



DISCUSSION FORUM

Cannabis Retail Sales in North Grenville

AGENDA

January 7th, 2019

- 1. Welcome & Introduction of Moderator** – Mayor Nancy Peckford
- 2. Purpose & Process for Forum** – Moderator Robert Noseworthy
- 3. Introduction of Speakers** – Moderator Robert Noseworthy
 - Cannabis in Canada
Ivan Vrana, VP of Public Affairs, Hill & Knowlton Strategies
 - Public Health Perspective on Cannabis Use
Dr. Paula Stewart, Medical Officer of Health,
Leeds, Grenville & Lanark District Health Unit
 - Municipal Regulatory Framework
Brian Carré, CAO, Municipality of North Grenville
- 4. Discussion**
- 5. Closing** – Moderator Robert Noseworthy



 Hill+Knowlton
Strategies

Cannabis in Canada

Presentation to North Grenville

January 7, 2018



Ivan Ross Vrána

VP Public Affairs – Hill+Knowlton Strategies



Legalization / Public Health

- Is it really an “either” “or” proposition?
- In Canada the cannabis regime actually takes into account both values.
- Therefore, they are complimentary given cannabis can be used for both medical and recreational purposes.
- The overarching goal is to eliminate the illegal market.



How Production is Regulated

- Health Canada licenses producers, who must:
 - Be security cleared.
 - Adhere to good production practices.
 - Implement security protocols.
 - Ensure audit and accountability methods.
 - Report regularly to Health Canada.
 - Pass consistent inspections by Health Canada.
- Failure to meet Health Canada requirements means strict penalties which can include jail.
- The *Cannabis Act* and *Cannabis Regulations* are the instruments that set national standards.



Products

- What is currently available?
 - Dried flower.
 - Oil.
 - Gel caps.
 - Spray.
- What will be available within this year?
 - Edibles (infused beverages, infused food).
 - Concentrates (creams, patches).
 - No caffeine or alcohol allowed.
 - No products that appeal to children (specific types of candy).



How is it Marketed and Packaged?

- Health Canada has strict marketing and packaging requirements:
 - Cannot be marketed so it appeals to youth.
 - Cannot denote a lifestyle
 - Cannot imply it improves wellness and wellbeing.
 - Companies are strictly limited in sponsorship activities.
 - Packaging is plain, must contain a series of health risk messages, and can only have single colour logos.
 - Packaging must be opaque and be child resistant.
 - Each product that contains THC must contain:





Considerations I

In August, 2018, a study commissioned by Health Canada indicated that 5.3 million Canadians (17.9% of the population) over the age of 18 used cannabis in the past year, and of these, 24.6% indicated that they used it daily or near daily, 20.3% indicated they used it weekly, 18.7% monthly and 33.6% indicated that they used it less than once a month.



Considerations II

- A 2018 study by Deloitte found:
 - The total market, including medical, illegal and legal recreational cannabis, is expected to generate up to \$7.17 billion in sales in 2019.
 - Legal sales are expected to contribute up to \$4.34 billion, more than half of the total.
 - Current cannabis consumers overall are expected to move nearly two-thirds (63 per cent) of their purchases to legal channels, according to respondents to the Deloitte survey.
 - Current consumers are willing to pay 10 per cent more for legal cannabis.
 - Fifty per cent of likely consumers are interested in the safety and origin of cannabis products and are interested in products that have been tested for pesticides and other harmful materials.



Considerations III

- From a public health perspective is it not better to regulate and control a product so that the health risks and benefits are identified and quantified?
- Will this not lead to the development of better policies and regulations so that risks associated with cannabis use are mitigated?



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Thank you!

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Public Health Perspective on Cannabis Use

Dr. Paula Stewart
Medical Officer of Health/CEO
Leeds, Grenville, Lanark District Health Unit
January 2018



Discussion...

- Cannabis basics
- Cannabis use in Leeds, Grenville and Lanark
- Health and other concerns about cannabis use
 - General population
 - Youth
- Community response
 - Municipal role



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Cannabis: What is it?

