

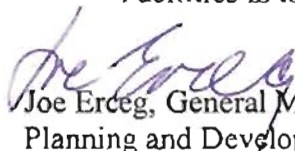


**To:** Planning Committee **Date:** October 30, 2013  
**From:** Joe Erceg **File:**  
General Manager, Planning and Development  
**Re:** **Managing Medical Marihuana Production Facilities, and Research and  
Development Facilities in Agricultural and Urban Areas**

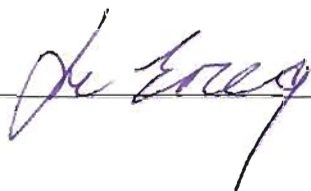

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**Staff Recommendation**

1. That the City of Richmond request Health Canada to only consider issuing licences under the federal Marihuana for Medical Purposes Regulations (MMPR) in compliance with the City's Strategic Facility Management Approach contained in this report;
2. That Richmond 2041 Official Community Plan (OCP) Bylaw 9000, Amendment Bylaw 9072 that adds Land Use Policies in Section 3.0 of the OCP, to establish a Strategic Facility Management Approach regarding Health Canada Licensed Medical Marihuana Production Facilities, and Research and Development Facilities in Urban and Agricultural Areas, be introduced and given first reading;
3. That Bylaw 9072, having been considered in conjunction with:
  - The City's Financial Plan and Capital Program;
  - The Greater Vancouver Regional District Solid Waste and Liquid Waste Management Plans;is hereby deemed to be consistent with said program and plans, in accordance with Section 882(3)(a) of the Local Government Act;
4. That Bylaw 9072, having been considered in accordance with OCP Bylaw Preparation Consultation Policy 5043, will be forwarded to the Agricultural Land Commission for comment in advance of the Public Hearing, along with Zoning Bylaw 9070 below; and
5. That Richmond Zoning Bylaw 8500, Amendment Bylaw 9070 proposing Regulations to better manage Medical Marihuana Production Facilities and, Research & Development Facilities in the City, be introduced and given first reading.

  
Joe Erceg, General Manager,  
Planning and Development

JE:tc  
Att. 6

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Business Licences	<input checked="" type="checkbox"/>	
Community Bylaws	<input checked="" type="checkbox"/>	
Fire Rescue	<input checked="" type="checkbox"/>	
RCMP	<input checked="" type="checkbox"/>	
Finance	<input checked="" type="checkbox"/>	
Building Approvals	<input checked="" type="checkbox"/>	
Development Applications	<input checked="" type="checkbox"/>	
Fleet & Environmental Programs	<input checked="" type="checkbox"/>	
Law	<input checked="" type="checkbox"/>	
APPROVED BY CAO ( <del>DEPUTY</del> ) 		

## Staff Report

### Origin

This report responds to the following medical marihuana facility management issues: (1) Health Canada's June 2013 Marihuana for Medical Purposes Regulations (MMPR), (2) the BC Agricultural Land Commission's (ALC) October 2013 bulletin (**Attachment 1**), regarding how the ALC will manage facilities in the Agricultural Land Reserve (ALR), (3) the City's recent external advice regarding issuance of a Building Permit for a licensed Research and Development Facility, and (4) the importance for the City to establish a medical marihuana facility policy in a timely manner, as Health Canada may issue MMPR facility licenses in Richmond at any time.

### 2011- 2014 Council Term Goals

This report addresses the following Council Term Goal:

- 7 - Manage Growth and Development.

### Background

#### (1) Terms

In this report, to better manage newly licensed Health Canada medical marihuana facilities, the following terms are used:

- "Licensed Commercial Medical Marihuana Production Facility" (Production Facilities) which primarily focus on growing, researching and developing, processing, and distributing medical marihuana;
- "Licensed Medical Marihuana Research and Development Facility" (R&D Facilities) which primarily focuses on medical marihuana research and development;
- "Agricultural Area": means land contained in Agricultural Land Reserve (ALR) and land outside the ALR and that is zoned to allow for "Farm Business" as a permitted use, namely, in the Agriculture (AG1), Golf Course (GC), Roadside Stand (CR), Agriculture and Truck Parking - No 6 Road (East Richmond) (ZA1), Agriculture and Park - Terra Nova (ZA2) and Agriculture and Botanical Show Garden -Fantasy Gardens (Ironwood Area) (ZA3) zoning districts;
- "Urban Area": means lands not in the Agricultural Area.

These distinctions are important because Health Canada licenses two types of facilities, namely: "Production Facilities" and "Research and Development Facilities". The Agricultural Land Commission (ALC), in its recent bulletin (**Attachment 1**), has stated that "Production Facilities" are defined as "farm use" and do not require ALC approval, while the "Research and Development Facilities", as they are not specifically related to the growing of an agricultural product, require an application to the ALC for non-farm use approval. By recognizing the two types of Facilities, the City can establish effective medical marihuana facility policies in Urban and Agricultural Areas.

