



Governance and Priorities Committee Report

For the Meeting of May 7, 2015

To: Governance and Priorities Committee **Date:** May 1, 2015
From: Robert Woodland, Director, Legislative and Regulatory Services
Subject: Medical Marihuana-related Businesses

Executive Summary

The number of medical marihuana-related businesses has increased significantly over the past year in Victoria. The Victoria Police Department (VicPD) reports there were only four marihuana-related businesses operating in the city on April 1, 2014. As of April 15, 2015, there were 18 known medical marihuana-related businesses operating in the city, which includes businesses that:

- sell drug paraphernalia, and/or
- provide medical advice or consulting relating to the use of medical marihuana.

Many of these businesses are suspected to be selling marihuana in contravention of federal laws. Some are operating without a business licence despite being advised that a licence is required.

Some of these businesses are having a number of community impacts that are resulting in complaints to both the VicPD and the City's Bylaw and Licensing Services Division regarding:

- increased foot traffic surrounding businesses
- nuisances to other nearby businesses, potentially impacting their customers
- odour, food safety and other health issues, and
- exposure of young persons to the sale of marihuana.

VicPD is also concerned about the possible infiltration of organized crime and the lack of effective or reasonable security measures at these businesses for both the protection of employees and robbery prevention.

The current approach towards enforcement of business licensing requirements for this sector does not address many of the concerns currently being raised, with many businesses continuing to operate without a licence. The City has a responsibility to ensure that its regulatory and licensing requirements, including those relating to business licensing, zoning and building construction are applied consistently throughout the city and across all business sectors. Should Council wish to do so, it has the authority to increase its regulatory oversight and control of these types of businesses through a variety of means.

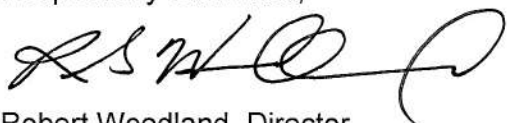
Proceeding with Option 2 (outlined below) provides the most straightforward path toward achieving compliance with the City's bylaws and is consistent with Federal legislation. It is expected that any businesses that supply medical marihuana directly to patients and customers in contravention of the *Controlled Drugs and Substances Act* and the Marihuana for Medical Purposes Regulations would no longer be able to do so.

Recommendation

That Council direct staff to initiate proactive enforcement in relation to medical marihuana-related businesses operating without a business licence or in contravention of a City business licence or City bylaws, which would include:

- proactive investigation of businesses in this sector
- direction to comply with City of Victoria bylaws or cease operation
- ticketing for bylaw offences
- suspending or revoking business licences
- initiating legal proceedings to effect compliance

Respectfully submitted,



Robert Woodland, Director
Legislative and Regulatory Services

Report accepted and recommended by the City Manager:

Date:



May 1, 2015

Purpose

The purpose of this report is to obtain Council direction on the regulation of medical marihuana-related businesses.

Background

On April 1, 2014, the Marihuana for Medical Purposes Regulations ("MMPR") replaced the previous Marihuana Medical Access Regulations ("MMAR") under the *Controlled Drugs and Substances Act* (Canada). Under the old regulatory scheme, authorized patients could obtain licences to grow their own marihuana at home, designate a third party to grow marihuana on their behalf, or purchase it from Health Canada's approved supplier. Now, medical marihuana may only be obtained from a producer licensed by Health Canada, either directly or through a licensed dealer or health care practitioner. A patient registers with a licensed producer by providing a medical document indicating that the patient's physician or nurse practitioner supports the patient's use of marihuana for medical purposes. Under the MMPR, only dried marihuana may be sold and it must be mailed directly to the patient or his or her health care practitioner. Neither the old scheme nor the new scheme permit storefront sales or distribution of medical marihuana.

In order to produce medical marihuana, a company must obtain a licence from Health Canada. Licensed producers are required to notify their local government, local police force and local fire officials of their intention to apply to Health Canada, so that local authorities are aware of their proposed location and activities. The licensing process is extensive - prospective licensees must demonstrate that they meet a number of requirements set out in the MMPR such as strict security measures, good production practices and security clearance for key personnel. There are currently two licensed, authorized producers on Vancouver Island:

- Tilray located in Nanaimo, and
- Thunderbird Biomedical in Central Saanich.

