



GEORGINA

Recreational Cannabis Retail Stores Update

May 19, 2021
Council Meeting

File No.: 05.263

Report DS-2021-0041



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Cannabis Act

- Recreational cannabis became legal in Canada on October 17, 2018
- Gives authority to the Minister of Health (Health Canada) to license the production of cannabis
- Gives authority to the Provinces and Territories to license and regulate the retail sale of recreational cannabis
 - Alcohol and Gaming Commission of Ontario



Opt-in or Opt-out Decision

- Deadline of January 22, 2019
- Council “opted-out” on January 16, 2019
- Municipalities permitted to change their original decision to “opt-out” by lifting the prohibition with a new Council Resolution



Public Consultation and Notice Requirements

- No public consultation or notice requirements related to this report
- The Cannabis in Georgina Public Survey
- York Region Public Health does not have a formal position on the Town's reconsideration of the decision to "opt-out"



Regulation and Licensing Requirements for Retail Stores

- 15-day public notice period for RSAs
- AGCO will consider comments related to the public interest when reviewing RSAs. Matters of public interest include:
 - Protecting public health and safety
 - Protecting youth and restricting their access to cannabis
 - Preventing illicit activities in relation to cannabis



Regulation and Licensing Requirements for Retail Stores

- Municipalities prohibited from passing by-laws to license or zone cannabis retail stores
- Not permitted within 150 m from a school
- May only sell cannabis, cannabis accessories, items that relate in some direct way to cannabis, and shopping bags
- Must be a stand alone use which is physically separated from other commercial businesses/units



Changes to the Regulations and Licensing Process

- Cannabis edibles, extracts and concentrates because legal for sale in Canada on October 17, 2019
- In December 2019, AGCO switched from its temporary lottery system to an open licensing process



Changes to the Regulations and Licensing Process

- In February 2021, AGCO committed to issuing 30 RSAs / week
- AGCO website has been revised so that individuals can request email notification of RSAs within a particular municipality



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Online vs. Retail Sales

- The Ontario Cannabis Store (OCS) is the only legal online retailer of recreational cannabis in Ontario
- Operational data published by the OCS suggests:
 - consumer purchasing trends favour purchasing cannabis from retail stores as opposed to online
 - that as more retail stores being to open, the market share where consumers are sourcing their cannabis is trending to from the illegal market to the legal market



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Jurisdictional Scan

As of April 13, 2021:

- Ontario wide:
 - 345 out of 414 (83.3%) municipalities have opted-in
 - 603 retail stores permitted to open, with another 918 RSAs in process
- York Region:
 - Aurora and Whitchurch-Stouffville have opted-in (2 out of 9 local municipalities)
 - 6 retail stores permitted to open, with another 13 RSAs in process



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Jurisdictional Scan

- 6 of 7 Lake Simcoe municipalities opted-in
- 8 of 8 municipalities with a similar population to Georgina opted-in
- 10 of 11 municipalities that are considered vacation/cottage destinations opted-in
- 26 out of 34 municipalities surveyed opted-in



York Region and Lake Simcoe Municipalities Survey

Opted-In Results

- Overall, existing retail stores within these municipalities has been received well
- Initial concerns raised with some proposed locations, however no concerns since in operation



York Region and Lake Simcoe Municipalities Survey

Opted-In Results Summary

- 5 of 8 municipalities that permit retail stores have established Public Interest Statements
- General consensus that minimal staff resources have been allocated to dealing with retail stores



York Region and Lake Simcoe Municipalities Survey

Opted-Out Results Summary

- None are aware of any interest from staff or Council to reconsider their original decision
- 3 have received either some form of public inquiry or request/deputation for Council to reconsider their decision



Cannabis Retail Stores in Georgina

- Concerns previously expressed by Council:
 - Private retail store model and youth access
 - No control over where the stores may be located



Private Retail Stores and Youth Access

- The purpose of the Cannabis Act is to prevent youth from accessing cannabis and to displace the illegal
- Literature review conducted on studies that assessed the rate of compliance with identification and age regulations
- Results: high rates of compliance with regulations



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Location of Retail Stores

- No change since Council opted-out:
 - 150 m from schools required
 - Not permitted to use zoning or licensing by-laws
- Literature review conducted on the effects of the proximity of cannabis retail stores on youth cannabis use and perception.
- Results: Little change in youth cannabis use after legalization; significant increase in the perception of ease of access



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Financial and Budgetary Impact

- Town has received \$29,405 from the Province through the 'Ontario Cannabis Legalization Implementation Fund
- No additional funding is available from the Province, even if Georgina decides to opt-in
- Cannabis retail stores are commercial assessed the same as any other retail stores



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Recommendations

- 1) Council receive the report
- 2) Council provide further direction with respect to the matter of cannabis retail stores in Georgina

Questions?