- Cannabis is a greenish or brownish material consisting of the dried flowering, fruiting tops and leaves of the Cannabis Sativa plant.
- Intoxicant drug
- Can be smoked, vaped, ingested or absorbed through skin.



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Cannabinoids

- Chemicals in cannabis that act on cannabinoid receptors in brain and body.
- Delta-9-tetrahydrocannabinol (THC)
 - The psychoactive component of cannabis
 - Greater concentration leads to increased harmful effect
- Cannabidiol
 - Not psychoactive
 - Greater concentration mitigates harmful effects of THC



Legalization of Cannabis Use

On October 17, 2018, Canada legalized the use of cannabis beyond its current legalized use for medical purposes:

- to protect youth from access to cannabis;
- displace the illicit cannabis market by regulating the sale of safer cannabis products, and;
- protect the health and safety of individuals from exposure to second hand smoke.



Cannabis Use in LGL

- 23.0% youth/adults report cannabis use in past year
 - 48% age 12 to 24
 - 20% aged 25 to 44
 - 19% aged 45 to 64
 - 16% aged 65+
 - Men more than women



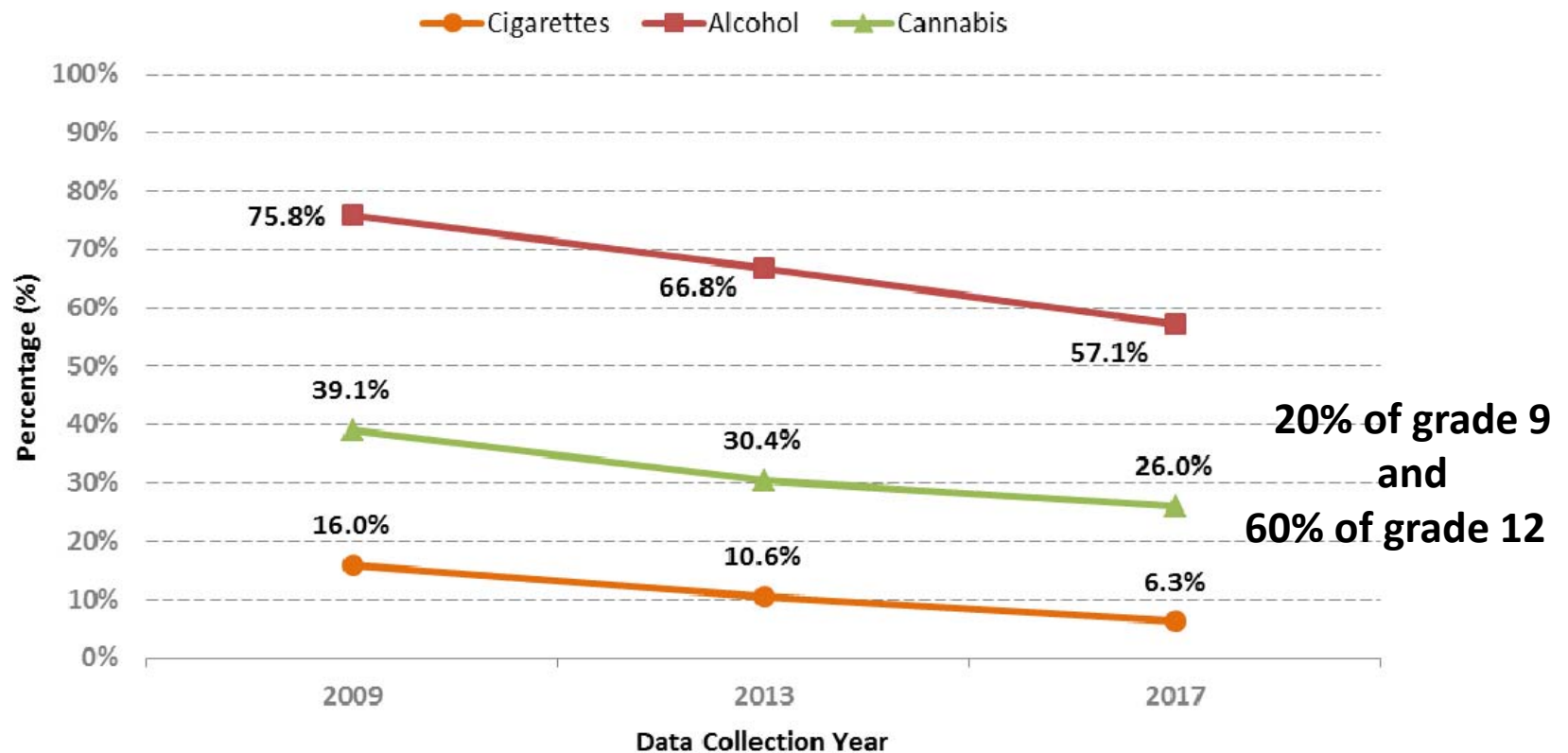
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Drug use among secondary students in past year