The constitutionality of the MMPR has been challenged under section 7 of the *Charter of Rights and Freedoms* (the Charter). On March 21, 2014, an interim injunction was granted; it allowed certain patients who held valid licences under the old regulations to continue to possess and produce marihuana in accordance with the old scheme until a decision regarding the constitutionality of the new regulations was made at trial. That trial commenced February 23, 2015.

Introduction of the MMPR and the subsequent injunction have triggered an increase in the number of marihuana-related businesses in the city. New marihuana-related business applications and inquiries are received on a weekly basis. The Victoria Police Department (VicPD) reports there were only four marihuana-related businesses operating in the city on April 1, 2014. As of April 15, 2015, there were 18 known marihuana-related businesses operating in the city, including businesses that:

- sell medical marihuana paraphernalia, and/or
- provide medical advice or consulting relating to the use of medical marihuana.

Many of these businesses are suspected to be selling marihuana in contravention of federal laws. There are currently no Health Canada licensed producers operating within Victoria, although several individuals have indicated to the City that they intend to apply for a production licence.

Council has previously considered the issue of medical marihuana. On April 25, 2002, Council expressed "its support for the decriminalization of marijuana (cannabis) use and possession in Canada, for medicinal purposes only." Council has also forwarded resolutions to both UBCM and FCM that advocate for a regulatory approach to medical cannabis control. Copies of these Council resolutions are attached in Appendix B.

Issues & Analysis

1. The operation of medical marihuana-related businesses is having a number of negative community impacts

Some of these businesses are having a number of community impacts that are resulting in complaints to both the VicPD and the City's Bylaw and Licensing Services Division regarding:

- increased foot traffic surrounding businesses
- nuisances to other nearby businesses, potentially impacting their customers
- odour, food safety and other health issues, and
- exposure of young persons to the sale of marihuana.

VicPD is also concerned about the possible infiltration of organized crime and the lack of effective or reasonable security measures at these businesses for both the protection of employees and robbery prevention.

Council has the authority to regulate certain aspects of medical marihuana-related businesses. Generally speaking, City regulations would likely result in fewer potential locations for such businesses and operating requirements that would reduce the impact on the community. Regulatory options to consider would include:

- Council's zoning authority under the *Local Government Act*, to regulate the location, size and siting of medical marihuana-related businesses, and/or
- Council's regulatory authority under the *Community Charter*, to regulate the licensing and operation of medical marihuana-related businesses, such as business licence fees and application requirements, hours of operation, restrictions on the age of clientele, record-keeping requirements, signage and advertising restrictions, security requirements, etc.

The City has used these authorities in the past to regulate specific types of businesses, such as pawn shops and the escort and dating industry. Other BC local governments have used these tools to regulate medical marihuana-related businesses. Several jurisdictions have put in place zoning regulations specific to medical marihuana production businesses. VicPD are supportive of a regulatory approach as it would likely reduce nuisance, the presence of youth, improve safety and security, and reduce the potential for organized crime involvement. However, it is not clear at this time whether this approach would be consistent with Federal legislation.

The City of Vancouver is also experiencing a significant increase in the number of medical marihuana-related businesses and related complaints since introduction of the MMPR. There are now over 80 confirmed marihuana-related businesses in that city operating without a business licence and the total number has grown at a rate of 100 percent per year for the past two years. After conducting a review that included research on best practices from Washington State and Colorado and input from the Vancouver School Board, Vancouver Coastal Health and the Vancouver Police Department, City of Vancouver staff are recommending a number of regulatory changes to address medical marihuana-related businesses. On April 28, 2015, Vancouver City

Council approved sending those proposed changes forward to a public hearing. City of Victoria staff and the VicPD are closely monitoring progress on this issue in Vancouver. Vancouver Council has been granted some unique authorities under the *Vancouver Charter*, which means that some of the proposed regulatory changes may be outside the scope of Victoria Council's regulatory authority.