#### (2) Existing MMAR Program

In 2001, the Federal government introduced the *Marihuana Medical Access Regulations* (MMAR) Program to enable Canadians to access marihuana for medical purposes, by applying to Health Canada for an Authorization To Possess (ATP) and, if applicable, a license to grow it.

Federal data indicates that under the MMAR, in 2001 there were 500 ATPs, in August 2012, there were 21,986 ATP persons, and by 2014 this may increase to 40,000 ATP persons.

Currently, British Columbia and Nova Scotia have shares of MMAR participation that exceed their population shares, while Quebec's MMAR participation is disproportionately lower than its population share. In 2011, the Government of Canada proposed program changes and held public consultations. Concerns raised included: land use, crime, health, building safety and environmental matters. On February 25, 2013, Council directed staff to provide comments to Health Canada on the proposed MMPR with specific direction that, under the new program, compliance with applicable provincial and municipal laws be required (**Attachment 2**).

### **(3) Summary: Proposed Federal Marihuana for Medical Purposes Regulations (MMPR)**

A.) General: The existing MMAR Program with its approximately 40,000 ATP licences will be replaced by the new Federal Marihuana for Medical Purposes Regulations (MMPR) in March 2014. The aim is to reduce health and safety risks, while achieving a more quality-controlled and secure product for medical use. Individuals would not access medical marihuana from Health Canada, but by obtaining the support of a health care practitioner (a physician or, potentially a nurse practitioner) and then purchasing it from licensed commercial producers.

The highlights of Health Canada new MMPR program include:

- Production in residential dwellings will no longer be permitted.
- All aspects of medical marihuana growth, cultivation, processing, storage, research and development, shipping/distribution and administrative office functions are to be centralized and contained in a secured Facility, which must contain a restricted-access area and 24/7 video surveillance monitoring.
- A commercial licensed producer will have the ability to conduct research and development, test and produce a variety of product strains.
- Storefronts and retail outlets will not be permitted.
- All medical marihuana distribution will be by a secured courier to a registered client.
- Key Facility personnel must hold valid security clearance, issued by Health Canada.
- Applicants for a commercial medical marihuana production license must provide notice (including location details) to the local government, and police and fire authorities.
- Health Canada will ensure that a Facility meets security, safety, quality control, record keeping, inventory and monitoring requirements to avoid product theft.

B.) Summary: While, Health Canada is not bound by the City zoning bylaws when issuing licenses, the City will encourage licensees to meet all City bylaws and zoning requirements. The new MMAR will move Canada from having many small producers, to fewer larger commercial producers.

### **(4) Summary of the Agricultural Land Commission's Position**

A.) General: In response to Health Canada's new MMPR, the Agricultural Land Commission (ALC) published an August 2013 information bulletin titled "Medical Marihuana Production in the Agricultural Land Reserve" (**Attachment 1**).

The ALC advises that in the ALR:

- Licensed Commercial Medical Marihuana “Production Facilities” which may include accessory uses like processing, storage, packaging, testing, shipping, distribution and basic supporting office functions, are consistent with the definition of a “farm use” and do not require the ALC to approve the Facilities though an ALR farm use application;
- License Medical Marihuana “Research and Development Facilities”, as they do not focus on plant production, are not a permitted farm use and require an ALR non-farm use application and approval;
- Local governments should consult with the ALC in the preparation of any zoning amendment bylaws that propose to regulate medical marihuana production facilities in the ALR.

B.) Summary: City staff consulted with the ALC in preparing this report. As per the Local Government Act, section 882 (3) (c), which states that any proposed OCP amendment bylaw which applies to ALR land be referred to the ALC for comment, staff recommend that the proposed Official Community Plan (OCP) Bylaw 9000, Amendment Bylaw 9072, be referred to the ALC for comment, along with the proposed Zoning Bylaw 8500, Amendment Bylaw 9070, in advance of the Public Hearing.

#### **(5) City Approach to Managing Medical Marihuana Current New Facility Inquiries**

A.) Inquiries: Since the introduction of Health Canada’s MMPR program in June 2013, City staff have received approximately a dozen inquiries and/or notifications, as required by the new MMPR, all for Production Facilities and most in Urban Areas. The City's response to all new MMPR Facility inquiries has been that: (1) all facilities are not a permitted use in the Zoning Bylaw and (2) a rezoning application is required.

As the City's understanding of how to manage Facilities is changing and as Health Canada may issue Facility licences at any time, it is best if the City establish a Facility management approach and policies soon.

B.) Summary: This report presents an approach to better manage proposed Facilities.

### **Analysis**

#### **(1) Research**

A.) Metro Municipalities: As in Metro Vancouver, there will not be one common municipal facility management approach (**Attachment 3**), staff suggest that Richmond establish its own approach and policies to meet its unique needs and priorities. It is noted that Chilliwack prohibits Production Facilities in all zones, on private lands, except in one special zone. Surrey allows only one Production Facility in a special zone on a city owned property. On October 28, 2013, Abbotsford voted to prepare a bylaw to stop the operation of commercial “grow- ops”.