Drug Use Trends for LGL Students in Grades 9-12
(2009-2017)



Cannabis THC Effects

- High sensation
 - Euphoria, distorted perception including relaxation
 - Can be very distressing – panic, delusions, drowsiness, distorted perceptions
- Short term effects
 - Short-term memory, performance of complex mental tasks, attention, judgement
 - Slow reaction time and motor skills compromised
- Intoxication results in
 - Anxiety and panic like symptoms
 - Difficulty focusing
 - Problems with processing information
 - Slowed reaction time



Long-Term Impact of Cannabis Use

- Regular use over time (daily)
 - Risk of addiction (10% of those who use cannabis)
 - Affects memory, concentration, ability to think and make decisions
 - Increase risk of anxiety, depression, psychosis
 - If smoking – bronchitis, lung infections
- Use in pregnancy – affects fetal growth and long term development
- Breastfeeding – THC passes to the infant



Cannabis and Driving

- No amount of cannabis use is safe for driving
- Wait at least 6 hours with inhaled use, for edible cannabis wait 12 hours or longer (delayed reaction)
- Driving while impaired by cannabis has a 2x higher risk of a car crash than a sober driver.
 - Difficulty focusing
 - Difficulty staying the lane
 - Problems with processing information
 - Slowed reaction time
- Cumulative effects with alcohol use



Cannabis and Youth

- **Cannabis use affects brain development** - memory, cognition, judgement, and planning and decision-making (both short term and long term)
 - Affects learning and school work
 - Risk of acute transient psychosis and schizophrenia
 - Depression and possibly anxiety disorders (social anxiety disorder and PTSD) in vulnerable youth
- Risk for addiction (16% who initiate use during adolescence)
- Risk with regular use of truancy, dropping out of school, unemployment, involvement in criminal activity
- Increased transition to substance use disorders – alcohol, other drugs (e.g., ecstasy)



Cannabis and Canada's children and youth – Position Statement Canadian Paediatric Society, May 2017

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Canada Lower-Risk Cannabis Use Guidelines

1. Abstain from use
2. Avoid early initiation of cannabis use (before age 16)
3. Use cannabis with a low THC content and a higher CBD:THC ratio
4. Avoid synthetic cannabinoids
5. Avoid routes of administration that involve smoking combusted material (use vaporisers or edibles)



Canada Lower-Risk Cannabis Use Guidelines

6. Avoid deep inhalation or breath holding
7. Avoid daily or near daily cannabis use
8. Refrain from driving for at least 6 hours post using cannabis
9. People at higher risk for cannabis-related outcomes refrain from using it (predisposition to psychosis, substance use disorders, pregnant women with effect on fetus)
10. Preventing high risk behaviours e.g., early onset use of high potency cannabis

New CAMH Guidelines for Youth – The Blunt Truth



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Smoke Free Ontario Act:

Restricted tobacco and cannabis smoking

Restricted use of cannabis in places where smoking is not allowed – enforced by Public Health based on complaints

- Enclosed public places
- Restaurants, bars and patios
- Schools, hospitals, long-term care homes (except designated smoking area)
- Child playgrounds and public areas within 20m of playgrounds, in child care centres or early years programs
- Publicly owned sports fields and facilities, community recreation facilities
- Indoor common areas in condos, apartment buildings

Also Restricted in Workplaces (Ministry of Labour)



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Community Cannabis Response

Harm Reduction

Prevention

Enforcement

Treatment



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Municipal Role to Protect Youth from Cannabis

- Promote a youth-friendly community supporting positive youth development, for example:
 - building the skills and resilience of youth and their families;
 - access to safe, free recreational and social spaces;
 - collaborating with school or community-based organizations;
 - incorporating youth's voice in planning and development.
- Promote positive social norms and prevent exposure to cannabis, for example:
 - reducing access and availability of substances through municipal alcohol and cannabis policy and by-laws.
- Communicate risks with cannabis use and driving.



Cannabis Retail Stores: Public Health Perspective

- The presence of community retail stores may allow people who can't use the on-line store (without credit or a personal address) access to safer cannabis products.
- Retail store location, number or business hours may encourage risky cannabis use. If allowed, recommendations to decrease risk:
 - minimum distance (at least 300 metres) between cannabis retail outlets and limit number
 - minimum distance (at least 500 metres) from youth-serving facilities such as child care centres and community centres
 - minimum distance (at least 300 metres) between cannabis and alcohol or tobacco retail outlets
 - limiting cannabis retail outlets in low socioeconomic neighborhoods and other sensitive areas
 - limiting late night and early morning retail hours.



Municipal Role to protect exposure to second hand cannabis smoke

- The Health Unit is available to provide sample by-laws from other communities, as well as provide support to municipal by-law enforcement staff. For example:
 - Include all restrictions in the Smoke Free Ontario Act 2017 and regulations so municipal staff can also enforce those restrictions.
 - Restrict use on municipal properties, public spaces.
- Restricting the use of cannabis, tobacco and vapour products together in a municipal by-law will decrease confusion as to which substances can be used in public places, and decrease enforcement challenges of having to identify the product or substance smoked or vaporized.



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Resources

- Public Health Agency of Canada
- Canadian Pediatric Society
- Centre for Substance Use, Health Canada
- Centre for Addiction and Mental Health (CAMH)
- Leeds, Grenville and Lanark Health Unit Website
 - www.healthunit.org
 - Where to Go for Help: <http://healthunit.org/health-information/alcohol-other-drugs/where-to-go-for-help/>
 - Resources for parents: <http://healthunit.org/for-professionals/educators/substance-use-addictions/>



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Summary

- People are using cannabis, highest with youth and young adults.
 - Key messages: Know the drug, know its effects, make a healthy choice.
- Recreational cannabis use may cause serious short and long term health and other problems.
- High risk for youth to age 25 - brain development, learning, health problems.
- Cannabis use affects the ability to drive safely.
- If using, follow CAMH Lower Risk Cannabis Use Guidelines.
- Community response needed for protection, treatment, prevention and harm reduction for general public and youth.
 - Municipalities have a key role to play.