Recommended changes from the City of Vancouver include:

- creating a new conditional land use and business category for marihuana-related businesses
- mandating development permits and business licences for anyone engaged in a marihuana-related business. Proposed business licensing requirements include a \$30,000 annual licence fee, a Good Neighbour Agreement and an annual Police Information Check for the applicant and all employees.
- allowing marihuana-related businesses in any commercial–retail district, provided that the site is not
 - within 300 metres of a school or community centre,
 - within 300 metres of another Marihuana-Related Use,
 - located in the Downtown Eastside other than on sites located on Hastings Street or Main Street,
 - located in the Granville Entertainment District; or
 - located on a minor street (defined as any street that does not contain a painted center line).
- introducing a variety of operational regulations for licensed businesses, as listed in the table below:

Rationale	Business Licence Regulation
Protect Youth	Disallow minors from entering or working in the Marihuana-Related Use, and post signage to this effect
	Prohibit displays of wares or advertising to minors
Prevent Crime (e.g. discourage gang involvement)	Require a police information check for the applicant and for all staff on an annual basis
	Limit of one Business Licence per person, and disallow corporate ownership
	Prohibit transfers of licences to another party
	Require that Business Licence applications must be made by the property owner or lease holder
	Disallow sharing of space with any other land use (e.g. cheque cashing, massage, liquor, ATM, etc.)
Prevent Crime	Require use of a monitored security and fire alarm system, including video surveillance
	Require removal or storage of valuables in a safe when business is closed

Rationale	Business Licence Regulation
	Require a security plan
	Require provision of a list all staff and 24/7 contact information for a responsible person
	Disallow staff from working alone
	Require a transparent shopfront (e.g. no translucent or opaque window covering, shutters)
Safeguard Health	Disallow sale of food products with the exception of cooking oils (either pre-packaged or freshly-prepared)
Mitigate Nuisance	Limit hours of operation between 8:00 am and 10:00 pm
	Require management of community impacts such as noise, odour, and patron conduct
	Disallow mail or delivery of products
Support Aesthetics	Security bars must be on the interior and set back from the window

Since announcing this proposal, the Federal Health Minister has responded publicly with concerns about the proposed regulations, stating that municipalities do not have the authority to legitimize the commercial sale of marihuana and reiterating that storefronts and dispensaries are illegal. Letters from Federal Ministers to Vancouver City Council are included in Appendix A.

2. Some individuals are suspected to be conducting medical marihuana-related business in contravention of federal laws and/or City bylaws

Although the exact scope and nature of the services provided by many of these businesses is not known, some are suspected to be conducting business in contravention of federal laws and/or City bylaws. Dispensation of medical marihuana via a retail storefront is prohibited under the *Controlled Drugs and Substances Act* ("CDSA"). Enforcement of the current federal law falls within the responsibility of the VicPD, which takes an incremental approach to investigations of medical marihuana-related businesses. Factors such as sales to young persons, involvement of organized crime and level of disruption to the community are considered by the VicPD when setting priorities for investigation.

Separate from Federal enforcement, the City can explore utilizing its business licensing authority to take an enforcement role with respect to these businesses where they have a negative impact on the neighbourhood or otherwise contravene City bylaws. Under the City's Business Licence Bylaw, any business operating within Victoria must hold a valid business licence. Under the authority of both the Business Licence Bylaw and the *Community Charter*, the City currently can:

- refuse to issue a business licence to an individual who plans to dispense medical marihuana or otherwise engage in illegal activity as part of their business
- issue tickets to and/or prosecute individuals conducting business without a valid City business licence

- revoke a business licence if the licensee misrepresented or concealed the nature of the business that would be conducted
- revoke a business licence if the business operations have negative impacts on the community due to mismanagement or other causes, and/or
- initiate civil proceedings to stop an individual from conducting business without a valid City business licence.

Only seven of the known marihuana-related businesses operating in the City hold valid licences, which allow them to provide medical marihuana consulting services and/or sell medical marihuana paraphernalia. Several have applications in the review stage, while others have not applied for a business licence. Four have had their licence applications rejected, and may be operating without a business licence. The City will not issue business licences to individuals who indicate that they plan to operate in violation of federal laws at this time.

