

AGENDA

SPC ON COMMUNITY AND PROTECTIVE SERVICES

April 3, 2018, 9:30 AM
IN THE COUNCIL CHAMBER
Members

Councillor D. Colley-Urquhart, Chair
Councillor G-C. Carra, Vice-Chair
Councillor G. Chahal
Councillor S. Chu
Councillor J. Farkas
Councillor R. Jones
Councillor E. Woolley
Mayor N. Nenshi, Ex-Officio

- 1. CALL TO ORDER
- 2. OPENING REMARKS
- 3. CONFIRMATION OF AGENDA
- 4. CONFIRMATION OF MINUTES
 - 4.1 Minutes of the Regular Meeting of the SPC on Community and Protective Services, 2018 March 07
- 5. CONSENT AGENDA
- 6. POSTPONED REPORTS (including related/supplemental reports)
- 7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES
 - 7.1 Cannabis Legalization Proposed Bylaws, CPS2018-0367
- 8. ITEMS DIRECTLY TO COMMITTEE
 - 8.1 REFERRED REPORTS
 - 8.2 NOTICE(S) OF MOTION

- 9. URGENT BUSINESS
- 10. CONFIDENTIAL ITEMS
 - 10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES
 - 10.2 URGENT BUSINESS
- 11. ADJOURNMENT



MINUTES

SPC ON COMMUNITY AND PROTECTIVE SERVICES

March 7, 2018, 9:30 AM IN THE COUNCIL CHAMBER

PRESENT: Councillor D. Colley-Urquhart, Chair

Councillor G-C. Carra, Vice-Chair

Councillor G. Chahal Councillor S. Chu Councillor J. Farkas Councillor R. Jones Councillor E. Woolley *Councillor D. Farrell *Councillor J. Gondek

ALSO PRESENT: Acting General Manager R. Hinse

Acting City Clerk J. Lord Charest Legislative Assistant L. McDougall

1. CALL TO ORDER

Councillor Colley-Urquhart called the meeting to order at 9:30 a.m.

2. OPENING REMARKS

Councillor Colley-Urguhart provided opening remarks.

3. CONFIRMATION OF AGENDA

Moved by Councillor Chahal

That the Agenda for the 2018 March 07 Regular Meeting of the SPC on Community and Protective Services be confirmed.

MOTION CARRIED

4. CONFIRMATION OF MINUTES

4.1 Minutes of the Regular Meeting of the SPC on Community and Protective Services, 2018 February 07

Moved by Councillor Jones

That the minutes of the SPC on Community and Protective Services held on 2018 February 07 be confirmed.

MOTION CARRIED

5. <u>CONSENT AGENDA</u>

5.1 Status of Outstanding Motions and Directions – 2018 March, CPS2018-0263

Moved by Councillor Chu

That with respect to Report CPS2018-0263, the following be approved:

That the SPC on Community and Protective Services receive this report for information.

MOTION CARRIED

Moved by Councillor Farkas

That the SPC on Community and Protective Services now recess, at 9:46 a.m., to reconvene at 10:15 a.m., in Council Chamber.

MOTION CARRIED

Committee reconvened at 10:15 a.m. with Councillor Colley-Urquhart in the Chair

6. <u>POSTPONED REPORTS</u>

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1 Accessible Taxi Review, CPS2018-0127

Distributions with respect to Report CPS2018-0127:

- A PowerPoint presentation entitled "Accessible Taxi Review CPS2018-0128", dated 2018 March 07;
- A Packet of Letters written by citizens:
- Speaking notes for J. Smart. dated 2018 March 07;
- · Undated speaking notes for C. Shuler; and
- A packet of Speaking notes, dated 2018 March 07, for L. Brunner along with a letter, Re: Accessible Taxi Licenses, dated 2006 February 03 and a document entitled "Chronology of Accessible Transportation Touchpoints".

Councillor Farrell introduced grade 6 students from St. Joseph school (Ward 7), accompanied by their teacher.

SPEAKERS:

- 1. Zulf Khan
- 2. Darren Taylor
- 3. Jack Smart
- 4. Mobeen Akhtar Mir

- 5. Greg McMeclain
- 6. Brodie Boychuck
- 7. Colleen Huston
- 8. Shawna Mattinson
- 9. Irina Angheluta
- 10. John Bliss
- 11. Cal Shuler
- 12. Harold Crittenden
- 13. Kurt Enders
- 14. Lauri Brunner
- 15. Bola Singh Chauhan
- 16. Taylor Johnson
- 17. Alan Jones
- 18. Farack Sikandar
- 19. Ishtiaq Ahmed
- 20. Jeff Garland
- 21. Aftab Ahmad
- 22. Gurcharan Sidhu
- 23. Leanne Squair
- 24. Cam Naghshineh
- 25. Naeem Chaudry

Moved by Councillor Carra

That subject to Section 78(2) of the Procedure Bylaw 35M2017, the SPC on Community and Protective Services now recess, at 12:00 p.m. to reconvene at 12:45 p.m., in Council Chamber.

MOTION CARRIED

Committee reconvened, in Council Chamber, at 12:45 p.m. with Councillor Colley-Urquhart in the Chair.

Moved by Councillor Farkas

Amendment:

To add a new Recommendation 4, as follows:

4. Direct Administration to explore changes to the Livery Transport Bylaw that would allow Transportation Network Companies to expand the accessible

transportation solutions available to Calgarians, and report back to Council by 2019 Q2 through the SPC on Community and Protective Services.

ROLL CALL VOTE

For: (4): Councillor Carra, Councillor Farkas, Councillor Woolley, and Councillor Farrell

Against: (5): Councillor Colley-Urquhart, Councillor Chahal, Councillor Chu, Councillor Jones, and Councillor Gondek

MOTION DEFEATED

Moved by Councillor Gondek

Amendment:

To add a new Recommendation 4, as follows:

Direct Administration to explore options related to a pilot central dispatch approach including but not limited to:

- 1. Considering innovative technologies; and
- 2. Utilizing Calgary Transit Access or other existing mechanisms as a dispatch resource

MOTION CARRIED

Moved by Councillor Carra

That Report CPS2018-0127 be postponed to the Call of the Chair.

MOTION CARRIED

Moved by Councillor Carra

That Report CPS2018-0127 be dealt with at this time.

MOTION CARRIED

Moved by Councillor Farkas

Amendment:

That Recommendation 3 be amended as follows:

- by deleting the word "two" and substituting with the word "one"; and
- by deleting the number "2020" and substituting with the number "2019".

Moved by Councillor Carra

Amendment to the Amendment:

That Recommendation 3, as amended, be further amended, as follows:

by deleting the word "one" and substituting with the words "up to two";

- by deleting the words "to explore the necessity of a Phase 2 Accessible Taxi Central Dispatch and";
- by adding the words "through the SPC on Community and Protective Services, no later than" following the words "back to Council,";
- by deleting the number "2019" and substituting with the number "2020".

Against: Councillor Jones

MOTION CARRIED

Moved by Councillor Farkas

Amendment, as amended:

That the Amendments made to Recommendation 3, be approved, as follows:

3. Direct Administration to monitor the effectiveness of the Accessible Incentive Program for **up to** two years and report back to Council, **through the SPC on Community and Protective Services**, **no later than** 2020 Q2.

Against: Councillor Jones

MOTION CARRIED

Moved by Councillor Chu

Amendment:

That Recommendation 2 (a) be amended by deleting the words "taxis and".

ROLL CALL VOTE

For: (2): Councillor Chahal, and Councillor Chu

Against: (6): Councillor Colley-Urquhart, Councillor Carra, Councillor Farkas, Councillor Jones, Councillor Woolley, and Councillor Gondek

MOTION DEFEATED

Moved by Councillor Woolley

That with respect to Report CPS2018-0127, the following be approved:

That the SPC on Community and Protective Services recommends that Council:

1. Receive this Report and Attachments for information:

MOTION CARRIED

Moved by Councillor Woolley

That with respect to Report CPS2018-0127, the following be approved:

That the SPC on Community and Protective Services recommends that Council:

- 2. Endorse the Phase 1 Accessible Incentive Program Framework in Attachment 1 and direct Administration to:
- a. Fund the incentive through a per-trip fee applied to all taxi and Transportation Network Companies trips;
- b. Bring forward amendments to the Livery Transport Bylaw 6M2007 based on this option no later than 2018 Q3;

Against: Councillor Chu and Councillor Gondek

MOTION CARRIED

Moved by Councillor Woolley

That with respect to Report CPS2018-0127, the following be approved:

That the SPC on Community and Protective Services recommends that Council:

3. Direct Administration to monitor the effectiveness of the Accessible incentive Program for **up to** two years and report back to Council, **through the SPC on Community and Protective Services**, no later than 2020 Q2; and

Against: Councillor Jones

MOTION CARRIED

Moved by Councillor Woolley

That with respect to Report CPS2018-0127, the following be approved:

That the SPC on Community and Protective Services recommends that Council:

- 4. Direct Administration to explore options related to a pilot central dispatch approach including but not limited to:
- 1. Considering innovative technologies; and
- 2. Utilizing Calgary Transit Access or other existing mechanisms as a dispatch resource.

MOTION CARRIED

Moved by Councillor Farkas

That subject to Section 78(2) of the Procedure Bylaw, the SPC on Community and Protective Services now recess, at 3:05 p.m., to reconvene at 3:15 p.m., in Council Chamber.