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MUNICIPAL REGULATORY FRAMEWORK FOR RETAIL SALES OF CANNABIS

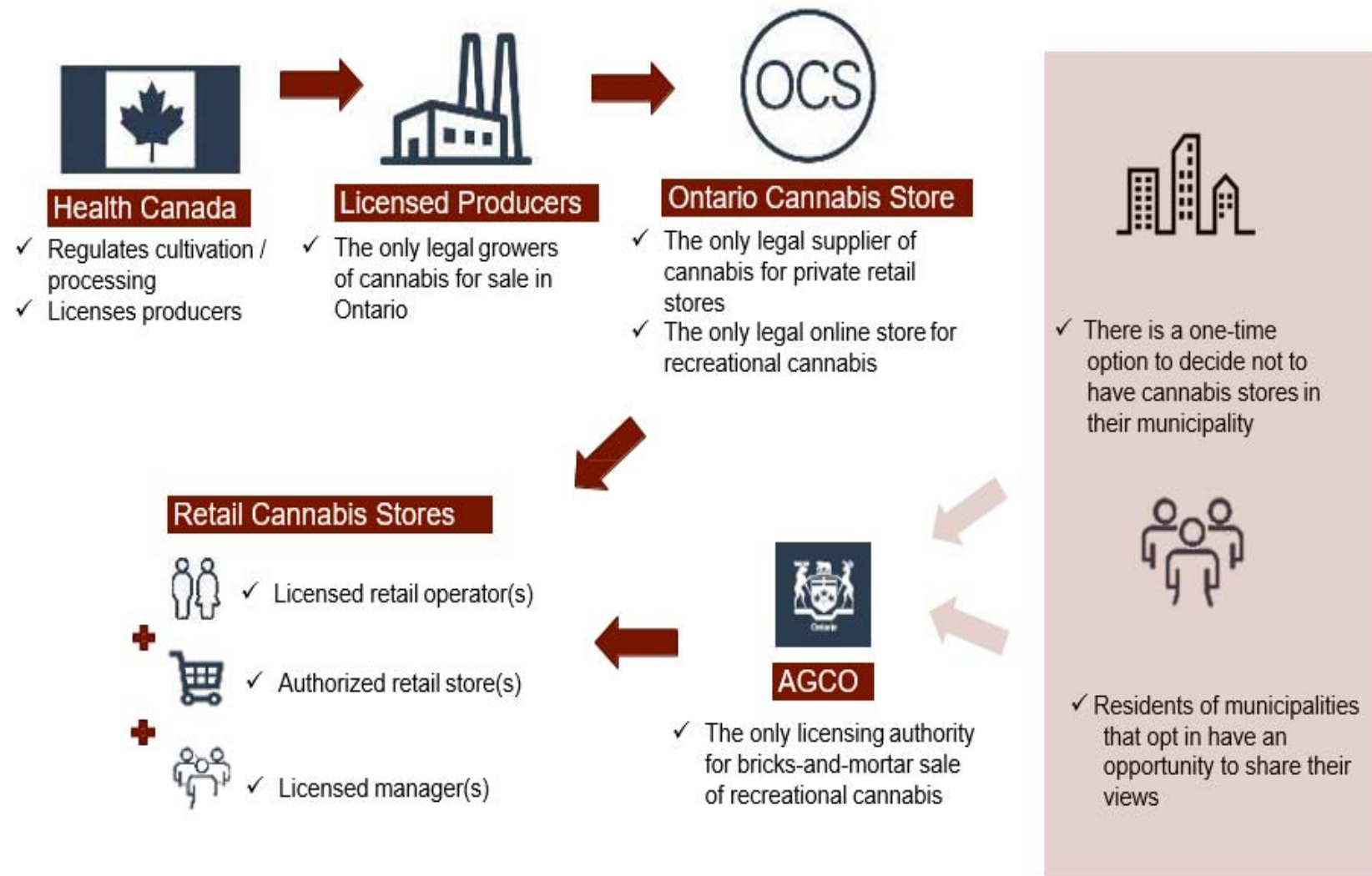
Opting In or Opting Out

- Municipalities have a one-time window to opt out of hosting cannabis retailers within their jurisdiction (*Cannabis Licence Act, 2018*)
- Municipalities must make this decision by **January 22, 2019**
- Following that date, if the Alcohol and Gaming Commission of Ontario (AGCO) has not been notified of a municipality's decision to opt-out, **they will be considered an “opt-in” municipality**
- Legislation prohibits municipalities from creating a system of licences (i.e. business licensing) respecting the sale of cannabis and/or passing a by-law (i.e. zoning) that distinguishes land or building use for cannabis from any other kinds of commercial/retail use