While this report does not propose to prohibit all Facilities in the whole City, if Council wishes to prohibit all Facilities in the City, staff have included draft Zoning Bylaw 8500, Amendment Bylaw 9071 (Medical Marihuana Regulation), for Council’s consideration in

**Attachment 6.** If Council approves Bylaw 9071: no change to the OCP would be required, and the proposed 2041 OCP Bylaw 9072 and Zoning Bylaw 9070 would not be approved.

B.) Richmond Agricultural Advisory Committee Consultation (AAC): On July 18, 2013, the AAC advised that they do not support licensed commercial medical marihuana Production Facilities in the Agricultural Land Reserve (**Attachment 4**). It is noted that the AAC position is at odds with the ALC's position and the City has limitations on its ability to prohibit Production Facilities in the ALR.

C.) October 2013, Health Canada Information: On October 22, 2013, Health Canada provided the following requested information:

- Approvals To Date: To date, Health Canada has approved two new Facilities, both are in Saskatchewan and both are Production Facilities;
- Projected Applications: Over the next 10 years, it is very difficult for Health Canada to say how many applications Richmond may receive. To date, Health Canada has 220 applications across Canada, mostly in Ontario and BC, and all are for Production Facilities as they can include R&D activities. Health Canada has four (4) Production Facility applications from Richmond, with one being partway through its review process and the other three just starting their review processes.
- Crime: Regarding evidence of any increased in crime near facilities, Health Canada advises that there is no evidence which is specific to marihuana production facilities. Health Canada growers and manufacturers who work with other controlled substances including narcotics don't have notable issues. The small scale growers under Health Canada's old regulations have had some home invasions and thefts, which is part of the reason why Health Canada is moving to the new secure facilities.
- Facility Description: Health Canada advises that there is a huge range in Facility sizes, from as small as a few thousand square feet, to industrial buildings as large as 40,000 square feet, to very large green houses. All have grow areas, storage vaults, processing/packaging areas and shipping. Some have call centres. A pure R&D Facility would generally be much smaller scale.
- Servicing and Transportation: Health Canada has no insights regarding facility servicing (e.g., water, sanitary, drainage, solid waste activity) and transportation activity (e.g., daily worker, truck and courier traffic to and from Facilities). Shipping and vehicular traffic will vary with business size, and different Production Facilities are making different arrangements to consolidate their outbound shipments with Canada Post or other shippers. There should be no foot traffic other than staff - no retail sales.

D.) Richmond Findings - Existing Regulations and Issues:

General: Staff researched the main concerns which will likely be generated by both types of Facilities and how they may be addressed. A summary of these concerns and possible responses is presented in **Attachment 5**. Staff has learned that there is much uncertainty regarding what type, how many, where and with what requirements and restrictions Health Canada will license Facilities in Richmond. As well, there are many land use, building, security (e.g., police, fire, emergency response), transportation, infrastructure

(e.g., water, sanitary, drainage), solid waste management, environmental (e.g., Ecological Network, Environmentally Sensitive Areas, Riparian Management Areas), nuisance (e.g., noise, odour and emissions) and financial concerns and uncertainties, in managing Facilities, as well as unknown cumulative effects. Health Canada advises that it focuses on enabling access to medical marihuana and is not required to follow City bylaws.

- IN THE URBAN AREA:

- R&D Facilities are currently allowed in all zones which permit "office" uses as currently defined in the Zoning Bylaw. As this is not desirable, as too many such Facilities may occur with uncertain impacts, staff recommend amending the definition of "office" in the Zoning Bylaw to exclude R&D Facilities.
- With this approach, Council can require a rezoning for both types of Facilities, and potential problems, uncertainties and their cumulative effects regarding the type, number and location of Facilities can be better managed.
- Suitable areas in which to accommodate both types of Facilities include OCP Mixed Employment and Industrial designations, as it is anticipated that these may avoid many Facility conflicts and have the necessary transportation and infrastructure.
- In allowing Facilities in these Urban Areas, care must be taken not to displace needed Mixed Employment or Industrial uses.
- This approach may avoid having Facilities locate in the Agricultural Area, thus preserving agricultural land.

- IN THE AGRICULTURAL AREA:

- In Richmond, long term Agricultural Area viability is very important to achieve;
- As Health Canada requires that all Facilities be enclosed in buildings which will occupy, but not use valuable agricultural soils, any Facilities allowed in the Agricultural Area need to be carefully limited and managed to preserve the valuable agricultural soils for long term agricultural use and future generations;
- As the ALC has determined that Production Facilities are a "farm use" and the City may not be able to prohibit them, staff recommend a very rigorous regulatory approach (i.e., a minimum site size of 100 acres). A large minimum size will, it is suggested, assist in accommodating the anticipated large Facility buildings and, as many buildings could be placed on a large site, this arrangement may avoid having many smaller licensed Facility sites scattered throughout the Agricultural Area creating an inefficient arrangement. For reference, it is estimated that: with a 100 acre minimum site size, four (4) sites may be eligible to accommodate a Production Facility in the Agricultural Area, all east of Highway 99; with a 50 acre minimum site size, 16 sites may be eligible in the whole Agricultural Area, and with a five (5) acre minimum lot size, over 40 sites may be eligible in the whole Agricultural Area;
- Staff suggest that the fewer Facilities - the better, in view of the principle of equitable distribution, and physical and economic impacts.