MOTION CARRIED

Committee reconvened at 3:15 p.m. with Councillor Colley-Urguhart in the Chair.

7.2 Livery Industry Improvements – Update on Bylaw 42M2016, CPS2018-0110

A PowerPoint presentation entitled "Livery Industry Improvements, CPS2018-0110", dated 2018 March 07, with respect to Report CPS2018-0110, was distributed.

Moved by Councillor Woolley

That with respect to Report CPS2018-0110, the following be approved:

That the SPC on Community and Protective Services recommends that Council refer Report CPS2018-0110 back to Administration and return to Council, through the SPC on Community and Protective Services, with a complete update, no later than 2018 May.

MOTION CARRIED

7.3 Progress Report on Amendments to the Corporate Public Art Policy, CPS2018-0248

A PowerPoint presentation entitled "Progress Report on Amendments to the Public Art Policy", dated 2018 March 07, with respect to Report CPS2018-0248, was distributed.

SPEAKER:

1. Tom Tittemore

Moved by Councillor Woolley

That with respect to Report CPS2018-0248, the following be approved:

That the SPC on Community and Protective Services recommend that Council:

- 1. Approve the following exceptions from the suspension of further Requests for Proposal (RFP) regarding new public art design as of 2018 April 1:
- a) the following annual programs that are in demand from communities across Calgary and provide jobs for artists through the summer months:
- Painted Utility Boxes
- Street Art for Youth (a mural program)
- Artists Working in Community (in collaboration with This is My Neighbourhood)
- b) the re-siting of the Centre Street Bridge Lion to Rotary Park, as previously directed by Council and is anticipated by the community (Attachment 4).

MOTION CARRIED

7.4 Proposed 2018 Special Tax Bylaw, CPS2018-0250

Moved by Councillor Chahal

That with respect to Report CPS2018-0250, the following be approved:

That the SPC on Community and Protective Services recommends that Council give three readings to the proposed 2018 Special Tax Bylaw (Attachment 1).

MOTION CARRIED

8.	ITEMS	S DIRECTLY TO COMMITTEE
	8.1	REFERRED REPORTS
		None
	8.2	NOTICE(S) OF MOTION
		None
9.	<u>URGE</u>	NT BUSINESS
	None	
10.	CONF	IDENTIAL ITEMS
	10.1	ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES
		None
	10.2	URGENT BUSINESS
		None
11.	<u>ADJO</u>	<u>URNMENT</u>
	Move	d by Councillor Chu
	That th	nis meeting adjourn at 4:43 p.m.
		MOTION CARRIED
		OLLOWING ITEMS HAVE BEEN FORWARDED TO THE 2018 MARCH 19 SINED MEETING OF COUNCIL:
	CONS	ENT:
	Acces	sible Taxi Review, CPS2018-0127
	Livery	Industry Improvements - Update on Bylaw 42M2016, CPS2018-0110
	Progre	ess Report on Amendments to the Corporate Public Art Policy, CPS2018-0248
	COMN	MITTEE REPORTS:
	Propo	sed 2018 Special Tax Bylaw, CPS2018-0250
		ext Regular Meeting of the SPC on Community and Protective Services been uled for 2018 April 03.

CONFIRMED BY COMMITTEE ON 2018

CHAIR

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ACTING CITY CLERK

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Community Services Report to SPC on Community and Protective Services 2018 April 03

Cannabis Legalization - Proposed Bylaws

EXECUTIVE SUMMARY

On 2017 April 13, the Government of Canada introduced Bill C-45, *An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts*, (*The Cannabis Act*) which, subject to parliamentary approval, will legalize and regulate recreational cannabis in Canada. On 2017 November 30, the Government Alberta enacted *An Act to Control and Regulate Cannabis*, S.A.2017, c.21; the Act comes into force upon proclamation. The provincial framework and federal legislation will have significant implications on the establishment of municipal bylaws, policies and procedures. On 2018 February 16 the Government of Alberta enacted new regulations for retail cannabis stores which will be overseen by the Alberta Gaming and Liquor Commission (AGLC). This report, in combination with report PUD2018-0056 presented to the Standing Policy Committee on Planning and Urban Development, is intended to address the new bylaws and amendments to existing bylaws necessary to accommodate cannabis legalization in the city of Calgary.

ADMINISTRATION RECOMMENDATION:

That the Standing Policy Committee on Community and Protective Services:

- 1. Forward the proposed bylaws as urgent business directly to the 2018 April 05 Combined Meeting of Council.
- 2. Recommend that Council give three readings to the proposed bylaw to amend the Business Licence Bylaw 32M98 (Attachment 1);
- 3. Recommend that Council give three readings to the proposed Cannabis Consumption Bylaw (Attachment 2); and
- 4. Recommend that Council give three readings to the proposed Smoking and Vaping Bylaw (Attachment 3).

PREVIOUS COUNCIL DIRECTION / POLICY

On 2018 February 21, the Standing Policy Committee on Planning and Urban Development received PUD2018-0056, "Enabling Cannabis Retail Stores and Facilities – Land Use Bylaw", which proposes new rules to regulate the retail sale of cannabis in the Land Use Bylaw. Several recommendations were recommended by the SPC on Planning and Urban Development to Council. This report is scheduled to be heard by Council on 2017 April 05.

On 2017 December 07, the Intergovernmental Affairs Committee received for information IGA2017-1209, "Update on Cannabis Legalization". This report provided an update on ongoing advocacy to the provincial and federal governments and information about Administration's approach to the legalization of recreational cannabis in Calgary given the proposed provincial and federal regulations.

On 2017 July 24 Council received IGA2017-0586, "Response to Provincial Engagement on Cannabis Legalization" and approved a motion that Council approve Administration's recommended response to the provincial government's engagement.

On 2017, May 04, the Intergovernmental Affairs Committee received IGA2017-0427, "Update on the City of Calgary Advocacy Position" and approved the following motion:

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Community Services Report to SPC on Community and Protective Services 2018 April 03

Cannabis Legalization - Proposed Bylaws

"That the Intergovernmental Affairs Committee:

- Approve the continued use of the advocacy positions on cannabis legalization and regulation as outlined in the Attachment for continued discussions with the federal and provincial governments;
- 2. Direct Administration to report back to Council through this Committee on the progress of discussions with the Government of Alberta; and
- 3. Direct Administration to report back to Council through the appropriate committee with Administration's recommendations on the necessary amendments to municipal bylaws and other policy changes required to implement the legalization of cannabis."

BACKGROUND

On 2017 April 13, the Government of Canada introduced Bill C-45, *The Cannabis Act*, which, subject to parliamentary approval, will legalize and regulate recreational cannabis in Canada. It is currently anticipated that this act will come into effect no earlier than 2018 August. *The Cannabis Act* creates a federal framework for regulating cannabis production, setting standards for health and safety, and establishing criminal prohibitions. Some aspects of The *Cannabis Act* include: allowing adults to legally possess up to 30 grams of cannabis in public; allowing for growing up to four cannabis plants per residence (not per person) for personal use; creating new criminal offences to deter sales to minors; and allowing for the use of a roadside oral fluid screening to determine impairment.

On 2017 November 30, the Government of Alberta passed *An Act to Control and Regulate Cannabis*, S.A. 2017, c. 21., which included amendments to provide authority for the AGLC to carry out oversight and compliance functions and manage the distribution of cannabis. This Act established the authority for the province to carry out public online sales and to licence privately owned and operated cannabis stores and established provincial offences related to youth possession, smoking and vaping of cannabis in public places and vehicles

On 2018 February 16, amendments to the Alberta Gaming, Liquor and Cannabis Regulation were introduced which included: regulations addressing ownership requirements for cannabis stores; where cannabis stores can be located; staff requirements; safety and security requirements; and operational details.

An overview of the federal and provincial regulations is included in Attachment 4

In 2016, anticipating the impact of this major federal legislative change on The City of Calgary, Administration established a working team of subject matter experts (SMEs) from across the Corporation, including representatives from the City Manager's Office, Intergovernmental & Corporate Strategy, Law, Planning & Development, Calgary Neighbourhoods, Calgary Community Standards, Calgary Transit, Human Resources and the Calgary Police Service. This group identified issues of concern and potential impacts of legalizing cannabis to The City of Calgary, which formed the basis of The City's participation in the Task Force engagement and advocacy positions that were approved by the Intergovernmental Affairs Committee in 2016 November and have guided City participation in federal and provincial engagement opportunities. Since 2017 June, City Administration has been working with the Alberta Cannabis Secretariat to ensure The City's input and concerns were addressed in provincial legislation and regulations. The alignment between federal and provincial decisions and The City of Calgary's advocacy positions can be found in Attachment 7.

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Community Services Report to SPC on Community and Protective Services 2018 April 03

Cannabis Legalization - Proposed Bylaws

The Cannabis Working Group collaborated to identify all bylaws impacted by the legalization of cannabis, and is looking for Council's approval and adoption of all required bylaw amendments. This report addresses the business licence and public consumption considerations for cannabis and is intended to complement the proposed Land Use Bylaw amendments in PUD2018-0056, presented to the SPC on Planning and Urban Development on 2018 February 21. Together, these two reports address all aspects of cannabis legalization which require new municipal bylaws or existing bylaw amendments. In addition to the two reports outlining bylaw amendments Administration continues to develop internal procedures, policies and processes to address the effects of cannabis legalization on The City.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The analysis provided in this report is focused on the business licensing and public consumption considerations associated with the legalization of cannabis. The Land Use Bylaw considerations are provided in PUD2018-0056. Administration is not recommending any further bylaw provisions addressing odour associated with the smoking of cannabis. Additionally, Administration is recommending no further regulations addressing the residential growing of cannabis, aside from what is included in the provincial regulations.

