

APPENDIX A – re: Item 1 – Cannabis Legalization – One Year Review

TOWN OF OAKVILLE COMMENTS ON PROPOSAL No. 20-MAG001

RECOMMENDATION:

That the comments within Appendix A to the report titled “*Cannabis Legalization – One Year Review*”, dated February 19, 2020, related to the Province’s consultation on expanding cannabis business opportunities, be endorsed as the Town of Oakville’s response to Proposal No. 20-MAG001.

Cannabis Consumption Establishments/Special Occasion Permits

1. Taking into consideration the places of use rules for cannabis under the SFOA, 2017 (as outlined on page 1), should the government consider facilitating the sale of cannabis for consumption in establishments like lounges and cafes in Ontario? Why or why not?

Cannabis for consumption in establishments like lounges and cafes should only be permitted under the following conditions:

- Age restricted to 19 years or older; no minors permitted in establishment
- Sales would be limited to edibles, extracts and topicals given regulations for smoking in SFOA 2017
- Servers will be required to complete training to serve edibles, extracts and topicals similar to “SmartServe” so they do not “overserve” their customers and they understand the effect of edibles, extracts and topicals on customers
- Only be permitted in municipalities that have opted-in to permit cannabis retail stores.

Alcohol should not be sold at cannabis establishments which would align with the recommendations from the Federal Task force of no co-locations of alcohol and cannabis sales.

2. If cannabis consumption establishments were considered in Ontario, what other products should be permitted for sale in those establishments (e.g. cannabis accessories, food/beverage products that do not contain cannabis)?

Cannabis consumption establishments should permit the sales of other products to enhance the experience such as:

- Food (business license would be required)

We would not recommend the sales of cannabis accessories at cannabis consumption establishments as most cannabis accessories are associated with smoking which would not be

permitted in these establishments.

Alcohol should not be sold at cannabis establishments which would align with the recommendations from the Federal Task force of no co-locations of alcohol and cannabis sales.

3. In Ontario, the Alcohol and Gaming Commission of Ontario (AGCO) oversees the administration of an alcohol SOP program, which allows for the sale and service of alcohol at special occasions, including large scale events that are open to the public, such as festivals.

Should the government consider establishing a similar SOP program for cannabis to be sold and consumed at festivals and events? Why or why not?

If yes, what conditions should be included (e.g. should alcohol consumption at the same event be restricted, should the event be age-restricted to 19+, what methods of cannabis consumption should be permitted)?

For more information on the current alcohol SOP program, please visit:

<https://www.agco.ca/alcohol/special-occasion-permits-private-event>

The Town of Oakville would not recommend that the government consider establishing a SOP program for cannabis to be sold and consumed at festivals and events specifically in municipalities that have opted-out of cannabis retail stores. SOPs for alcohol are required when alcohol is offered for sale anywhere other than in a licensed establishment or a private place so if cannabis retail stores are not allowed in a municipality as a result of the municipality opting-out then cannabis should not be sold anywhere in the municipality.

There are many reasons why establishing an SOP program for cannabis to be sold and consumed at festivals and events is not a good idea. Restrictions placed on the smoking of cannabis in the SFOA 2017 and town's parks by-law severely limit the locations where cannabis can be smoked. For example, if a festival is held in a park then smoking of cannabis would be prohibited. If the festival is held in a public place, the locations for smoking are limited based on the regulations found in SFOA, 2017. In addition, many festivals held within the town are directed towards children or children are often in attendance. These events are often hosted on town property (i.e. parks or recreational centres) and operate under town permits. The Town would recommend that any festivals or events that fall under a permit process through the municipality be restricted from eligibility to the SOP process.

Other considerations would be given to levels of difficulty in enforcing the age restrictions at locations under an SOP permit as many festivals and events invite people of various ages who could come in contact with cannabis edibles, topicals or extracts. These products are not conspicuous and consequently pose a higher risk of being present at a festival or event where distribution may not be managed as strictly as at an establishment or lounge.

Clarity is needed to confirm that the SOP program for cannabis sale/consumption at festivals

and events would only be permitted in municipalities that have opted-in to permit cannabis retail stores.

4. Are there any additional risks / opportunities created by cannabis consumption establishments or SOPs when compared to authorized cannabis retail stores?

Cannabis Consumption Establishments:

Risks exist as follows:

- Sales to minors
- Overconsumption and driving
- Lack of control of levels of cannabis in recipes
- Mixing alcohol and cannabis product

Opportunities exist as follows:

- Tourism resulting in revenue (i.e. hotel stays, purchases at other retail establishments)

SOPs:

Risks exist as follows:

- Purchase of goods may be distributed to minors illegally outside of regulated distribution area
- Difficult to control who is not invited to an event and who should not have access to event
- Not enough controls (i.e. trained servers) in regulated distribution area to ensure edibles are not distributed to minors
- Mixing alcohol and cannabis product

Opportunities exist as follows:

- Tourism resulting in revenue (i.e. hotel stays, purchases at other retail establishments)

5. What should be a municipality's involvement, if any, in a potential framework for cannabis consumption establishments or SOPs?

The Town of Oakville would recommend that a framework be implemented for cannabis consumption lounges that would provide the municipality with the authority to establish a licensing program. Such a program would establish additional regulations for separation distances, health inspections, insurances and police checks. These regulations would align with other licensing programs. The resulting regulations would ensure that cannabis lounges and cafes would:

- Support goals of health and safety, consumer protection and nuisance control
- Consider all other applicable regulations when conducting business
- Are enforceable

The Town of Oakville would recommend a framework be implemented for SOP's similar to those requested for alcohol however, the province should give higher regard to the municipality's decision whether or not to allow the event and conditions that should be applied.

Cannabis for sale and service at special occasions like festivals and events if it were allowed in Oakville, would have to be limited to events restricted by age and location and access because smoking or vaping cannabis in places where children gather is not permitted. (unless the event allows for other methods of consumption like edibles)

Clarity is needed to confirm that cannabis sale/consumption establishments and the SOP program for cannabis sale/consumption at festivals and events would only be permitted in municipalities that have opted-in to permit cannabis retail stores.

We are interested in any other comments or suggestions you wish to make about cannabis consumption establishments and/or SOPs.

If regulations are implemented to permit cannabis consumption lounges and/or SOPs, that amendments to the SFOA, 2017 would be required. For example, rules for smoking in restaurants and bars, selling of cannabis for smoking in lounges. Additional regulations would need to be considered under AGCO licensing for training of servers. Additional review time would be required for any SOP applications (more than 15 days) to align with current alcohol SOP review timelines of 30 days.

Generally, if a municipality choses to opt-out of the licensing retail cannabis stores, then it would be recommended that the implementation of cannabis consumption lounges and SOPS be offered to those municipalities that opt-in only and not introduced into municipalities that have already opted-out of licensed retail cannabis stores.