E.) Financial Considerations: The Finance Department advises that BC Assessment has indicated that: (1) as the licensing of medical marihuana Facilities is still new to them, there will most likely be more changes to the rules, as more Facility licenses are issued, and (2) the percentage of farm classification attributed to each type of Facility will be determined on a case by case basis. The BC Assessment policies are summarized below:

<b>Tax Implication If A Licensed Marihuana Facility Meets The Farming Requirements As Set Out By The BC Assessment Act</b>	
<b>1. In the ALR:</b>	
<b>(1) For Production Facilities</b>	<ul style="list-style-type: none"> <li>- If a property was previously used as an active farm and was given a farm classification, there will be minimal tax impact if the facility was used for growing marihuana;</li> <li>- If a property did not previously qualify for farming, there would be a reduction in taxes if the new facility was used to grow marihuana and if it meets the farming requirement. Using a sample 104 acre property in the ALR, municipal taxes dropped by 87% from \$20K to \$2.6K.</li> </ul>
<b>(2) For R&amp;D Facilities</b>	<ul style="list-style-type: none"> <li>- If a property was previously used as an active farm and was given a farm classification, there will be minimal tax impact if the facility was used for growing marihuana;</li> <li>- If a property did not previously qualify for farming, there would be a reduction in taxes if the new facility was used to grow marihuana and if it meets the farming requirement. Using a sample 104 acre property in the ALR, municipal taxes dropped by 87% from \$20K to \$2.6K.</li> </ul>
<b>2. In Urban Areas</b>	
<b>(1) For Production Facilities</b>	<ul style="list-style-type: none"> <li>- If a Facility meets the farming requirements as set out by the Assessment Act, the assessed property value could potentially be reduced to \$3,720/acre;</li> <li>- Any improvements on the property will receive an exemption of up to \$50,000 or 87.5% of the assessed value, whichever is greater;</li> <li>- This will result in substantially reduced taxes for the property and the tax burden will be shifted to other taxpayers. In this scenario, a 1 acre industrial property was sampled and municipal taxes reduced by 87% from approximately \$24K to \$2.7K. Comparing this to the ALR example, a similar 104 acre property in an urban setting would result in municipal taxes reduced from \$2.496M to \$280</li> </ul>
<b>(2) For R&amp;D Facilities</b>	<ul style="list-style-type: none"> <li>- If the property is used entirely for a R&amp;D Facility and does not qualify for a farm classification, the property will be assessed as Class 06 – Business.</li> </ul>

This means that, if BC Assessment decisions involve lower farm assessment rates, fewer taxes may be collected and the tax burden would be shifted to other tax payers. If Facilities in these areas require expensive infrastructure, or create a high demand for City services (e.g., police, fire, emergency response), the City may have less revenue to provide them.

F.) Summary: As there are many concerns and uncertainties regarding Facilities, staff recommend that Council manage them in a strategic, limited and cautious manner with rigorous regulatory requirements in the Agricultural and Urban Areas.



## **(2) Recommended Strategic Facility Management Approach**

### **A.) Overall (These policies would apply on a City – wide basis)**

Staff recommend that Council adopt the following “Strategic Facility Management Approach” aimed at limiting the type, number and location of licensed Facilities by establishing rigorous, regulatory requirements which involve:

- Requesting Health Canada: (1) not to issue any Facility licenses in the City of Richmond, under the federal Marihuana for Medical Purposes Regulations (MMPR), until the City has established a Strategic Facility Management Approach (Approach), and (2) once the City has established an Approach, to issue any Facility licenses in compliance with the Approach;
- Encourage only one Production Facility, within the City of Richmond, as it can include R&D activities;
- Discourage any Facility in the Agricultural Area;
- In the Urban Area, use the rezoning process to review and ensure that an application for a Facility meets all City policies and requirements (e.g., meet minimum site size); and
- In Agricultural Area, notwithstanding that the City has limits on its power to prohibit, require that any Facility application, prior to the issuance of a Building Permit, undergo a rigorous review, as outlined in Section C below.

### **B.) In the Urban Area**

The following policies shall apply to any application to accommodate a Production or R&D Facility. Requirements will be refined in conjunction with any rezoning application.