Business Licensing

This report includes proposed amendments to the Business Licence Bylaw 32M98 which will establish new City business licence categories for Cannabis Stores and Cannabis Facilities. The definitions for these licence categories are aligned with the proposed amendments to the Land Use Bylaw recommended by the SPC on Planning and Urban Development on 2018 February 21.

The amendments to the AGLC regulations announced by the Government of Alberta on 2018 February 16 established requirements for all cannabis retailers. These regulations include extensive background checks for ownership (including criminal records checks) and the ability to refuse a licence based on charges, convictions, associations or relationships with people whom the AGLC is "satisfied has not, or may not act in accordance with the law, or who may not act with honesty, integrity or in the public interest." In addition, the AGLC regulations have extensive physical security requirements for retail stores including: professionally installed and monitored security systems; digital camera security systems; secure perimeter entry points; locked display cases; and reinforced storage rooms. The AGLC regulations also restrict signage by defining what can and cannot be included in the copy of a retail store's signage, which includes prohibiting the use of slang terms associated with cannabis.

Due to the extensive nature of the AGLC regulations, Administration is recommending a straightforward licensing requirement for Cannabis Stores, that aligns with current requirements for Liquor Stores and many other types of businesses in Calgary. A straightforward municipal business licence process will allow for local oversight in the new recreational cannabis industry without adding onerous barriers to entry already addressed by the AGLC regulations. It will also ensure that local business owners meet basic requirements including background checks for owners, approval of land use, and fire inspections.

Currently, Medical Marihuana Production Facilities do not require municipal business licences due to the stringent requirements of the federal Access to Cannabis for Medical Purposes

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Cannabis Legalization - Proposed Bylaws

Regulations (ACMPR). However, Administration anticipates that the cannabis production industry will develop rapidly after legalization of recreational cannabis. A municipal business licence will provide Administration the ability to regulate and to quickly respond to potential issues at a local level. A municipal business licence will allow for consideration of those businesses who may want to process, package, test, destroy, store or distribute cannabis in addition to those who simply intend on growing.

Proposed wording for Business Licence Bylaw Amendments are found in Attachment 1. Charges for offences related to the Business Licence Bylaw 32M98 are also included. It should be noted that these charges would be in addition to other forms of enforcement associated with sale of cannabis that is in contravention of federal or provincial regulations.

The proposed amendments to the Business Licence Bylaw are subject to a proposed effective date of 2018 April 24. This effective date aligns with the effective date for the proposed Land Use Bylaw amendments included in PUD2018-0056. The effective date is recommended to allow Administration to communicate Council's decisions to interested stakeholders and implement a process for accepting cannabis-related applications.

Public Consumption

When recreational cannabis is legalized, *An Act to Control and Regulate Cannabis* will prohibit the smoking and vaping of cannabis: in any place where smoking is prohibited pursuant to the *Tobacco and Smoking Reduction Act*, including workplaces and buildings and enclosed areas to which the public has access, vehicles, hospitals, school and child care facility property, in or within a prescribed distance from a playground, sports or playing field, skateboard or bicycle park, zoo, outdoor theatre, and outdoor pool of splash park. The provincial government has indicated that municipalities may create additional restrictions on public consumption using their existing authorities.

The Government of Alberta indicated that their public consumption regulations have focused on the health effects of second-hand smoke. Administration is recommending creating a new bylaw for public cannabis consumption, beyond the provincial restrictions, which would prohibit consuming cannabis in public places. This new bylaw would restrict all forms of cannabis consumption in public places or in areas where the public has consent to access. This bylaw would be enforceable by all municipal peace officers as well as members of the Calgary Police Service. Rationale for the further restriction on public consumption is included in Attachment 5.

Exemptions to the public consumption ban are included in the proposed Bylaw for individuals with a medical document for cannabis pursuant to federal legislation. However, persons who smoke or vape medical cannabis would still be subject to both the proposed Smoking and Vaping Bylaw as well as the provincial cannabis consumption regulations.

The proposed Cannabis Consumption Bylaw includes an exemption for public consumption at events. Generally, this exemption would mirror the current process for 'beer gardens.' The proposed municipal process would require that any space set aside for cannabis consumption be separate from both 'beer gardens' as well as designated tobacco smoking areas. Per provincial regulations, 'cannabis gardens' would not allow for the consumption of cannabis where it is sold; consumers would be required to bring their own cannabis to these events.

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Cannabis Legalization - Proposed Bylaws

Event organizers would have the ability to apply for cannabis garden permits through the existing City Interdepartmental Events Team process.

A new Smoking and Vaping Bylaw is recommended to replace the existing Smoking Bylaw 57M92. The existing Smoking Bylaw is approximately 26 years old and has several sections with obsolete provisions or antiquated language. Rather than further amending the existing Smoking Bylaw 57M92 Administration is recommending a new Bylaw which both addresses the multiple housekeeping issues with the current bylaw and provides a framework to address the smoking and vaping of medical cannabis in Calgary.

The new Smoking and Vaping Bylaw would come into force upon being passed and the Cannabis Consumption Bylaw has a proposed effective date to coincide with the federal legalization of cannabis.

Stakeholder Engagement, Research and Communication

Administration has conducted extensive best practices research over the course of the last 18 months. A scan was conducted of all major municipalities in the United States where cannabis has been legalized. At the time of publishing this report, recreational cannabis has been legalized in nine states. Due to legalization of recreational cannabis being a relatively recent phenomenon, many of the jurisdictions examined continue to amend and adapt their regulations to respond to the evolving industry.

In addition to the best practices research in areas where legalization has already occurred, Administration has also been coordinating with other municipalities and organizations across Alberta, and Canada. These include, the City of Edmonton, the Alberta Urban Municipalities Association, the Federation of Canadian Municipalities and multiple municipalities across the country.

Administration conducted extensive public opinion research and engagement from 2017 November to 2018 January. Research included a statistically representative telephone survey of 1,002 Calgarians as well as several focus groups and in-depth telephone interviews with stakeholders representing a variety of views on cannabis legalization. Engagement included an online feedback form which garnered more than 15,000 responses, the most of any City engagement project in 2017, as well as multiple stakeholder workshops. Reports on both the engagement and research are available on www.calgary.ca/cannabis. Relevant sections of these reports, related to the proposed bylaw amendments are included in Attachment 6.

Administration has developed a comprehensive communications plan. Opportunities for research and engagement were broadly communicated through traditional and online media. Administration continues to communicate with stakeholders via an online stakeholder sign-up form available at the project specific website www.calgary.ca/cannabis. Communication will continue to be a primary focus for Administration as bylaws are developed and amended. Coordination with the communication plans of other orders of government will be critical to ensuring that citizens and potential businesses are fully informed of impending changes.

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Cannabis Legalization - Proposed Bylaws

Administration is planning extensive communication with Calgarians once bylaw amendments, and the federal date of legalization, have been finalized.

Strategic Alignment

The recommendations in this report align with the previously established City of Calgary advocacy positions as found in Attachment 7. In addition, the recommended amendments in this report align with Council's priorities of a prosperous city and a city of inspiring neighbourhoods and the specific Strategic Actions: P2 "Advance purposeful economic diversification and growth" and N11 "Promotion of public safety through education, prevention and partnerships."

Social, Environmental, Economic (External)

Legalizing, regulating and restricting access to cannabis has social, environmental and economic implications. Cannabis stores provide legal and safe opportunities for regulated cannabis sales versus sales that may otherwise occur in the unregulated black market. Business Licensing will provide oversight on these stores in order to address potential public safety concerns. These businesses will provide legal jobs and their revenue will be taxed rather than being the non-taxed proceeds of criminal activity. Further regulating the public consumption of cannabis will address potential community nuisance concerns with respect to public intoxication.

Financial Capacity

Current and Future Operating Budget:

Administration has been working to have a comprehensive estimate of the financial implications of legalization to The City. The current estimate of the ongoing annual operating budget impact to The City ranges from \$8.2M-\$12.9M. A range of estimates is provided to account for the ongoing development of federal, provincial and municipal rules in the regulations of cannabis. These estimates continue to be refined as decisions are made and more information becomes available. In 2017 December, the Government of Canada announced an excise tax that roughly equates to 10 per cent on the sale of cannabis. The Government of Canada will retain 25 per cent of the excise tax, up to a maximum of \$100 million, and the remainder will be distributed to the provinces and territories. In 2018 February, the federal government's Budget 2018 indicated that "it is the federal government's expectation that a substantial portion of the revenues from this tax room provided to provinces and territories will be transferred to municipalities and local communities, who are on the front lines of legalization." Administration continues to advocate to the Government of Alberta for a share of the cannabis excise tax revenue sufficient to offset the anticipated operating budget impact associated with cannabis legalization.

Current and Future Capital Budget:

Administration continues to advocate to the Government of Alberta for a share of the cannabis excise tax revenue sufficient to offset the anticipated municipal costs associated with cannabis legalization.

Risk Assessment

Delay in passing proposed amendments may result in the absence of a municipal framework when cannabis is legalized. This would include the absence of a municipal regulatory framework for public consumption beyond the provincial restrictions, the inability to municipally

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Cannabis Legalization - Proposed Bylaws

licence or regulate local cannabis-related businesses, and the inability to address public consumption at public events.