The City's current approach to regulating the conduct of a business licensee is primarily complaint based (reactive). Where a complaint is received regarding the conduct of a business the Business Licence Inspector will investigate the complaint and take appropriate action, such as verbal or written direction, and ticketing. Bylaw Officers also conduct an annual business licence canvass following the business licence renewal deadline in March (proactive). Businesses operating without a licence are given direction to obtain a licence and ticketed where compliance with the licensing requirement is not obtained.

Complaints have been received from licensed businesses who are concerned about the perceived unfairness that certain businesses operate in the City without a business licence. Although there is no Council-approved policy or strategy for responding to unlicensed businesses operating in the City, current practice is for bylaw enforcement staff to proceed with an investigation upon learning of a suspected unlicensed business operating in the City. The City generally becomes aware of these operators through receipt of a written complaint, or through advertising conducted by the business.

Where the investigation reveals that an individual is operating a business without a licence, staff attempt to obtain voluntary compliance before proceeding with ticketing or other enforcement action. Where an individual does not obtain a business licence voluntarily, ticketing can be effective at achieving compliance, as individuals may be subject to a fine of \$250 per day. To date, staff have issued tickets to two businesses that were operating without a licence.

A business that continues to operate without a business licence, despite warnings and tickets requires a different enforcement approach. Further enforcement action through such measures as an injunction, bylaw prosecution, or licence suspension or revocation will be needed to effect compliance. These enforcement measures require Council direction to initiate, and a business licence hearing before the Council is available to a licensee whose business licence is suspended or revoked.

Options & Impacts

Moving forward, there are a variety of options available to Council, depending upon:

- Council's level of concern with the growing presence of medical marihuana-related businesses in the community, and
- the level of regulatory oversight and control Council wishes to exercise in relation to

medical-marihuana related businesses.

Staff have identified three possible options for Council consideration.

Under each option, the VicPD will continue to take an independent and incremental approach to investigations of medical marihuana-related businesses. Factors such as sales to young persons, involvement of organized crime and level of disruption to the community are considered by the VicPD when setting priorities for investigation. Council may wish to request that VicPD prioritize its investigation and enforcement against businesses who are conducting the retail sale of marihuana contravention of the *CDSA* and the *MMPR*.

Option 1 – Status Quo (reactive enforcement stance)

If Council is satisfied with the current level of regulatory oversight and control, the City can continue with the status quo. This means that:

- medical marihuana-related businesses operating without a business licence will be treated similarly to other businesses operating in the City without a licence, and
- there will be no specific zoning or business licensing requirements applicable to medical marihuana-related businesses.

A business that sells medical marihuana paraphernalia would be considered as a retail store and need only meet the zoning and business licensing requirements applicable to that general business category. Similarly, individuals who provide advice or consultation services on the use of medical marihuana would need only meet any zoning or business licensing requirements that are generally applicable to professional or business offices.

Impacts

- complaints from licensed businesses and members of the public will likely continue and may increase if the number of medical-marihuana related businesses continues to grow
- ineffective enforcement of the City's business licensing program for this business sector may reduce overall compliance with the City's business licensing program
- the number of medical marihuana-related businesses in the city will likely continue to increase, especially if other jurisdictions enact more restrictive regulations

If Council chooses this option, a suggested motion would be:

“That Council receive this report for information.”

Option 2 – Stricter enforcement of current bylaws (proactive enforcement stance)

If the City wishes to take a proactive enforcement approach towards medical marihuana-related businesses, Council direction is required. The proactive approach would be targeted toward medical marihuana-related businesses operating without a business licence or in contravention of a business licence or City bylaw. The proposed compliance and enforcement strategy would involve such actions as:

- proactive investigation of businesses in this sector
- direction to comply with the Business Licence Bylaw or cease operation
- ticketing for bylaw offences
- suspending or revoking business licences

- initiating legal proceedings to effect compliance

Impacts

- will respond to complaints regarding unlicensed businesses but may not be effective in addressing complaints regarding impacts of these businesses on the surrounding community
- businesses that supply medical marihuana directly to patients and customers in contravention of the MMPR would no longer be able to do so
- public communication of the City's compliance and enforcement strategy may be useful in deterring potential violators

If Council chooses this option, a suggested motion would be:

"That Council direct staff to initiate proactive enforcement in relation to medical marihuana-related businesses operating without a business licence or in contravention of a City business licence or bylaw."

