

Of the town of Milton

October 2019



**AMENDMENT NUMBER XX TO THE OFFICIAL PLAN OF THE TOWN OF MILTON**

**PART I- THE PREAMBLE, does not constitute part of this Amendment**

**PART II- THE AMENDMENT, consisting of the following text constitutes Amendment  
No. XX to the Official Plan of the Town of Milton**

DRAFT

## **PART I: THE PREAMBLE**

### **THE TITLE**

This amendment, being an amendment to the Official Plan to the Town of Milton shall be known as:

Amendment No. XX to the Official Plan of the Town of Milton- Town Wide

### **PURPOSE OF THIS AMENDMENT**

The purpose of the amendment is to incorporate revisions to various sections of the Town's Official Plan, related to Cannabis Production and Processing, which are necessary to reflect the recent approval of the *Cannabis Act* and to include additional regulations related to the use.

### **LOCATION OF THE AMENDMENT**

This amendment is a Town- wide amendment.

### **EFFECT OF THE AMENDMENT**

The effect of the amendment will be to modify various sections of the Official Plan to reflect the findings of the background research and analysis and implement the policy recommendations of the Town of Milton Cannabis Study prepared by MHBC Planning on behalf of the Town of Milton.

This amendment has the effect of providing policy direction with respect to:

1. Enabling and supporting the development of Cannabis Production and Processing Facilities within the Town's Industrial and Rural/ Agricultural areas, in line with Provincial and Federal policies and legislation.

## Part II: THE AMENDMENT

The various sections of the Town of Milton Official Plan, as referenced below, are amended as follows:

- 1) Subsection 3.8.2.2 is amended by:
  - Deleting the word 'and' at the end of policy 3.8.2.2 b)
  - Adding new policy 3.8.2.2 c) as follows: "*c) Cannabis Production and Processing Facility;* and,"; and,
  - Subsequently renumbering the remaining policies within this subsection

- 2) Section 3.8 is amended by adding a new Subsection 3.8.4 in its entirety as follows:

### "3.8.4 Cannabis Production and Processing Facilities

3.8.4.1 In addition to the Business Park Area policies set out in Section 3.8.4.1, the following shall apply to a *Cannabis Production and Processing Facility*:

- a) The appropriate locations within the Business Park Area land use designation and regulations for a Cannabis Production and Processing Facility shall be implemented through the Zoning By-law;
- b) A minimum setback between a Cannabis Production and Processing Facility and a sensitive land use of 70 metres shall be provided. A reduced setback of less than 70 metres may be considered by the Town where impacts are mitigated, without an amendment to this Plan;
- c) No outside storage shall be permitted;
- d) A *Cannabis Production and Processing Facility* shall be subject to Site Plan Control; and,
- e) In addition to the Complete Application requirements set out in Section 5.3.4, the following studies shall be submitted as part of any development application for a *Cannabis Production and Processing Facility*:
  - i. Odour and Dust Impact Assessment;
  - ii. Light Impact Assessment;
  - iii. Transportation Impact Study;
  - iv. Hydrogeological Studies; and,
  - v. Any other appropriate studies identified as part of the complete application and pre-consultation process."

- 3) Subsection 3.9.2.1 is amended by adding 'a *Cannabis Production and Processing Facility* is also permitted in accordance with Policy 3.9.3.2 of this Section.' after the phrase "2.6.3.50 inclusive, of this plan" and before the phrase "In addition, accessory service, wholesale, retail and office uses..."

- 4) Section 3.9 is amended by adding a new Subsection 3.9.3.2 in its entirety as follows:

“3.9.3.2 In addition to the Business Park Area policies set out in Section 3.9.3.1, the following shall apply to a *Cannabis Production and Processing Facility*:

- a) The appropriate locations within the Business Park Area land use designation and regulations for a *Cannabis Production and Processing Facility* shall be determined by the Zoning By-law;
- b) A minimum setback between a Cannabis Production and Processing Facility and a sensitive land use of 70 metres shall be provided. A reduced setback of less than 70 metres may be considered by the Town where impacts are mitigated, without an amendment to this Plan;
- c) No outside storage shall be permitted;
- d) A *Cannabis Production and Processing Facility* shall be subject to Site Plan Control;
- e) In addition to the Complete Application requirements set out in Section 5.3.4, the following studies shall be submitted as part of any development application for a *Cannabis Production and Processing Facility*:
  - i. Odour and Dust Impact Assessment;
  - ii. Light Impact Assessment;
  - iii. Transportation Impact Study;
  - iv. Hydrogeological Studies; and,
  - v. Any other appropriate studies identified as part of the complete application and pre-consultation process.”