REASON(S) FOR RECOMMENDATION(S):

The Government of Canada and the Government of Alberta have introduced legislation to legalize, regulate, and restrict access to cannabis. These legislative changes have many potential impacts for The City and Calgarians, with municipalities playing a role in the regulatory regime for legal cannabis. Administration recommends the attached bylaw amendments in coordination with other previously considered recommended bylaw amendments to respond to the legalization of cannabis in a comprehensive and Calgary-specific context.

ATTACHMENT(S)

- 1. Proposed Wording for a Bylaw to Amend Bylaw 32M98, The Business Licence Bylaw
- 2. Proposed Wording for a Cannabis Consumption Bylaw
- 3. Proposed Wording for a Smoking and Vaping Bylaw
- 4. Summary of Provincial and Federal Cannabis Regulations
- 5. Rationale for Rules on Public Consumption of Cannabis
- 6. Summary of Research and Engagement Findings
- 7. City of Calgary Advocacy Positions Federal and Provincial Cannabis Legislation

PROPOSED WORDING FOR A BYLAW TO AMEND BYLAW 32M98, THE BUSINESS LICENCE BYLAW

- 1. Bylaw 32M98, as amended, is hereby further amended.
- Section 2 is amended as follows:
 - (a) the following is added after subsection 2(1)(f.1) as subsection 2(1)(f.2):
 - "(f.2) "cannabis" has the meaning given to that term in the federal Cannabis Act (Bill C-45, An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts, 1st Sess, 42nd Parl, 2017);";
 - (b) subsection 2(1)(cc) is deleted and replaced with the following:
 - "(cc) "liquor" has the meaning given to that term in the Gaming, Liquor and Cannabis Act, R.S.A. 2000, c. G-1;";

and

- (c) the following is added after subsection (cc) as subsection (cc.1):
 - "(cc.1) "minor" means a person under the age of 18 years;".
- 3. The following is added after section 23 as sections 23.1 and 23.2:

"CANNABIS FACILITY

- 23.1 (1) Cannabis Facility means the *business* of growing, producing, testing, destroying, storing, or distributing *cannabis*.
 - (2) A *licensed* Cannabis Facility does not require a *licence* for Cannabis Store if the *business* of Cannabis Store is carried on at the same *premises*.
 - (3) A *licensed* Cannabis Facility that carries on the business of Cannabis Store at the same *premises* is subject to sections 23.2 (4), (5) and (6).
 - (4) A Cannabis Facility *licence* must not be issued to:
 - (a) a residential dwelling unit or any *premises* located in a residential land use district as described in the *Land Use Bylaw*; or
 - (b) a mobile business unit.

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CANNABIS STORE

- 23.2 (1) Cannabis Store means the *business* of displaying, selling, or offering for sale *cannabis*.
 - (2) A Cannabis Store *licence* does not authorize the growing, producing, testing, destroying, storing, or distribution of *cannabis*.
 - (3) A Cannabis Store *licence* must not be issued to:
 - (a) a residential dwelling unit or any *premises* located in a residential land use district as described in the *Land Use Bylaw*; or
 - (b) a mobile business unit.
 - (4) A Cannabis Store licensee, employee or agent must not permit a minor to enter or be in a Cannabis Store premises.
 - (5) A Cannabis Store *licensee*, *employee* or *agent* must not provide, sell or permit any person to give or sell cannabis to a *minor* in a Cannabis Store *premises*.
 - (6) A Cannabis Store *licensee* must:
 - (a) keep on the *premises* an accurate and current list of all *employees* employed in the Cannabis Store;
 - (b) immediately provide to a *Licence Inspector* upon demand the list kept pursuant to subsection (6)(a).".
- 3. Subsection 43(4) is deleted and replaced with the following:
 - "(4) A *licence* is not required of a *person* who rents a stall, table or space in a Market and operates within the Market's hours of operation, except for the sale of tobacco products, *liquor* or *cannabis*."

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4. In Schedule "A", under the headings indicated, after:

	Busines	Consultatio	Nev	v Appli	cation	Fee		Renev	val Fee	2
Section	<u>S</u>	<u>n or</u> Approval	<u>2015</u>	<u>201</u> <u>6</u>	<u>201</u> <u>7</u>	<u>201</u> <u>8</u>	<u>201</u> <u>5</u>	<u>201</u> <u>6</u>	<u>201</u> <u>7</u>	<u>201</u> <u>8</u>
"23	Auto Body Shop	Fire Planning Police Province	\$177	\$184	\$184	\$191	\$135	\$141	\$141	\$146 "

the following is added:

O a atia sa	Desciones	Consultatio	New	/ Appli	cation	Fee		Renew	al Fee	1
Section	Business	<u>n or</u> Approval	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
"23.1	Cannabis Facility	Fire Planning Police	n/a	n/a	n/a	\$191	n/a	n/a	n/a	\$146
23.2	Cannabis Store	Fire Planning Police	n/a	n/a	n/a	\$191	n/a	n/a	n/a	\$1,46

4. In Schedule "C", under the headings indicated, after the following:

		<u>Section</u>	Specified Penalty
	"Auto Body Shop		
	Displaying motor vehicles for sale without a licence	23(2)	\$1000.00"
the fo	ollowing is added:		
		Section	Specified Penalty
	"Cannabis Store		
	Permit a <i>minor</i> on Cannabis Store <i>premises</i>	23.2(4)	\$1000.00

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Permit sale of <i>cannabis</i> to a minor on Cannabis Store <i>premises</i>	23.2(5)	\$1000.00
Fail to keep list of Cannabis Store employees on premises	23.2(6)(a)	\$1000.00
Fail to provide <i>employee</i> list to Licence Inspector	23.2(6)(b)	\$1000.00"

5. This bylaw comes into force on April 24, 2018.

PROPOSED WORDING FOR A CANNABIS CONSUMPTION BYLAW

SHORT TITLE

1. This Bylaw may be cited as the "Cannabis Consumption Bylaw".

DEFINITIONS AND INTERPRETATION

- 2. (1) In this Bylaw:
 - (a) "cannabis" has the meaning given to it in the Cannabis Act,
 - (b) "Cannabis Act" means Bill C-45, An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts, 1st Sess, 42nd Parl, 2017;
 - (c) "Chief Bylaw Enforcement Officer" means the person appointed to the position of Chief Bylaw Enforcement Officer pursuant to Bylaw 60M86;
 - (d) "electronic smoking device" means an electronic device that can be used to deliver a vapour, emission or aerosol to the person inhaling from the device, including but not limited to an electronic cigarette, cigar, cigarillo or pipe;
 - "officer" means a Bylaw Enforcement Officer appointed pursuant to Bylaw 60M86, a peace officer appointed pursuant to the *Peace Officer Act*, S.A. 2006, c. P-3.5, or a member of the Calgary Police Service;
 - (f) "public place" includes any place to which the public has access as of right or by invitation, express or implied;
 - (g) "smoke" or "smoking" means:
 - (i) inhaling or exhaling the smoke produced by burning cannabis; or
 - (ii) holding or otherwise having control of any device or thing containing lit *cannabis*;
 - (h) "vape" or "vaping" means:
 - (i) inhaling or exhaling the vapour, emissions or aerosol produced by an *electronic smoking device* or similar device containing *cannabis*, or
 - (ii) holding or otherwise having control of an *electronic smoking* device that is producing vapour, emissions or aerosol from cannabis.

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- (2) All schedules attached to this Bylaw form part of this Bylaw.
- (3) Headings or sub-headings are inserted for ease of reference and guidance purposes only and do not form part of this Bylaw.
- (4) Where this Bylaw cites or refers to any act, regulation, code or other bylaw, the citation or reference is to the act, regulation, code or other bylaw as amended, whether amended before or after the commencement of this Bylaw, and includes reference to any act, regulation, code or other bylaw that may be substituted in its place.
- (5) Each provision of this Bylaw is independent of all other provisions and if any provision is declared invalid for any reason by a court of competent jurisdiction, all other provisions of this Bylaw remain valid and enforceable.
- (6) Nothing in this Bylaw relieves a person from complying with any provision of any federal, provincial or municipal law or regulation or any requirement of any lawful permit, order or licence.

PROHIBITION

3. A person must not *smoke*, *vape* or consume *cannabis* in any *public place*.

EVENTS

- 4. (1) Despite section 3, a person may *smoke*, *vape* or consume *cannabis* at an event for which a permit has been granted by the *Chief Bylaw Enforcement Officer*.
 - (2) The *Chief Bylaw Enforcement Officer* may impose conditions on a permit granted pursuant to subsection (1).
 - (3) The Chief Bylaw Enforcement Officer may suspend or revoke a permit issued pursuant to subsection (1) if the Chief Bylaw Enforcement Officer determines that a permit holder or any person at an event for which a permit has been issued has contravened any federal or provincial legislation or a City bylaw.
 - (4) The holder of a permit issued pursuant to subsection (1) must ensure that:
 - (a) the *smoking*, *vaping* or consumption of *cannabis* is only permitted in a designated area, separate and fenced off from the remainder of the event;
 - (b) alcohol and tobacco is not consumed in the area designated for the *smoking*, *vaping* or consumption of *cannabis*;
 - (c) the sale of *cannabis* is not permitted in the area designated for the *smoking*, *vaping* or consumption of *cannabis*; and
 - (d) that the advertising or other materials relating to promotion of *cannabis* cannot be seen by persons under the age of 18.