- Land Use Considerations
  - Require all Facility proposals to undergo a rezoning process;
  - Consider accommodating a Facility only in an OCP Mixed Employment and Industrial designated area;
  - Any Facility is to avoid proximity to sensitive land uses involving residential, schools, parks, conservation areas, and community institutional uses; and
  - To minimize potential negative impacts with other land uses and businesses, a licensed Facility must be located in a stand alone building, which does not contain any other businesses or adjoining non-licensed unit.
- Developer Plans:
  - A Facility applicant must meet all federal, provincial and regional requirements;
  - A Facility applicant must adequately address City land use, building, security (e.g., police, fire, emergency response), transportation, infrastructure (e.g., water, sanitary, drainage), solid waste management, environmental (e.g., Ecological Network, Environmentally Sensitive Areas, Riparian Management Areas), nuisance (e.g., noise, odour and emissions), financial and other technical issues for the site and surrounding area;
  - A Facility applicant shall submit reports and plans prepared by qualified professionals to address all City issues including land use, building, security (e.g., police, fire, emergency response), transportation, infrastructure (e.g., water, sanitary, drainage), solid waste management, environmental (e.g.,

- Environmentally Sensitive Areas, Riparian Management Areas, Ecological Network), nuisance (e.g., noise, odour and emissions), financial and other technical issues for the site and surrounding area; and
- Facility applicant prepared reports and plans are to be reviewed, as Council determines, by the Advisory Committee on the Environment, RCMP, Richmond Fire-Rescue and others, prior to a rezoning.
- Transportation Requirements:
  - All City transportation policies and requirements must be met.
- Infrastructure and Emergency Response Considerations
  - To address infrastructure servicing requirements and emergency response requirements, a licensed Facility must have frontage on an existing, opened and constructed City road; and
  - A Facility applicant shall consult with Health Canada and other agencies, where appropriate, as determined by Council.
- Environmental Considerations
  - A Facility applicant shall address all environmental concerns and comply with all applicable City environmental policies (e.g., Environmentally Sensitive Areas, Riparian Management Areas, Ecological Network); and
  - A Facility applicant shall consult with the Advisory Committee on the Environment and other Advisory Committees where appropriate, as determined by Council.
- Life Safety, Nuisances Concerns
  - All Facilities must comply with current BC Building Code, BC Fire Code, BC Fire Services Act, BC Electrical Code and other related codes or standards;
  - All Facilities must comply with the City's Building Regulation Bylaw, Noise Regulation Bylaw and other City Bylaws;
  - All Facility applicants must prepare emergency response, safety/security and fire and life safety plans prepared by the appropriate professional consultants for review and approval by the City; and
  - Facilities shall not emit any offensive odours, emissions and lighting to minimize negative impacts to surrounding areas.

### **C.) In The Agricultural Area:**

Prior to consideration for the issuance of a Building Permit, the following policies and requirements must be addressed:

- Land Use Considerations
  - Facility applications will be reviewed on a case-by-case basis;
  - Consider only on land zoned to allow for "Farm Business" as a permitted use within and outside of the Agricultural Land Reserve (ALR);
  - Allow only on land designated "Agriculture" in the 2041 OCP;
  - Require a 100 acre (40.5 hectares) minimum lot area;
  - Require a 200 m minimum property line separation distance from lands designated in the Official Community Plan or zoned to allow for school, park, conservation area and/or community institutional land uses;
  - Require a 200 m minimum property line separation distance from lands designated in the Official Community Plan or zoned to allow for residential uses;

- Require a 50 m minimum frontage on an opened and constructed public road;
- Require a 15 m minimum yard setback to all property lines;
- Require a 15 m minimum separation distance to any single-detached housing located on the same lot;
- No portion of the Facility building, including any supporting structures, parking spaces, loading spaces, drive-aisles areas and on-site sanitary septic disposal system shall be located further than 100 m from a constructed public road abutting the property;
- On a corner lot or double fronting lot, the 100 m setback from a constructed public road abutting the property shall be determined based on the location of the permitted access to the lot;
- A Facility must be located in a standalone building that contains no other uses; and
- A Facility must comply with all regulations contained in the applicable zone.
- Developer Plans
  - A Facility shall demonstrate compliance with all federal, provincial, regional and City regulations and requirements;
  - A Facility must adequately address City land use, building, security (e.g., police, fire, emergency response), transportation, infrastructure (e.g., water, sanitary, drainage), solid waste management, environmental (e.g., Environmentally Sensitive Areas, Riparian Management Areas, Ecological Network), nuisance (e.g., noise, odour and emissions) financial and other technical issues specific to each proposal; and
  - A Facility applicant shall submit reports and plans prepared by qualified professionals to address all City issues including land use, building, security (e.g., police, fire, emergency response), transportation, infrastructure (e.g., water, sanitary, drainage), solid waste management, environmental (e.g., Environmentally Sensitive Areas, Riparian Management Areas, Ecological Network), nuisance (e.g., noise, odour and emissions) financial and other technical issues specific to each proposal.
- Transportation Requirements:
  - All City transportation policies and standards are met.
- Infrastructure Servicing and Emergency Response
  - To address infrastructure servicing requirements and emergency response requirements, a Licensed Facility must have frontage on an existing, opened and constructed City road;
  - A Facility applicant shall consult with Health Canada, the Agricultural Land Commission and other agencies where appropriate, as determined by Council; and
  - A Facility applicant shall consult with the Agricultural Advisory Committee, the Advisory Committee on the Environment and other Advisory Committees where appropriate, as determined by Council.
- Environmental Considerations
  - A Facility applicant shall comply with all applicable City environmental policies (e.g., Environmentally Sensitive Areas, Riparian Management Areas, Ecological Network);
- Managing Soils: To carefully manage soils, the following policies shall be followed:

- Illegal soil fill activities, or intentionally modifying farm land to reduce its agricultural capability for the purposes of developing a Facility is not permitted;
- It is preferred that a Facility locate on agricultural lands that have low soil capability (e.g., already modified due to past activities or site-specific conditions, which must be verified by an external, independent consulting professional);
- A Facility applicant shall specify permeable surface treatments for Facility parking, loading and drive-aisle areas;
- A Facility applicant shall submit information prepared by an appropriate qualified professional consultant (e.g., agrologist, soil scientist, geotechnical engineer or other), to confirm how native soils will be retained on site and protected, the quality and quantity of fill, how any soil/site contamination will be prevented and that the proposed Facility will not negatively impact the viability of farmland and supporting infrastructure on the site and in the neighbourhood (e.g., on-site drainage);
- A Facility applicant will be required to provide: (1) a soil estimate from a qualified professional to rehabilitate the site back to its original agricultural capability and (2) provide security for the full cost of the rehabilitation; and
- A proposed Facility which involves soil fill and / or removal may be required to apply to and receive approval from the ALC through an ALR non-farm use application, as determined by Council and the ALC.
- Fencing: As a Facility may implement fencing and other security perimeter measures to meet federal requirements, all security measures that impact farm land are to be reviewed, as Council determines, by the City's Agricultural Advisory Committee (AAC), Advisory Committee on the Environment (ACE) and other authorities, to ensure that agricultural and environmental concerns are minimized.
- Life Safety, Nuisances Concerns
  - A Facility located in the Agricultural Areas must comply with BC Building Code (Division B, Part 3);
  - A Facility must comply with current BC Fire Code, BC Fire Services Act, BC Electrical Code and other related codes or standards;
  - A Facility must comply with the City's Building Regulation Bylaw, Noise Regulation Bylaw and other City Bylaws;
  - A Facility must prepare emergency response, safety/security and fire and life safety plans prepared by the appropriate professional consultants for review and approval by the City; and
  - A Facility shall not emit any offensive odours, emissions and lighting to minimize negative impacts to surrounding areas.

D.) Summary: The proposed Strategic Facility Management Approach aims to protect the City's interests and address Facility uncertainties and any unwanted cumulative effects.

### **(3) Recommended 2041 Official Community Plan and Zoning Bylaw Amendments**

To achieve the Strategic Facility Management Approach, staff propose the following:

- OCP Bylaw 9000, Amendment Bylaw 9072 to establish a Strategic Facility Management Approach, as outlined above;

- Richmond Zoning Bylaw 8500, Amendment Bylaw 9070 (Medical Marijuana Regulation) to:
  - Define - Medical Marijuana Production Facility and R&D facility;
  - In order to rigorously regulate a Production Facility in the Agricultural Area, acknowledge the use as a “farm business”;
  - Exclude Medical Marijuana R&D facility from a farm business;
  - Exclude Medical Marijuana R&D facility from office;
  - Clarify that the agriculture as secondary use in all zones does not include a Medical Marijuana Production Facility and/or Medical Marijuana R&D facility;
  - Introduce specific regulations for Medical Marijuana Production Facilities in Agriculture Areas, which only permits them on sites zoned to allow for “Farm Business” as a permitted use within and outside of the ALR.

#### **(4) Prohibiting all Medical Marijuana Facilities**

As an alternative, if Council wishes to prohibit Production Facilities and R&D Facilities in the City, staff have presented draft Zoning Bylaw 8500, Amendment Bylaw 9071 (Medical Marijuana Regulation), for Council’s consideration in **Attachment 6**. If Council approves Bylaw 9071: (1) no change to the OCP would be required, and (2) the proposed 2041 OCP Bylaw 9072 and Zoning Bylaw 9070 not be approved.

#### **(5) OCP Consultation**

The proposed OCP Bylaw 9072 has been prepared in consideration of the City’s OCP Bylaw Preparation Consultation Policy No 5043. Staff have considered if the following entities needed or will be need to be consulted regarding the proposed OCP Bylaw 9072: the Metro Vancouver Board, adjacent municipal councils, First Nations (e.g., Sto:lo, Tsawwassen, Musqueam), TransLink, Port Metro Vancouver, Steveston Harbour Authority, Vancouver International Airport Authority (VIAA), Richmond School Board, Richmond Coastal Health Authority, community groups and neighbours, other relevant Federal and Provincial Government Agencies.

Staff advise that early discussions have already been held with the ALC and that the proposed OCP Bylaw 9070 be forwarded to the ALC for comment in advance of the Public Hearing, along with Zoning Bylaw 9070, as it affects the ALR. Staff consider that no further consultation regarding the proposed OCP Bylaw 9070 is required, as other entities are not directly affected.

#### **(6) Next Steps**

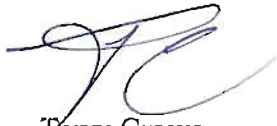
If acceptable, Council may initiate the proposed OCP and Zoning Bylaw amendments.