- 5) Section 4.0 is amended by adding a new Subsection 4.1.1.19 in its entirety as follows:

“4.1.1.19 CANNABIS PRODUCTION AND PROCESSING FACILITIES

Where a *Cannabis Production and Processing Facility* is permitted in the Rural System Land Use designations, the following shall apply:

- a) The appropriate locations within the Rural System Land Use designation and regulations for a *Cannabis Production and Processing Facility* shall be determined by the Zoning By-law;
- b) A minimum setback between a Cannabis Production and Processing Facility and a sensitive land use of 150 metres shall be provided. A reduced setback of less than 150 metres may be considered by the Town where impacts are mitigated, without an amendment to this Plan. An existing dwelling located on the same lot as the facility shall be exempt from the distance requirement;
- c) No outside storage shall be permitted;
- d) A standalone Cannabis Processing Facility shall not be permitted;

- e) A Cannabis Production and Processing Facility shall be subject to Site Plan Control
- f) No minor variance for regulations to the Cannabis Production and Processing Facility shall be permitted by Committee of Adjustment and shall only be dealt with by a Zoning By-law Amendment; and,
- g) In addition to the Complete Application requirements set out in Section 5.3.4, the following studies shall be submitted as part of any development application for a *Cannabis Production and Processing Facility*:
  - i. Odour and Dust Impact Assessment;
  - ii. Light Impact Assessment;
  - iii. Transportation Impact Study;
  - iv. Hydrogeological Studies; and,

Any other appropriate studies identified as part of the complete application and pre-consultation process.”

- 6) Subsection 4.4.2 is amended by:
  - Adding new subsection 4.4.2 b) as follows: “b) *Cannabis Production and Processing Facility*, in accordance with Section 4.1.1.19 of this Plan” ; and,
  - Subsequently renumbering the remaining permitted uses within this subsection
- 7) Subsection 4.7.2.2 is amended by:
  - Adding new subsection 4.7.2.2 b) as follows: “b) *Cannabis Production and Processing Facility*, in accordance with Section 4.1.1.19 of this Plan”; and,
  - Subsequently renumbering the remaining permitted uses within this subsection
- 8) Section 5.10.6 Definitions is further amended by adding Cannabis Production and Processing Facility as a defined term as follows:

***“CANNABIS PRODUCTION AND PROCESSING FACILITY means a premises used for the growing, production, processing, testing, destroying, packaging, and/or shipping of cannabis where a license, permit or authorization has been issued under applicable federal law. For the purposes of this definition, cannabis production refers to the production or manufacturing of a drug containing cannabis and cannabis processing refers to the extraction of cannabis oil”***

**THE CORPORATION OF THE TOWN OF MILTON**

**BY-LAW NO. -2019**

BEING A BY-LAW TO AMEND THE TOWN OF MILTON COMPREHENSIVE ZONING BY-LAW 016-2014, AS AMENDED, PURSUANT TO SECTION 34 OF THE *PLANNING ACT* IN RESPECT OF ALL LANDS WITHIN THE TOWN OF MILTON, FILE: X-XX/XX

**WHEREAS** the Council of the Corporation of the Town of Milton deems it appropriate to amend Comprehensive Zoning By-law 016-2014, as amended;

**AND WHEREAS** the Town of Milton Official Plan will provide for the lands affected by this by-law to be zoned as set forth in this by-law upon the approval of OPA XX;

**NOW THEREFORE** the Council of the Corporation of the Town of Milton hereby enacts as follows:

**1.0 THAT** Section 3 of Comprehensive Zoning By-law 016-2014, as amended, is hereby further amended by adding the new defined term 'Cannabis Production and Processing Facility' as follows:

**"Cannabis Production and Processing Facility**

Means premises used for the growing, production, processing, testing, destroying, packaging and/or shipping of cannabis where a license, permit or authorization has been issued under federal applicable law. For the purposes of this definition, cannabis production refers to the production or manufacturing of a drug containing cannabis and cannabis processing refers to the extraction of cannabis oil."