MEDICAL CANNABIS

- 5. (1) Despite section 3, a person who is entitled to possess *cannabis* pursuant to a medical document issued pursuant to the *Access to Cannabis for Medical Purposes Regulations*, SOR/2016-230 is not subject to this Bylaw.
 - (2) A person referred to in subsection (1) must, on demand of an *officer*, produce a copy of the person's medical document.
 - (3) A person referred to in subsection (1) is subject to the Smoking and Vaping Bylaw xxM2018.

OFFENCES

6. Any person who contravenes any provision of this Bylaw by doing any act or thing which the person is prohibited from doing, or by failing to do any act or thing the person is required to do, is guilty of an offence pursuant to this Bylaw.

ENFORCEMENT

- 7. (1) Where an *officer* believes that a person has contravened any provision of this Bylaw, the *officer* may commence proceedings against the person by issuing a violation ticket in accordance with the *Provincial Offences Procedure Act*, R.S.A. 2000, c. P-34.
 - (2) This section shall not prevent an *officer* from issuing a violation ticket requiring a court appearance of the defendant pursuant to the *Provincial Offences*Procedures Act or from laying an information instead of issuing a violation ticket.

PENALTY

- 8. (1) Where there is a specified penalty listed for an offence in Schedule A to this Bylaw, that amount is the specified penalty for the offence.
 - Where there is a minimum penalty listed for an offence in Schedule A to this Bylaw, that amount is the minimum penalty for the offence.
 - (3) In this section, "specified penalty" means an amount that can be paid by a person who is issued a violation ticket and is authorized to make a voluntary payment without a Court appearance.

COMING INTO FORCE

9. This bylaw comes into force on the day the *Cannabis Act* comes into force.

SCHEDULE A

PENALTIES

Section	Description of Offence	Minimum Penalty	Specified Penalty
3	Smoke, vape or consume cannabis in public place	\$50	\$100

PROPOSED WORDING FOR A SMOKING AND VAPING BYLAW

SHORT TITLE

1. This Bylaw may be cited as the "Smoking and Vaping Bylaw".

DEFINITIONS AND INTERPRETATION

- 2. (1) In this Bylaw;
 - (a) "business" means carrying on a commercial or industrial undertaking of any kind or nature or the provision of a professional, personal or other service and includes any activity carried on by an educational institution, municipality, or charitable organization;
 - (b) "cannabis" has the meaning given to that term in the federal Cannabis Act (Bill C-45, An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts, 1st Sess, 42nd Parl, 2017);
 - (c) "City" means The City of Calgary, a municipal corporation in the province of Alberta, or the area contained within the boundaries of the City of Calgary, as the context may require;
 - (d) "electronic smoking device" means an electronic device that can be used to deliver a vapour, emission or aerosol to the person inhaling from the device, including but not limited to an electronic cigarette, cigar, cigarillo or pipe;
 - (e) "employer" includes any person who as the owner, proprietor, manager, superintendent or overseer of any activity, business, work, trade, occupation or profession, has control over or direction of, or is directly or indirectly responsible for the employment of a person therein;
 - (f) "officer" means a Bylaw Enforcement Officer appointed pursuant to Bylaw 60M86, a peace officer appointed pursuant to the *Peace Officer Act*, S.A. 2006, c. P-3.5, or a member of the Calgary Police Service;
 - (g) "Olympic Plaza" means the area bounded on the north by 7th Avenue S.E., on the east by Macleod Trail S.E., on the south by 8th Avenue S.E. and on the west by 1st Street S.E., but excluding lots 39 and 40 of Block 52 on Plan A;
 - (h) "operator" includes the person responsible for the day to day operations of a public premises and a proprietor of a public premises;

- "outdoor pool" means a structure that contains water which is designed and intended for recreational use, and includes a spray park or a wading pool;
- (j) "outdoor skating rink" means an outdoor ice surface that is designed for recreational skating or playing hockey;
- (k) "playground" means an outdoor area upon which apparatus such as swings and slides are placed;
- (I) "proprietor" means, where applicable:
 - the person who ultimately controls, governs or directs the activity carried on within any premises referred to in this Bylaw and includes the person usually in charge thereof;
 - (ii) a hospital board appointed pursuant to the *Hospitals Act*, R.S.A. 2000, c. H-12;
 - (iii) a board of governors established pursuant to the *Post-Secondary Learning* Act, S.A. 2003, c. P-19.5; or
 - (iv) a board of trustees elected pursuant to the provisions of the *School Act*, R.S.A. 2000, c. S-3;
- (m) "public premises" means all or any part of a building, structure or other enclosed area to which members of the public have access as of right or by express or implied invitation;
- (n) "public vehicle" means a bus, taxi or other vehicle that is used to transport members of the public for a fee;
- (o) "skate park" means an outdoor area which is designed and intended specifically for the use of skateboards, in-line skates, or other similar devices;
- (p) "smoke" or "smoking" means:
 - (i) inhaling or exhaling the smoke produced by burning *tobacco* or *cannabis*; or
 - (ii) holding or otherwise having control of any device or thing containing lit *tobacco* or *cannabis*;
- (q) "sports field" means an outdoor area which is set apart and used for the playing of sporting activities;
- (r) "taxi" means any taxi, limousine or private for hire vehicle licensed pursuant to the provisions of the Livery Transport Bylaw 6M2007;
- (s) "tobacco" means a product composed in whole or in part of tobacco,

- including tobacco leaves and any extract of tobacco leaves, but does not include any product for use in nicotine replacement therapy;
- (t) "transit property" means any premises owned, used or occupied by the City for the purpose of providing transit services;
- (u) "transit vehicle" means any vehicle which is operated by the City for the use of the passenger public including any bus or light rail transit vehicle operated by the City;
- (v) "workplace" includes the whole or any part of a building, structure, vehicle or passenger conveyance in which a business is carried on but excludes:
 - (i) any part which constitutes public premises, and
 - (ii) private residences;
- (w) "vape" or "vaping", means:
 - (i) inhaling or exhaling the vapour, emissions or aerosol produced by an *electronic smoking device* or similar device containing *tobacco*, *cannabis* or any other substance, or
 - (ii) holding or otherwise having control of an *electronic smoking* device that is producing vapour, emissions or aerosol from tobacco, cannabis or any other substance.
- (2) All schedules attached to this Bylaw form part of this Bylaw.
- (3) Headings or sub-headings are inserted for ease of reference and guidance purposes only and do not form part of this Bylaw.
- (4) Where this Bylaw cites or refers to any act, regulation, code or other bylaw, the citation or reference is to the act, regulation, code or other bylaw as amended, whether amended before or after the commencement of this Bylaw, and includes reference to any act, regulation, code or other bylaw that may be substituted in its place.
- (5) Each provision of this Bylaw is independent of all other provisions and if any provision is declared invalid for any reason by a court of competent jurisdiction, all other provisions of this Bylaw remain valid and enforceable.
- (6) Nothing in this Bylaw relieves a person from complying with any provision of any federal, provincial or municipal law or regulation or any requirement of any lawful permit, order or licence.

PROHIBITION

3. A person must not *smoke* or *vape*:

- (a) in a public premises, a workplace or a public vehicle;
- (b) in, on or within 5 metres of a:
 - (i) outdoor pool;
 - (ii) outdoor skating rink;
 - (iii) playground;
 - (iv) skate park;
 - (v) sports field; or
 - (vi) transit property;

to which the public has access as of right or by express or implied invitation;

- (c) within 5 metres of an entrance or exit to a *public premises*; or
- (d) in Olympic Plaza.
- 4. An *employer*, *operator* or *proprietor* must not permit a person to *smoke* or *vape* on premises controlled or owned by them where doing so is prohibited by this Bylaw.

EXCEPTIONS

- 5. (1) Despite any other provision of this Bylaw a person may, inside an enclosed premises where the primary function of the premises is the sale of *electronic smoking devices*, use an *electronic smoking device* to sample a product, other than *tobacco* or *cannabis*, prior to purchase.
 - (2) Section 4 does not apply to an *employer*, *owner* or *proprietor* who allows a person to use an *electronic smoking device* to sample a product, other than *tobacco* or *cannabis*, prior to purchase inside an enclosed premises where the primary function of the premises is the sale of *electronic smoking devices*.
 - (3) Despite any other provision of this Bylaw a person may *smoke* or *vape tobacco* in a location designated as a smoking room pursuant to section 5 of the *Tobacco* and *Smoking Reduction Act*, S.A. 2005, c. T-3.8.

OFFENCES

6. Any person who contravenes any provision of this Bylaw by doing any act or thing which the person is prohibited from doing, or by failing to do any act or thing the person is required to do, is guilty of an offence pursuant to this Bylaw.

ENFORCEMENT

7. (1) Where an *officer* believes that a person has contravened any provision of this Bylaw, the *officer* may commence proceedings against the person by issuing a violation ticket in accordance with the *Provincial Offences Procedure Act*, R.S.A. 2000, c. P-34.

(2) This section shall not prevent an *officer* from issuing a violation ticket requiring a court appearance of the defendant pursuant to the *Provincial Offences Procedures Act* or from laying an information instead of issuing a violation ticket.