Background

- Recreational cannabis was legalized by the Federal Government on October 17, 2018
- Federal *Cannabis Act, Bill C-45*, gives provinces the ability to authorize possession, sale and distribution of recreational cannabis by way of rules and regulations with respect to legalization
- Ontario has established regulations to permit privately owned retail cannabis outlets as of April 1, 2019
- Only 25 retail stores will be issued licences in Ontario municipalities with a population of 50,000 or more in this first phase
- Stores and their operators will be licensed by the Alcohol and Gaming Commission of Ontario (AGCO)

Legal Recreational Cannabis Supply Chain



Opting Out Scenario

- Council must decide to opt out by January 22, 2019, however they may opt in at a later date
- If a municipality opts in at a later date, the decision is final and they cannot choose to opt out at any time in the future
- The Ontario Cannabis Legalization Implementation Fund is to provide \$40 million over 2 years to assist municipalities with implementation costs
- In January of 2019 all Ontario municipalities will receive a minimum of \$5,000 and a second installment of \$5,000 will be made following the January 22, 2019 deadline

Opting in Scenario

- Council must decide to opt in by January 22, 2019, however, they may NOT opt out at a later date
- Municipalities that opt in will receive both \$5,000 payments, however, they may receive more depending on the value attributed per household by the Province
- Opting in will also ensure a higher priority than those who opted out when accessing a \$10 million fund for unforeseen costs
- If the Federal excise duty on recreational cannabis exceeds \$100 million, 50% of the surplus is to be distributed to municipalities who have opted in by January 22

Retail Store Location Requirements

The *Cannabis Licence Act, 2018* through Ont. Reg. 468/18 requires that each retail store meet certain requirements:

- Must be located in a municipality that permits cannabis retail stores
- A cannabis retail store cannot be located near a school or private school, as defined in the *Education Act*, if the proposed retail store is less than 150 metres away from the property line of the school. This will be determined as follows:
 - ✓ When the school or private school is the primary or only occupant of a building, 150 meters shall be measured from the property line of the property on which the school or private school is located.
 - ✓ When the school or private school is not the primary or only occupant of a building, 150 meters shall be measured from the boundary of any space occupied by the school or private school within the building.
- May only operate between the hours of 9:00 am – 11:00 pm (Monday to Sunday) unless otherwise governed by provincial retail and/or local retail by-laws.
- Must be the only business that will operate at the proposed retail store and must only sell permitted items, that is, cannabis and federally-defined cannabis accessories and shopping bags.

Public Notice Process

- The Municipality, along with its residents, have an opportunity to provide written submissions to the AGCO on matters of public interest (as set out in the regulations) before a proposed cannabis retail store location is authorized
- Notification of applications for Retail Store Authorizations will be made available to the public
- The application will be required to post a notice for 15 calendar days at the proposed retail store location
- Applications for a Retail Store Authorizations are searchable online via the iAGCO portal

Written Submissions

Written submissions will be accepted on **iAGCO**, the AGCO's online licensing portal:

- An account registration is not required.
- Anonymous submissions will not be accepted.

All submissions must be:

- In writing;
- From residents of the municipality in which the proposed store is located;
- From either a lower tier municipality or from the upper tier municipality it is a part of.