#### **Financial Impact**

Finance advises that, if BC Assessment decisions involve lower farm assessment rates, fewer taxes may be collected and the tax burden would be shifted to other tax payers. If Facilities in these areas require expensive infrastructure, or create a high demand for City police, fire, emergency response), the City may have less revenue than otherwise to provide them.

## Conclusion

To enable the City to respond to recent Health Canada, BC Agricultural Land Commission and external advice, this report recommends that Council establish a Strategic Facility Management Approach by adopting OCP and Zoning Bylaw amendments.



Terry Crowe,  
Manager, Policy Planning  
(604-276-4139)



Kevin Eng,  
Planner I  
(604-247-4626)

KE:ttc

<b>Attachment 1</b>	August 2013, Agricultural Land Commission (ALC) Information Bulletin titled "Medical Marihuana Production in the Agricultural Land Reserve"
<b>Attachment 2</b>	February 25, 2013, Council resolution
<b>Attachment 3</b>	Summary of Research of Metro Vancouver Municipalities' Land use Approaches
<b>Attachment 4</b>	July 18, 2013, AAC Minutes Excerpt
<b>Attachment 5</b>	Summary of Research of Land Management Issues and Responses
<b>Attachment 6</b>	Drafted Zoning Bylaw amendment To Prohibit Licensed Medical Marihuana Production Facilities in Agricultural Areas



**INFORMATION BULLETIN  
MEDICAL MARIHUANA PRODUCTION  
IN THE AGRICULTURAL LAND RESERVE**

Updated October 2013

Health Canada has proposed the Marihuana for Medical Purposes Regulation (MMPR). It is expected that the current system of personal use licenses and designated person licenses will be phased out by April 1, 2014. In its place, new Federal licenses are anticipated, geared to larger scale production facilities. For further information about the proposed changes see the following websites <http://www.hc-sc.gc.ca/dhp-mps/marihuana/index-eng.php> and <http://gazette.gc.ca/rp-pr/p1/2012/2012-12-15/html/reg4-eng.html>.

Various local governments in British Columbia are looking at their zoning bylaws to determine where these larger scale commercial production facilities should be directed. A number of local governments are considering industrial, commercial and agricultural zones, within purpose built structures and with siting regulations from property lines and residential uses.

*The Agricultural Land Commission Act* and regulations determine land use in the Agricultural Land Reserve (ALR). Due to the number of inquiries from local governments and Medical Marihuana production proponents, the ALC provides this information bulletin with regard to Medical Marihuana production in the ALR.

Section 1 of the *Agricultural Land Commission Act* defines "farm use" as:

An occupation or use of land for farm purposes, including farming of land, plants and animals and any other similar activity designated as farm use by regulation, and includes a farm operation as defined in the *Farm Practices Protection (Right to Farm) Act*.

Based on the above definition, if a land owner is lawfully sanctioned to produce marihuana for medical purposes, the farming of said plant in the Agricultural Land Reserve (ALR) is permitted and would be interpreted by the Agricultural Land Commission as being consistent with the definition of "farm use" under the *ALC Act*.

Notwithstanding the farming of land for the production of medical marihuana, not all activities associated with its production would necessarily be given the same "farm use" consideration. Accessory uses associated with the farm use include a small business office, testing lab, processing and drying, packaging shipping areas, cloning room and anything else directly related to the growing and processing of the plant. Determining an accessory use is contingent on the use being necessary and commensurate with the primary function of the property/building to produce an agricultural product. If a land use activity is proposed that is not specifically related to the growing of an agricultural product including a stand-alone research and development facility, an application to the ALC for non-farm use would be required.

The ALC has reviewed several proposed facilities and is satisfied that the majority of proposed sites focus on the activity of growing the plant and thus no longer requires proponents to submit a proposal for review. However, proponents of medical marihuana production facilities should contact local government to determine the applicability of zoning bylaws.



City of  
Richmond

Minutes

Regular Council Meeting  
Monday, February 25, 2013

**CONSENT AGENDA**

- R13/4-4 5. It was moved and seconded  
*That Items 5 through 17 be adopted by general consent.*

**CARRIED**

6. **COMMITTEE MINUTES**

*That the minutes of:*

- (1) the Community Safety Committee meeting held on Wednesday, February 13, 2013;*
- (2) the Special General Purposes Committee meeting held on Monday, February 12, 2013 and the General Purposes Committee meeting held on Monday, February 18, 2013;*
- (3) the Planning Committee meeting held on Tuesday, February 19, 2013;*
- (4) the Public Works & Transportation Committee meeting held on Wednesday, February 20, 2013;*

*be received for information.*

**ADOPTED ON CONSENT**

7. **PROPOSED MEDICAL MARIHUANA ACCESS REGULATIONS**  
(File Ref. No. 03-1240-02-01, XIR: 10-6600-10-01) (REFDMS No. 3768844)

- (1) That the Minister of Health be advised, by way of comments through the Health Canada website, that the proposed Medical Marihuana Access Regulations require compliance with applicable Provincial and Municipal laws in order to obtain a license; and*
- (2) That a letter be sent to the Federal and Provincial Ministers of Health, Richmond MPs, and Richmond MLAs requesting that the proposed Medical Marihuana Access Regulations require compliance with applicable Provincial and Municipal laws in order to obtain a license.*

**ADOPTED ON CONSENT**

4.