PENALTY

- 8. (1) Where there is a specified penalty listed for an offence in Schedule A to this Bylaw, that amount is the specified penalty for the offence.
 - (2) Where there is a minimum penalty listed for an offence in Schedule A to this Bylaw, that amount is the minimum penalty for the offence.
 - (3) In this section, "specified penalty" means an amount that can be paid by a person who is issued a violation ticket and is authorized to make a voluntary payment without a Court appearance.

REPEAL

9. Bylaw 57M92, The Smoking Bylaw, is hereby repealed.

COMING INTO FORCE

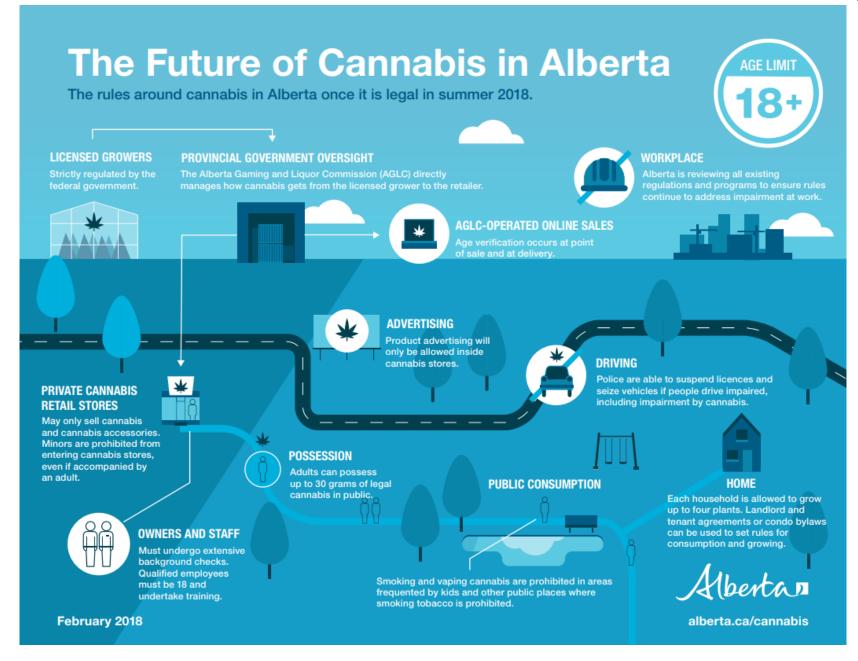
10. This Bylaw comes into force on the day it is passed.

CPS2018-0367 Cannabis Legalization – Proposed Bylaw Att 3 ISC: UNRESTRICTED

SCHEDULE "A"

PENALTIES

Section	Description of Offence	Minimum Penalty	Specified Penalty
3	Smoke or vape where prohibited	\$50	\$100
4	Permit person to smoke or vape where prohibited	\$50	\$200



CPS2018-0367 ATTACHMENT 4

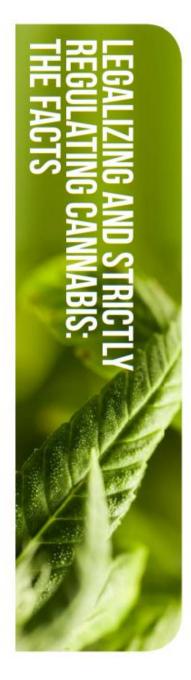
Alberta's System for Legalized Cannabis

Once legal, Alberta's system for legalized cannabis will provide adults safe access to legal cannabis while protecting Alberta's youth and public health, promoting safety on roads, in workplaces and in public spaces, and limiting the illegal market.

Highlights of legislation and regulations

- · Minimum age for purchase and possession is 18.
- Adults may possess 30 grams at any given time; there will be zero tolerance for youth under the legal age of 18 possessing any cannabis.
- Anyone under 18 caught with five grams or less will face sanctions similar to those for underage possession of alcohol or tobacco. Youth found in possession of over five grams continue to be subject to federal criminal charges.
- Adults may smoke or vape cannabis at home and in some public places, but not in vehicles, any cannabis retail outlets, anywhere smoking or vaping tobacco is already prohibited, or in specific areas frequented by children, including school and hospital properties and within five metres of skate parks, spray parks, and playgrounds.
- Adults can grow cannabis at home; up to four plants per household (not per person) for personal consumption.
- Landlord and tenant agreements or condo bylaws can be used to set rules for consumption and growing.
- Licence suspensions and vehicle seizures that apply to alcohol-impaired driving have been extended to cannabis impairment. There will be zero tolerance for those on graduated licences. Cannabis consumption will not be allowed in vehicles.
- The Alberta Gaming and Liquor Commission (AGLC) will provide clear oversight over the distribution of packaged and sealed cannabis products, ensuring only legally produced products come into Alberta. (This is similar to what's in place now for alcohol).

- The AGLC will operate online sales of cannabis products on behalf of government.
- The AGLC will ensure cannabis is distributed to privately owned and operated specialized retailers. Retail locations will be regulated and follow rules set by government, including hours of operation and security requirements.
- Cannabis retailers may be open between 10 a.m. and 2 a.m. and must keep cannabis products in a locked display case accessible only by staff. However, municipalities can further restrict these hours.
- Anyone applying for a licence to open a retail store will have to undergo an extensive mandatory background check.
- Employees must also consent to background checks, be 18 or older and will be required to undergo AGLC SellSafe training.
- Cannabis retail outlets must be 100 meters away from schools and provincial health care facilities. Municipalities will have the discretion to modify or add further buffers from these or other uses.
- Any single sales transaction of cannabis products, in a retail location and online, will be limited to 30 grams.
- Cannabis advertising will be restricted to locations with no minors. The
 federal government has also proposed strict rules about labeling and
 packaging. The Alberta government will monitor the specifics of their
 proposed program and work with them to address any issues or gaps in
 policies should they arise.



framework for controlling the production, distribution, sale and possession of cannabis across Canada. The proposed Cannabis Act would create a strict legal

- restrict youth access to cannabis
- to use cannabis protect young people from promotion or enticements
- those who import, export or provide cannabis to youth deter and reduce criminal activity by imposing serious criminal penalties for those breaking the law, especially
- and quality requirements protect public health through strict product safety
- illegal activities provide for the legal production of cannabis to reduce reduce the burden on the criminal justice system
- controlled legal cannabis allow adults to possess and access regulated, quality
- enhance public awareness of the health risks associated with cannabis

purposes would continue under the new Act. The current program for accessing cannabis for medical

legislative process. If it is approved by Parliament, the bill could Cannabis would remain illegal as the bill moves through the become law with a target date of no later than July 2018

RESTRICTED ACCESS

The Cannabis Act proposes many rules that would protect youth from accessing cannabis.

PROTECTING YOUTH

under the age of 18. No person could sell or provide cannabis to any young person

In addition, the Act would create 2 new criminal offences with maximum penalties of 14 years in jail, for:

- giving or selling cannabis to youth, and
- using a youth to commit a cannabis-related offence



Government of Canada

Gouvernement du Canada

would also prohibit: In order to prevent youth from using cannabis, the Act

- products that are appealing to youth
- it appealing to youth packaging or labelling cannabis in a way that makes
- vending machines selling cannabis through self-service displays or
- promoting cannabis, except in narrow circumstances where the promotion could not be seen by a young person

to \$5 million or 3 years in jail. Penalties for violating these prohibitions include a fine up

and safety risks of cannabis consumption the next five years for cannabis public education and awareness activities to inform Canadians, especially youth, of the health The Government has also committed close to \$46 million over

CONTROLLED ACCESS

are 18 years or older would be able to legally: Should the Cannabis Act become law in July 2018, adults who

- possess up to 30 grams of legal dried cannabis or equivalent in non-dried form
- share up to 30 grams of legal cannabis with other adults
- purchase dried or fresh cannabis and cannabis oil from a provincially-licensed retailer
- In those provinces that have not yet or choose not to a federally-licensed producer. put in place a regulated retail framework, individuals would be able to purchase cannabis online from
- use from licensed seed or seedlings grow up to 4 cannabis plants per residence for personal
- make cannabis products, such as food and drinks, at home provided that organic solvents are not used

into force of the proposed legislation. be authorized no later than 12 months following the coming The sale of cannabis edible products and concentrates would



STRICT REGULATION

responsibility for overseeing the new system. The federal, provincial and territorial governments would share

The federal government's responsibilities would be to:

- set strict requirements for producers who grow and manufacture cannabis
- set industry-wide rules and standards, including:
- the types of cannabis products that will be allowed for sale
- packaging and labelling requirements for products
- standardized serving sizes and potency
- prohibiting the use of certain ingredients
- good production practices
- tracking of cannabis from seed to sale to prevent diversion to the illicit market
- restrictions on promotional activities

They could also: distribution and sale of cannabis, subject to federal conditions. The provinces and territories would license and oversee the

- (but not lower it) increase the minimum age in their province or territory
- lower the possession limit in their jurisdiction
- create additional rules for growing cannabis at home, such as lowering the number of plants per residence
- restrict where adults can consume cannabis, such as in public or in vehicles

CRIMINAL PENALTIES

organized crime. outside the legal framework, such as those involved in The Cannabis Act proposes offences targeting those acting

Penalties would be set in proportion to the seriousness of the offence. Sanctions would range from warnings and tickets for minor offences to criminal prosecution and imprisonment for more serious offences

OFFENCE	PENALTIES
Illegal distribution or sale	Tickets for small amountsUp to 14 years in jail
Possession over the limit	Tickets for small amountsUp to 5 years in jail
Production of cannabis beyond personal cultivation limits or with combustible solvents	Tickets for small amountsUp to 14 years in jail
Taking cannabis across Canada's borders	▶ Up to 14 years in jail

put forward in the proposed drug-impaired driving legislation. Further penalties related to cannabis-impaired driving have been

of the Task Force on Cannabis Legalization and Regulation. The proposed Cannabis Act is informed by the recommendations

Item #7.1 CPS2018-0367 ATTACHMENT 5

Rationale for Rules on Public Consumption of Cannabis

Background:

The framework put forward by the Government of Alberta included proposed regulations for the consumption of cannabis in public:

Albertans will be allowed to consume cannabis in their homes and in some public spaces where smoking tobacco is allowed, but use will be banned in cars. In an effort to protect children and limit second-hand exposure, public smoking or vaping of cannabis in Alberta will be prohibited from any place where tobacco is restricted, and in the following places:

- on any hospital property, school property or child care facility property
- in or within a prescribed distance from:
 - a playground
 - o a sports or playing field
 - a skateboard or bicycle park
 - o *a zoo*
 - o an outdoor theatre
 - o an outdoor pool or splash pad
- from any motor vehicles, with the exception of those being used as a temporary residence, such as a parked RV^1

The provincial regulations would allow for cannabis to be smoked, vaped or consumed in public settings such as on sidewalks and in public parks.