Protecting Public Health & Safety



Protecting Youth & Restricting Their Access to Cannabis



Preventing Illicit Activities in Relation to Cannabis

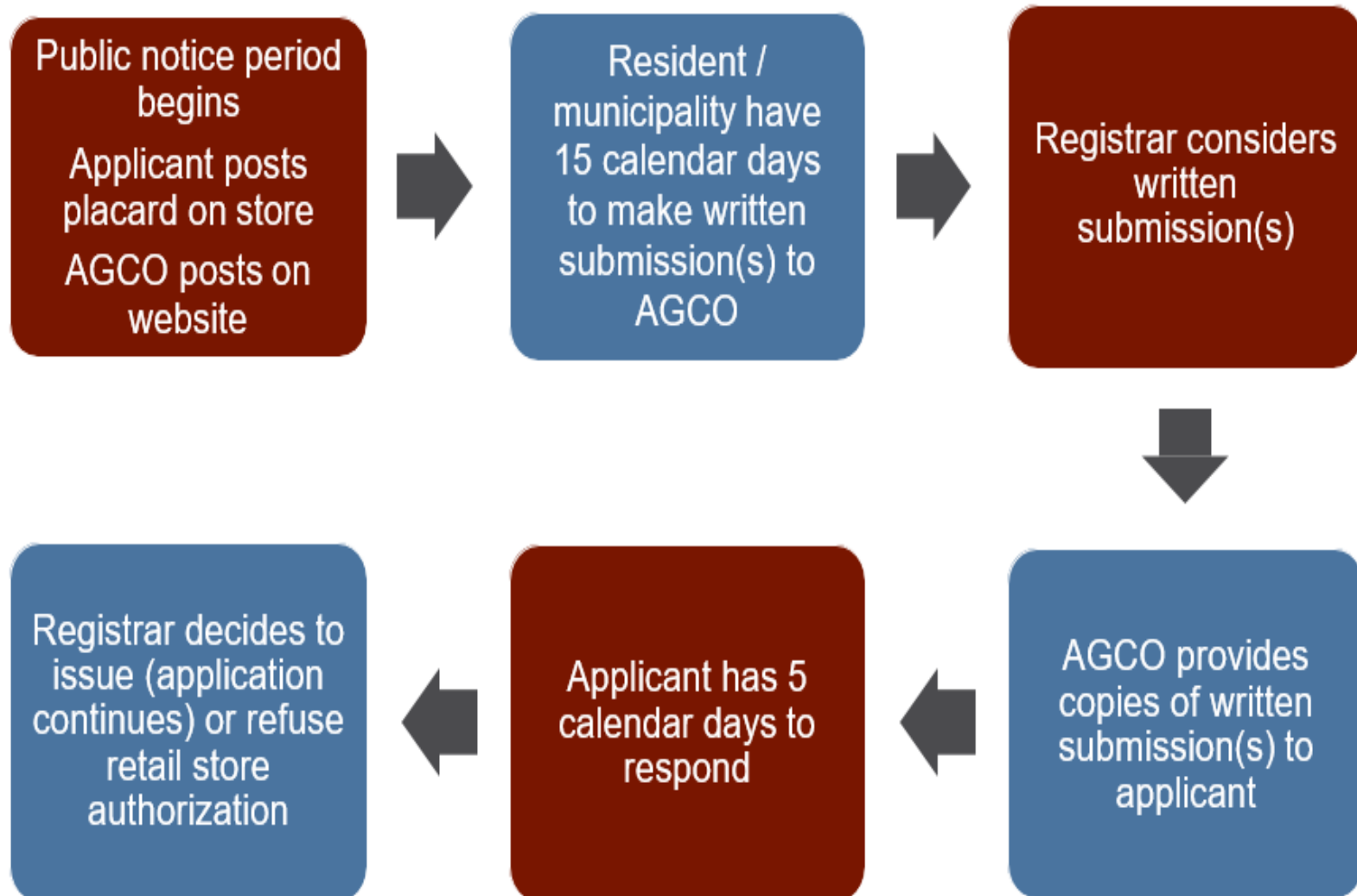
Submissions are limited to the following matters of public interest



AGCO

Alcohol and Gaming
Commission of Ontario

Public Notice



Municipal Cannabis Retail Policy Statement

- Adopted by Council prior to April 1, 2019
- Identify specific and significant locally sensitive uses
- Best represents the expectations of the community in allowing cannabis retail stores
- Provide direction to municipal staff for input to the AGCO within its 15-day review period
- The Statement cannot prohibit any cannabis retail store from locating in North Grenville as opting out is the only mechanism for not permitting any stores in a municipality

Questions?

AGENDA

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