**2.0 THAT** Section 3 of Comprehensive Zoning By-law 016-2014, as amended, is hereby further amended by adding deleting the defined term 'Medical Marijuana Production Facility'

**3.0 THAT** Section 8 of Comprehensive Zoning By-law 016-2014, as amended, is hereby further amended by modifying Table 8A as follows:

- *Cannabis Production and Processing Facility* is added to the table under the 'Other Non-Residential Uses' Column
- A bullet point (•) and asterisk (\*12) is added to the table under the columns 'EMP2', 'M1' 'M2', and 'MX' in the row containing *Cannabis Production and Processing Facility*;
- An asterisk (\*13) is added to the table under the column 'MX' in the row containing *Cannabis Production and Processing Facility*;
- The use 'Medical Marijuana Production Facility' is deleted from the 'Other Non-Residential Uses Column; and,
- Footnote (\*12) of the Footnote(s) for Table 8A is replaced with the following:

"A *Cannabis Production and Processing Facility* must comply with the special employment provisions of Section 8.3.2. A standalone Cannabis Processing Facility shall also be permitted

and must comply with the special employment provisions of Section 8.3.2. Parking ratios shall be in accordance with the Industrial Use provisions set out in Table 5G.”

- The following footnote (\*13) is added to the Footnote(s) for Table 8A

“Zone standards for a *Cannabis Production and Processing Facility* shall be in accordance with the M2 Standards contained in Table 8B”

**4.0 THAT** Section 8.3.2 of Comprehensive Zoning By-law 016-2014, as amended, is hereby further amended by deleting the current text and replacing it with the following:

**“8.3.2 Cannabis Production and Processing Facility Uses**

The following provisions apply to *Cannabis Production and Processing Facility* Uses

- i) The facility shall be the only principal use permitted on the lot on which it is located;
- ii) The facility operations, including loading spaces, must be located within a wholly enclosed building;
- iii) Outdoor storage is not permitted;
- iv) The minimum setbacks for a *Cannabis Production and Processing Facility* shall be in accordance with the following:
  - a. From a Residential, Institutional or Open Space Zone: 70 m;
  - b. From a Residential or Institutional use: 70 m
- v) A building or structure used for security purposes for a *Cannabis Production and Processing Facility* is permitted in any yard and shall not be subject to required setbacks.

**5.0 THAT** the Table of Contents of Comprehensive Zoning By-law 016-2014, as amended, is hereby further amended by replacing the phrase ‘*Licensed Medical Marijuana Production Facility Use*’ with ‘*Cannabis Production and Processing Facility Use*’

**6.0 THAT** if no appeal is filed pursuant to Section 34 (19) of the Planning Act, RSO 1990, c. P13, as amended, or if an appeal is filed and the Land Use Planning Appeal Tribunal dismisses the appeal, this By-law shall come into force upon the day which OPA XX comes into effect. If the Land Use Planning Appeal Tribunal amends the By-law pursuant to Section 34 (26) of the Planning Act, as amended, the part or parts so amended come into force upon the day of the Tribunal’s Order is issued directing the amendment or amendments

**PASSED** this XX day of XX, 2019.

**THE CORPORATION OF THE TOWN OF MILTON**

**BY-LAW NO. -2019**

BEING A BY-LAW TO AMEND THE TOWN OF MILTON COMPREHENSIVE ZONING BY-LAW 144-2003, AS AMENDED, PURSUANT TO SECTION 34 OF THE *PLANNING ACT* IN RESPECT OF ALL LANDS WITHIN THE TOWN OF MILTON, FILE: X-XX/XX

**WHEREAS** the Council of the Corporation of the Town of Milton deems it appropriate to amend Comprehensive Zoning By-law 144-2003, as amended;

**AND WHEREAS** the Town of Milton Official Plan will provide for the lands affected by this by-law to be zoned as set forth in this by-law upon the approval of OPA XX;

**NOW THEREFORE** the Council of the Corporation of the Town of Milton hereby enacts as follows:

**1.0 THAT** Section 3 of Comprehensive Zoning By-law 144-2003, as amended, is hereby further amended by adding the new defined term ‘Cannabis Production and Processing Facility’ as follows:

**“Cannabis Production and Processing Facility**

Means a premises used for the growing, production, processing, testing, destroying, packaging and/ or shipping of cannabis where a license, permit or authorization has been issued under federal applicable law. For the purposes of this definition, cannabis production refers to the production or manufacturing of a drug containing cannabis and cannabis processing refers to the extraction of cannabis oil”

**2.0 THAT** Section 4 of Comprehensive Zoning By-law 144-2003, as amended, is hereby further amended by adding a new section, “Section 4.1.2.9”, as follows:

**“4.1.2.9 Cannabis Production and Processing Facility Uses**

The following provisions apply to *Cannabis Production and Processing Facility Uses*

- i) The facility shall be the only principal use permitted on the lot on which it is located;
- ii) The facility operations, including loading spaces, must be located within a wholly enclosed building;
- iii) Outdoor storage is not permitted;
- iv) Outdoor cultivation of cannabis is permitted;
- v) The minimum setbacks for a *Cannabis Production and Processing Facility* located within an Industrial (M1, M2, MX) Zone shall be in accordance with the following:
  - a. From a Residential, Institutional or Open Space Zone: 70 m;
  - b. From a lot containing a Residential or Institutional use: 70 m
- vi) The minimum setbacks for a *Cannabis Production and Processing Facility* located within an Agricultural (A1, A2) Zone shall be in accordance with the following:
  - a. From a Residential, Institutional or Open Space Zone: 150 m;



- b. From a Residential use on a separate lot or a lot containing an institutional use: 150 m;
- vii) A building or structure used for security purposes for a *Cannabis Production and Processing Facility* is permitted in any yard and shall not be subject to the required setbacks."

**3.0 THAT** Section 8 of Comprehensive Zoning By-law 144-2003, as amended, is hereby further amended by modifying Table 8A as follows:

- *Cannabis Production and Processing Facility* is added to the table under the Other Uses Column;
- A bullet point (•) and asterisk (\*9) is added to the table under the columns 'M1', 'M2', and 'MX' in the row containing *Cannabis Production and Processing Facility*;
- An asterisk (\*10) is added to the table under the column 'MX' in the row containing *Cannabis Production and Processing Facility*;
- The following footnote (\*9) is added to the Footnote(s) for Table 8A:

*A Cannabis Production and Processing Facility* must comply with the regulations set out in Section 4.1.2.9. A Standalone Cannabis Processing Facility shall also be permitted and must comply with the regulations set out in Section 4.1.2.9. Parking Ratios shall be in accordance with the Industrial Use provisions set out in Table 5E.

- The following footnote (\*10) is added to the Footnote(s) for Table 8A:

Zone standards for a *Cannabis Production and Processing Facility* shall be in accordance with the M2 Standards contained in Table 8B

**4.0 THAT** Section 10 of Comprehensive Zoning By-law 144-2003, as amended, is hereby further amended by modifying Table 10A as follows:

- *Cannabis Production and Processing Facility* is added to the table under the Permitted Uses Column;
- A bullet point (•) and asterisk (\*2) is added to the table under the columns 'A1', and 'A2' in the row containing *Cannabis Production and Processing Facility*;
- The following footnote (\*2) is added to the Footnote(s) for Table 10A:

*A Cannabis Production and Processing Facility* must comply with the regulations set out in Section 4.1.2.9. Parking Ratios shall be in accordance with the Industrial Use provisions set out in Table 5E. A standalone processing facility is not permitted.

**5.0 THAT** the Table of Contents of Comprehensive Zoning By-law 144-2003, as amended, is hereby further amended by adding '4.1.2.9 Cannabis Production and Processing Facilities' .

**6.0 THAT** if no appeal is filed pursuant to Section 34 (19) of the Planning Act, RSO 1990, c. P13, as amended, or if an appeal is filed and the Land Use Planning Appeal Tribunal dismisses the appeal, this By-law shall come into force upon the day which OPA XX comes into effect. If the Land Use Planning Appeal Tribunal amends the By-law pursuant to Section 34 (26) of the Planning Act, as amended, the part or parts so amended come into force upon the day of the Tribunal's Order is issued directing the amendment or amendments.

**PASSED** this XX day of XX, 2019.

DRAFT