When it released the framework on Cannabis legalization, the Government of Alberta indicated:

Municipalities may create additional restrictions on public consumption using their existing authorities.²

The existing authority of municipalities to create bylaws is stated in Part 2, Division 1, Section 7, Subsections (a) and (b) of the Municipal Government Act:

- **7** A council may pass bylaws for municipal purposes respecting the following matters:
- (a) the safety, health and welfare of people and the protection of people and property;
- (b) people, activities and things in, on or near a public place or place that is open to the public;

Research and Analysis:

While Administration acknowledges that the provincial government has drafted legislation to address concerns about second-hand smoke from cannabis, the further municipal restrictions on public consumption are recommended to address concerns regarding public intoxication, public welfare and safety.

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¹ Province of Alberta, Alberta Cannabis Secretariat (2018), "Alberta Cannabis Framework and legislation" (https://www.alberta.ca/cannabis-framework.aspx)

² Alberta Cannabis Secretariat, (https://www.alberta.ca/cannabis-framework.aspx)

Item #7.1 CPS2018-0367 ATTACHMENT 5

Rationale for Rules on Public Consumption of Cannabis

The effects of cannabis on a person can vary depending on the individual and the strain and potency of the cannabis being consumed. For many it can have relaxing, positive effects, but it can also alter one's state of consciousness and induce anxiety and panic attacks. According to a study from 2009, between 20-30% of recreational users experience intense anxiety and/or panic attacks after smoking cannabis. "When taken in high doses [(>5 mg oral D9 -tetrahydrocannabinol (D9 - THC) for a man of average weight], cannabis can cause intense fear and anxiety. With higher doses, panic and phobic attacks may occur" and "are more common in drug-naive subjects and in novel or stressful environmental situations." ³

Another study conducted in 2011 on the effects that THC and CBD, two components of cannabis, can have on auditory and visual hallucinations found:

Along with effects on cognition and mood it has marked effects on sensory experiences, ranging from heightened subjective sensory awareness and appreciation to vivid mental imagery, illusions, and frank hallucinations. In some individuals, acute intoxication with cannabis can mimic sensory processing abnormalities associated with psychotic disorders.⁴

In addition to multiple studies, Administration also considered the best practices of other jurisdictions which have undergone the process of legalizing cannabis. At the time of publishing this report, public consumption of cannabis was not allowed in any of the nine US states that have legalized recreational cannabis. However, some jurisdictions have more restrictive laws than the current provincial regulations on alcohol, for example, not being able to consume on private property when visible from the public realm.

Administration also commissioned extensive research and engagement with Calgarians to gain insight on the views and values of Calgarians as they pertain to cannabis legalization. Of particular note, Environics Research, conducted a statistically representative, random telephone survey of 1,002 Calgarians. The chart below summarizes the responses regarding Calgarians' views on public consumption.

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³ Crippa JA, et al. "Cannabis and Anxiety: A Critical Review of the Evidence," Human Psychopharmacology (Oct. 2009): Vol. 24, No. 7, pp. 515–23.

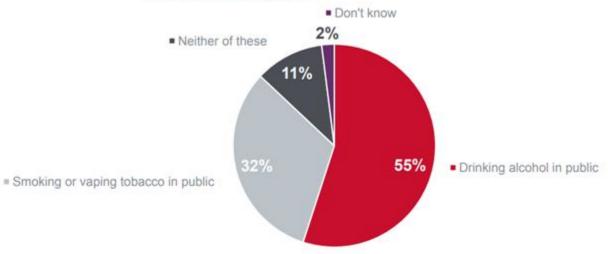
⁴ Allen P, et al. "Modulation of Auditory and Visual Processing by Delta-9-Tetrahydrocannabinol and Cannabidiol: an fMRI Study," Neuropsychopharmacology (June 2011): Vol 36. No. 7, pp 1340-1348

Rationale for Rules on Public Consumption of Cannabis



Survey

Preference for Public Consumption Rules Calgarians prefer cannabis usage rules to be like those for alcohol consumption.



The recommended bylaw amendments address the fact that cannabis can have varied, and not always desirable nor predictable effects on its consumers. Therefore, in the interest of public safety, health and welfare, Administration is recommending a restriction on public consumption which extends beyond the Government of Alberta's focus on the health effects of second-hand smoke, and aligns the consumption of cannabis with the Government of Alberta's current regulations regarding the public consumption of alcohol.

Do you think the rules around public consumption of cannabis should be more like the rules for drinking alcohol in public, or more like the rules for smoking or vaping tobacco in public? (n=1,002)

Engagement overview

In 2017 November, The City of Calgary held stakeholder workshops with representatives from community and business organizations to discuss policy and regulation areas regarding business licencing, community standards bylaws, land use planning and other affected bylaws. From 2017 November 20 to 2017 December 10, The City of Calgary hosted an online survey on its engagement portal at www.engage.calgary.ca to solicit feedback from Calgarians. Input from both the workshops and online survey is being used to help inform changes and updates to affected bylaws, and inform whether new bylaws or policies are required to respond to the legalization of recreational cannabis. An entire report can be found on www.Calgary.ca/Cannabis some of the responses from the online survey, which pertain to the recommendations in this report, are included below.

Research Overview

To better understand the attitudes of Calgarians regarding cannabis legalization, Environics Research was commissioned by The City of Calgary to conduct quantitative and qualitative research on this topic. Environics conducted a telephone survey with a randomly selected sample of 1,002 Calgarians aged 18 and older between November 6th and November 19th, 2017. Both landline (70%) and cell phone (30%) sample were used to obtain a random and statistically representative sample of Calgary adults aged 18 years and over. The average interview length was 15 minutes.

For a general population sample of n=1,002, the statistical margin of error at the 95% confidence level is +/-3.1%. An entire report can be found on www.Calgary.ca/Cannabis some of the responses from the telephone survey, which pertain to the recommendations in this report, are included below.

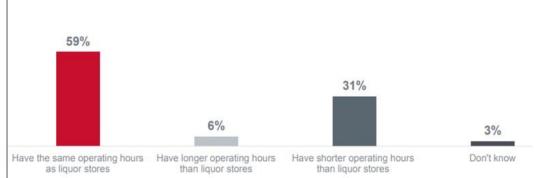
Business Licensing

Online Survey

In Alberta, liquor stores are allowed to operate between 10 am and 2 am, seven days a week. Should cannabis retail stores operating in Calgary have: 3390, 26% 7689, 59% The same hours Longer hours Shorter hours

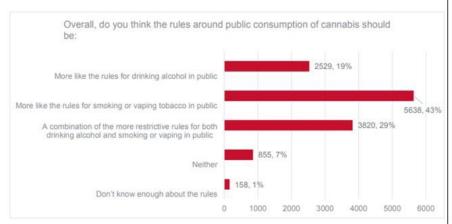
Phone Survey

Liquor stores in Alberta are allowed to operate between 10 am and 2 am seven days a week. Should cannabis retailers operating in Calgary: (n=1,002)



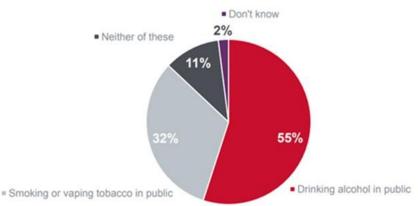
Public Consumption

Online Survey



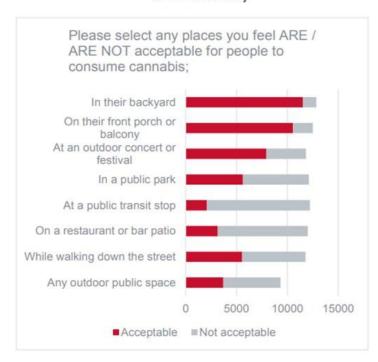
Phone Survey

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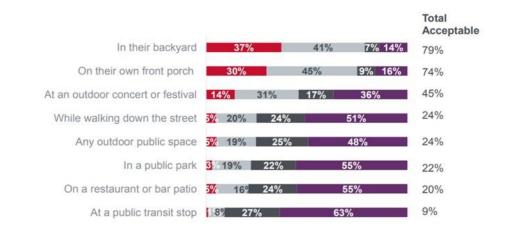
Public Consumption

Online Survey



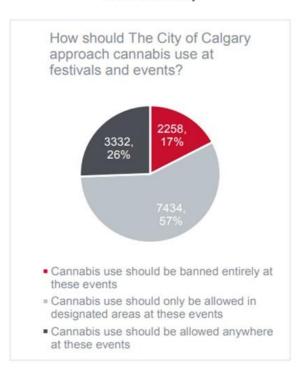
Phone Survey

Once cannabis becomes legal, would you find it acceptable or unacceptable for people to consume cannabis in the following places: (And do you feel strongly about this?)