Option 3 – New business and zoning regulations for this business sector

If Council wishes to significantly increase the City's level of regulatory oversight and control of these businesses, then Council may consider directing staff to develop:

- bylaw amendments aimed at mitigating community impacts and concerns associated with the operation of medical marihuana-related businesses; and.
- a compliance and enforcement strategy that is consistent with the proposed regulations.

Bylaw amendments could potentially impose additional business licensing and/or operating requirements on medical-marihuana related businesses such as:

- business licence fees specific to this business type
- regulations regarding the display of signage, advertising and/or merchandise
- regulations regarding minors on the premises
- record-keeping requirements
- security requirements
- limits on hours of operation, and/or
- noise, loitering and other nuisance-control requirements.

Staff would also explore amending the *Zoning Regulation Bylaw* to enact land use regulations for this type of business. Such regulations might define this specific type of use (medical marihuana business), specify the zones (locations) where this type of use may occur and regulate the size of the business or location on a parcel where the use may occur.

Any proposed changes to the business or zoning regulations enacted by bylaw will involve formal opportunities for public and business input as part of Council's review and approval process. The constitutional validity of such regulations may be subject to challenge in light of the Federal government's position vis a vis the *CDSA* and *MMPR*.

Impacts:

- will respond to complaints from licensed businesses and members of the public
- public communication of the City's compliance and enforcement strategy may be useful in

- deterring potential violators
- may control or reduce the number of medical marihuana-related businesses in the City

If Council chooses this option, a suggested motion would be:

"That Council direct staff to bring forward for Council's consideration:

1. Proposed bylaw amendments aimed at mitigating community impacts and concerns associated with the operation of medical marihuana-related businesses; and
2. A proposed compliance and enforcement strategy consistent with the proposed new regulations"

Conclusions

The number of medical marihuana-related businesses has increased significantly over the past year in Victoria. The increase in the number of these businesses and the retail sale of marihuana contrary to the Marihuana for Medical Purposes Regulations is causing community impacts and concerns. Many of these businesses are suspected to be operating without a business licence, and the ticketing of some of these businesses has not been effective in achieving compliance.

The City has the ability to increase its regulatory oversight and control of these types of businesses through a variety of means. Three options have been presented for Council's consideration, which reflect three increasing levels of regulatory oversight and control. Council direction is needed, especially if Council wishes to proceed with Option 2 or Option 3.

If Council wishes to take an approach similar to the City of Vancouver for this business sector, then staff will proceed with further examination of approaches in other jurisdictions and engage in consultation with affected businesses and other interested stakeholders. A further report to Council will be prepared for consideration in September 2015.

If Council directs staff to proceed with Option 2, the City will adjust its enforcement stance for this business sector and commence action to achieve compliance. Additional resources may be required to support any Court actions necessary to achieve compliance.

Although the status quo has been presented as an option, the current approach towards enforcement of business licensing requirements for this sector does not address many of the concerns currently being raised, and many businesses are continuing to operate without a licence. The City has a responsibility to ensure that its regulatory and licensing requirements, including those relating to business licensing, zoning and building construction are applied consistently throughout the city and across all business sectors.

Proceeding with Option 2 provides the most straightforward path toward achieving compliance with the City's bylaws and is consistent with Federal legislation. It is expected that any businesses that supply medical marihuana directly to patients and customers in contravention of the MMPR would no longer be able to do so.

Recommendation

That Council direct staff to initiate proactive enforcement in relation to medical marihuana-related businesses operating without a business licence or in contravention of a City business licence or City bylaws, which would include:

- proactive investigation of businesses in this sector
- direction to comply with City of Victoria bylaws or cease operation
- ticketing for bylaw offences
- suspending or revoking business licences
- initiating legal proceedings to effect compliance

Appendix A – Letters from Federal Ministers to Vancouver City Council

Minister of Health



Ministre de la Santé

Ottawa, Canada K1A 0K9

His Worship Gregor Robertson
Mayor of the City of Vancouver
3rd Floor, City Hall
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4

Dear Mr. Mayor:

I am deeply concerned by reports that the City of Vancouver intends to discuss a proposal to regulate illegal drug dispensaries at an upcoming Council meeting.

Marijuana is not an approved drug or medicine, and Health Canada does not endorse its use. There are serious health risks associated with smoking marijuana, especially for youth. That is why the Government of Canada wants to stop youth from smoking marijuana. The evidence is clear that when youth smoke marijuana they have increased risks of developing mental health issues, including psychosis and schizophrenia. We also know that regular, long-term marijuana use in youth can harm concentration, memory, and the ability to think and to make decisions, and it can also produce paranoia and anxiety or nervousness.

Legitimizing and normalizing the use and sale of marijuana can have only one effect: increasing marijuana use and addiction. Indeed, according to the Canadian Drug Use Monitoring Survey, although youth marijuana use has dropped by almost 45 percent since 2004, 20 percent of youth smoked marijuana in 2012 compared to 70 percent who drank alcohol. Legitimizing and normalizing marijuana could mean more than tripling its use by youth.

While Canadian courts have required the government to allow access to marijuana when authorized by a physician, the law is clear that this must be done in a controlled fashion to protect public health and safety. In response to

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Canada

the courts, the government implemented the *Marihuana for Medical Purposes Regulations* (MMPR) in June 2013, with the aim of treating dried marijuana as much as possible like other narcotics used for medical purposes. Additional information regarding the MMPR is available on Health Canada's website at <http://www.healthcanada.gc.ca/mma>.

These Regulations are clear and do not provide municipalities with the authority to legitimize the commercial sale of marijuana, which remains an illegal substance. Storefronts and dispensaries do not operate within a "grey zone," and the law is clear: they are illegal.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "Rona Ambrose". The signature is fluid and cursive, with the first name "Rona" and last name "Ambrose" clearly distinguishable.

The Hon. Rona Ambrose, P.C., M.P.

AVR 28 2015
APR 28 2015

Vancouver City Council
3rd Floor, City Hall
453 12th Avenue West
Vancouver, British Columbia V5Y 1V4

Dear Councillors:

We are deeply concerned about upcoming council discussions on a proposal to 'regulate' illegal drug dispensaries.

Marijuana is neither an approved drug nor medicine in Canada and Health Canada does not endorse its use. Marijuana is illegal for a reason: there are serious and lasting health effects associated with smoking marijuana, especially for youth.

The medical evidence is irrefutable that when youth smoke marijuana they have increased risks of developing mental health issues, including psychosis and schizophrenia. The Canadian Drug Use Monitoring Survey reports that while 20 percent of youth smoked marijuana in 2012 (dropping by almost 45 percent since 2004), 70 percent drank alcohol—a fully regulated substance. Legitimizing and normalizing marijuana could mean more than tripling its use by youth. The Government of Canada wants to prevent youth from smoking marijuana.

While Canadian courts have required the Government to allow access to marijuana when authorized by a physician, the law is clear that this must be done in a controlled fashion to protect public health and safety. Further information on this program is available at <http://www.healthcanada.gc.ca/mma>.

This court dictated program provides access to marijuana through highly secure industrial distributors which have undergone extensive criminal background checks by the RCMP to ensure public health and safety. Storefront sales are illegal.

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Storefront sales of marijuana legitimize and normalize the use of marijuana and can have only one effect: increasing marijuana use and addiction.

While some in Canada seek to make marijuana available in stores, just like alcohol and cigarettes, this irresponsible approach sends a terrible message to our youth and would make it easier for them to buy and smoke marijuana.

Storefront sales of marijuana are illegal and under our government, will remain illegal.

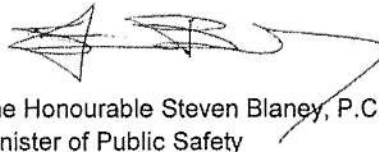
Like the vast majority of Canadians, the Government expects that police will enforce the laws of Canada as written.

Thank you for your attention to this very important matter. We hope to build on the strong record of co-operation between our respective orders of government in building safe and healthy communities for Canadian families.