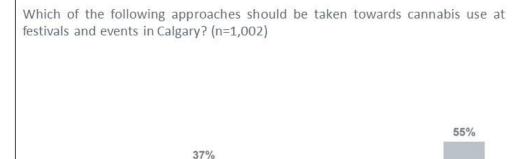


Festivals and Events

Online Survey



Phone Survey



Cannabis use should be banned entirely at these events

1%

Cannabis use should only be allowed in designated areas allowed anywhere at these at these events

events

6%

Cannabis use at festivals/events is unacceptable

City of Calgary Advocacy Position IGA2016-0737 (2016 November 03) IGA2017-0586 (2017 July 24)	 Government of Canada The Cannabis Act (2017 April 13) Proposed Approach to the Regulation of Cannabis (2017 November) 	 Government of Alberta Alberta Cannabis Framework (2017 October 4) Bill 29: An Act to Reduce Cannabis and Alcohol Impaired Driving (2017 November 29) Bill 26: An Act to Control and Regulate Cannabis (2017 November 30) Updates to the Alberta Gaming, Liquor and Cannabis Regulation (2018 February 16)
Engagement and role clarity: Continue to engage municipalities throughout the legalization process to ensure clear delineation of roles and expectations between federal, provincial and municipal governments	The Government of Canada continues to engage municipalities, primarily through the Federation of Canadian Municipalities (FCM). The latest federal consultations focused on the Government of Canada's proposed tax regime for cannabis and the proposed regulatory approach to support the Cannabis Act. The Cannabis Act articulates the role of the Government of Canada in legalization as well as what provincial governments, together with municipalities, will be responsible for.	The City of Calgary has been in direct communication with the Alberta Cannabis Secretariat (ACS) since 2017 June, communicating City concerns and lending City expertise to inform provincial policy, legislation and regulations. This engagement with The City will continue leading up to legalization in order to finalize all provincial regulations with municipal implications and ensure continued coordination between the two governments. Continued engagement is required to address cannabis tax revenue distribution and to ensure The City receives the resources it needs to keep Calgarians safe and well-served. The Alberta Cannabis Framework and associated legislation and regulations outlines the responsibilities of the Government of Alberta, as well as authority for municipalities to regulate in the areas of business licensing, public consumption and land use.
Authority of each order of government: • Advocate for a national or province-wide licensing system	Aligned with position. The Cannabis Act establishes a federal licensing system for production, and provincial (and possibly municipal) licensing for distribution and retail.	Aligned with position. Bill 26 allows for privately owned and operated cannabis retail stores. These stores will be provincially licensed through the Alberta Gaming and Liquor Commission (AGLC) but there is flexibility for additional municipal business licensing to govern these businesses according to local context. The City will continue to work closely with the AGLC to ensure alignment of provincial and City licensing.

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Municipalities should have authority over the planning policy around the growing and sale of medical and recreational cannabis. For example, things like signage, location and size, among others	Aligned with position. The Cannabis Act includes the ability for provinces and territories, together with municipalities, to establish zoning rules for cannabis-based businesses. Flexibility is also provided in the bill to enable provinces and territories, together with municipalities, to tailor rules in their own jurisdictions.	Aligned with position. The municipal flexibility included in the regulations addresses the concerns raised by The City in discussions with the Secretariat. The updated regulations released in 2018 February provide minimum setbacks of 100m from provincial health care facilities, schools and parcels designated as a school reserve. Municipalities can vary these distances through bylaws and retailers must meet municipal Land Use Bylaw requirements.
Municipalities should have authority to regulate public and private nuisance factors related to cannabis use	Aligned with position. Specifically, the Cannabis Act gives provinces, together with municipalities, the ability to restrict where cannabis can be consumed.	Aligned with position. The City of Calgary will have authority to regulate public and private nuisance factors related to cannabis use. Provincial legislation allows for cannabis to be consumed in most public areas where tobacco can be consumed but allows municipalities to restrict further.
Support a privatized framework for legal retail cannabis sales similar to the existing retail alcohol store model, contingent upon the sharing of tax revenues to compensate for the increased costs to The City.	N/A	Aligned with position. Bill 26 allow for privately owned and operated, stand-alone cannabis retail stores that prohibit cannabis from being consumed in stores. This privatized retail system, similar to the existing retail alcohol model, allows municipalities flexibility to regulate and administer retail locations considering the local context.
Restrict residential growing	Aligned with position. The Cannabis Act allows for a limit of four plants per residence grown for personal use. In addition, to address issues of local concern, the Act enables provinces to impose more restrictive limits on personal cultivation, including lowering the number of plants or restricting where plants may be cultivated.	Aligned with position. The Government of Alberta is allowing Albertans to grow up to four plants per household with seeds purchased from cannabis retail stores.

Federal and Provincial Cannabis Legislation

ATTACHMENT 7 CPS2018-0367

CI	ty of Caigary Advocacy Position
•	IGA2016-0737 (2016 November 03)
•	IGA2017-0586 (2017 July 24)

The Cannabis Act (2017 April 13)

Government of Canada

Proposed Approach to the Regulation of Cannabis (2017 November)

Government of Alberta

- Alberta Cannabis Framework (2017 October
- Bill 29: An Act to Reduce Cannabis and Alcohol Impaired Driving (2017 November
- Bill 26: An Act to Control and Regulate Cannabis (2017 November 30)
- Updates to the Alberta Gaming, Liquor and Cannabis Regulation (2018 February 16)

Discuss sharing federal tax revenues created by the legalization and regulation of cannabis across all three orders of government.

Not aligned with position. On 2017 November 10 the Government of Canada proposed an excise duty framework for cannabis products not to exceed \$1.00 per gram, or 10 per cent of the producer's sale price of that product, whichever is higher, with this tax room divided equally between the province or territory and the federal government. The Goods and Services Tax (GST) will also be applied. As part of this arrangement, it is the federal government's expectation that a substantial portion of the revenues from this tax room provided to provinces and territories will be transferred to municipalities and local communities, who are on the front lines of legalization.

The Government of Canada has allocated funds to Health Canada, the RCMP, the Canada Border Services Agency and Public Safety Canada to ensure there is appropriate capacity to license, inspect and enforce all aspects of the proposed Cannabis Act and to undertake robust public education and awareness activities. There have been no federal budget allocations to municipalities.

More details required. The Government of Alberta has yet to establish a tax framework for cannabis in Alberta, and the municipal share of revenue remains unclear. Provincial funding has not been allocated to municipalities.

The City has shared initial cost estimates with the Government of Alberta and continues to advocate for a share of cannabis tax revenue or other provincial funding sources to cover all ongoing costs and ensure Calgarians are safe and well-served.

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Advocate for provincial regulations and funding models that clarify and support the Calgary Police Service's role in enforcing drug-impaired driving.	Aligned with position with concerns. In its 2018 budget, the Government of Canada pointed to investments of \$546 million over five years to implement and enforce the new federal legislative and regulatory framework. This includes previously announced money to support law enforcement and border efforts to detect and deter drug-impaired driving and enforce the proposed cannabis legalization and regulation. Provinces and territories will be able to access up to \$81 million over the next five years for new law enforcement training, and to build capacity to enforce new and stronger laws related to drug-impaired driving. While a good start, additional funding would be required to cover policing costs for municipalities.	 Aligned with position with concerns. Bill 29: An Act to Reduce Cannabis and Alcohol Impaired Driving outlines new rules including: Expanded zero tolerance program for Graduated Drivers Licencing Expanded provincial administrative sanctions for drivers with blood drug/alcohol concentration over the new criminal limits proposed by the federal government 90-day, fixed-term licence suspension for drivers found over federal criminal limits. To date, the Government of Alberta has not allocated additional money to support the Calgary Police Service's role in enforcing drugimpaired driving.
 Give The City of Calgary and other municipalities time to develop and implement necessary local regulations. Advocate that the province provide their Cannabis Framework in a timely a fashion to facilitate The City's engagement process. 	Subject to parliamentary approval and Royal Assent, the Government of Canada intends to provide regulated and restricted access to cannabis in the summer of 2018. Meeting this deadline will be challenging for Calgary and other municipalities given that so much of the regulatory framework and governance details for recreational cannabis will be under provincial control. This timeline has meant operational activity on municipal bylaws and rules has happened at the same time as conversations with the provincial government.	Aligned with position with concerns. The final Alberta Cannabis Framework and associated provincial legislation clarifying the municipal role in legalization was released in 2017 November. The release of the updated Alberta Gaming, Liquor and Cannabis Regulation in 2018 February provided the clarity required for The City to develop and implement comprehensive and appropriate City bylaws. However, the approach to cannabis tax revenue distribution in Alberta and funding for municipalities remains outstanding.