Yours sincerely,



The Hon. Rona Ambrose, P.C., M.P.
Minister of Health



The Honourable Steven Blaney, P.C., M.P.
Minister of Public Safety

c.c. Vancouver Police Department

Appendix B – Council Resolutions

Supporting a Regulatory Approach to Cannabis Control

That Council direct staff to forward the following resolution to the Federation of Canadian Municipalities for their consideration:

WHEREAS, Cannabis prohibition efforts have failed to effectively limit the availability of cannabis, especially to our youth; and

WHEREAS, Cannabis prohibition has created a large financial opportunity that has fuelled an increasingly violent illegal market with expanding organized crime involvement; and

WHEREAS, Academic, law enforcement, and health experts believe that a strictly controlled public health oriented regulatory framework for cannabis control has the potential to reduce rates of cannabis use, raise substantial tax revenue, undermine organized crime and save law enforcement time and expenditures; and

WHEREAS, Many municipalities are increasingly affected by the harms of cannabis prohibition (e.g. grow-ops, etc.) which negatively impacts community health and safety; and

WHEREAS, Municipalities are increasingly bearing the financial burden of failed policy approaches that emphasize enforcement of marijuana prohibition over evidence-based policies, consuming significant portions of municipal budgets and diverting law enforcement attention away from criminal activities where police involvement can better improve community safety; therefore be it

RESOLVED, That the Federation of Canadian Municipalities lobbies the Federal Government to investigate the regulation and taxation of cannabis.

Carried Unanimously

REPORTS OF THE COMMITTEE

3. Governance and Priorities Committee – March 15, 2012

3. Motion – Supporting a Regulatory Approach to Cannabis Control

It was moved by Councillor Alto, seconded by Councillor Coleman, that Council endorse the following motion:

WHEREAS cannabis prohibition efforts have failed to effectively limit the availability of cannabis, especially to our youth;

WHEREAS cannabis prohibition has created a large financial opportunity that has fuelled an increasingly violent illegal market with expanding organized crime involvement;

WHEREAS academic, law enforcement and health experts, including the Health Officer's Council of BC, believe that a strictly controlled public health oriented regulatory framework for cannabis control has the potential to reduce rates of cannabis use, raise substantial tax revenue, undermine organized crime and save law enforcement time and expenditures;

WHEREAS many BC municipalities are increasingly affected by the harms of cannabis prohibition (e.g. grow-ops, etc.), which negatively impacts community health and safety;

WHEREAS BC municipalities are increasingly bearing the financial burden of failed policy approaches that emphasize enforcement of marijuana prohibition over evidence-based policies, consuming significant portions of municipal budgets and diverting law enforcement attention away from criminal activities where police involvement can better improve community safety;

THEREFORE BE IT RESOLVED that the City of Victoria supports the taxation and regulation of cannabis to address the ineffectiveness and harm of cannabis prohibition, and agrees to write to municipalities in the Capital Regional District, the Union of BC Municipalities, the Federation of Canadian Municipalities, and Provincial and Federal Ministers in the Justice and Health departments to inform them of our support.

Carried Unanimously

Medical Cannabis

WHEREAS the federal medical cannabis program administered through Health Canada's Marihuana Medical Access Division does not satisfy the constitutional rights of critically and chronically ill patients to access marihuana for medicinal use;

WHEREAS the use of cannabis by legitimate cannabis patients is a health issue, and as such should be under the legislative purview of Provincial governments;

THEREFORE BE IT RESOLVED that UBCM lobby the Provincial Government to work with the federal government toward the goal of decentralizing the administration and oversight of legitimate medical cannabis use and production from federal authority to Provincial health ministries as part of their public and personal health mandate.

Carried

OPEN MEETING

It was moved by Councillor Hughes, seconded by Councillor Coleman that the Mayor be requested to immediately discuss with the Minister of Health and the Minister of Justice of the Government of Canada, a suitable method to allow the distribution of cannabis for medicinal purposes. Carried

6. **DECRIMINALIZATION OF MARIJUANA.** It was moved by Councillor Madoff, seconded by Councillor McLean, that Victoria City Council express its support for the decriminalization of marijuana (cannabis) use and possession in Canada, for medicinal purposes only. Carried