Summary of Research of Metro Vancouver Municipalities' Land Use Approaches in Relation to Medical Marihuana Production Facilities			
Municipality	Applicable Zoning Regulations	Overall Approach to Medical Marihuana Production Facilities Licensed by Health Canada Under the New MMPR	Status
Abbotsford	None	Considering a bylaw to prohibit "grow-ops"	Under review
Burnaby	No specific zoning regulations for medical marihuana production and/or facilities	No land use response in relation to the recently enacted Health Canada MMPR.	N/A
Coquitlam	<ul style="list-style-type: none"> <li>– Zoning regulations based on previous Health Canada MMAR.</li> <li>– Use definitions included for medical marihuana grow operation, medical marihuana dispensary and controlled substance.</li> <li>– Definition of agriculture excludes a medical marihuana grow operation.</li> </ul>	No land use response in relation to the recently enacted Health Canada MMPR.	Zoning regulations approved in July 2012.
Delta	No specific zoning regulations for medical marihuana production and/or facilities	No land use response in relation to the recently enacted Health Canada MMPR.	N/A
Langley City	Zoning regulations to control medical marihuana dispensaries under the previous MMAR	No land use response in relation to the recently enacted Health Canada MMPR.	N/A
Langley Township	Zoning regulations to prohibit the unlawful selling, distributing and trading of marihuana except as permitted and authorized under the previous MMAR.	No land use response in relation to the recently enacted Health Canada MMPR.	N/A
Maple Ridge	<ul style="list-style-type: none"> <li>– Zoning regulations currently being considered.</li> <li>– Zoning regulations proposed to allow the production of medical marihuana in the ALR only.</li> <li>– Zoning regulations proposed to establish minimum parcel sizes, separation requirements and siting/setback restrictions.</li> </ul>	<ul style="list-style-type: none"> <li>– Proposed land use approach is in direct response to the recently enacted Health Canada MMPR.</li> <li>– Allow medical marihuana production facilities only in the ALR and subject to compliance with locational and siting criteria.</li> <li>– Do not permit the use on any lands outside of the ALR.</li> <li>– Their approach identifies the ALC to be the lead agency in determining whether a medical marihuana production facility complies as a permitted farm use, or whether accessory uses require ALC application and approval.</li> </ul>	Proposed zoning bylaw amendments are to be: 1 referred to the ALC for comment. 2 considered at a future Public Hearing, once ALC comments are received.
Pitt Meadows	Zoning use definition of agriculture does not allow for the cultivation of a controlled substance as defined in the Controlled Drugs and Substances Act	No land use response in relation to the recently enacted Health Canada MMPR.	Approved
Surrey	<ul style="list-style-type: none"> <li>– Zoning use definitions for marihuana and medicinal marihuana.</li> </ul>	<ul style="list-style-type: none"> <li>– Land use approach is in direct response to the recently enacted Health Canada MMPR.</li> </ul>	Approved in early 2013.

Summary of Research of Metro Vancouver Municipalities' Land Use Approaches in Relation to Medical Marihuana Production Facilities			
Municipality	Applicable Zoning Regulations	Overall Approach to Medical Marihuana Production Facilities Licensed by Health Canada Under the New MMPR	Status
	<ul style="list-style-type: none"> <li>- Zoning use definition for horticulture specifically excludes the growing of medical marihuana.</li> <li>- Zoning use definition for growing of medical marihuana included as a permitted use in a specific zoning district.</li> </ul>	<ul style="list-style-type: none"> <li>- Prohibitive approach taken as land use regulations only permit the growing of medical marihuana City-wide to one zoning district only on a property owned by the municipality.</li> </ul>	
Vancouver	No specific zoning regulations for medical marihuana production and/or facilities.	No land use response in relation to the recently enacted Health Canada MMPR.	N/A
Chilliwack (Not a Metro Vancouver member municipality)	<ul style="list-style-type: none"> <li>- Zoning defines a medical marihuana grow operation and prohibits this use in all zones, except a select few zones;</li> <li>- A medical marihuana grow operation is not a permitted use in the Agricultural Zone.</li> </ul>	<ul style="list-style-type: none"> <li>- Land use approach is in direct response to the recently enacted Health Canada MMPR.</li> <li>- Defines medical marihuana production and prohibits this use in all zones, except for a special zoning district.</li> <li>- Requires rezoning applications</li> </ul>	Zoning Bylaw amendments adopted in September 3, 2013



City of Richmond

Minutes

**EXCERPT – ITEM 4**  
**AGRICULTURAL ADVISORY COMMITTEE (AAC)**  
 Held Thursday, July 18, 2013 (7:00 pm to 9:15 pm)  
**M.1.003**  
**Richmond City Hall**

**In Attendance:**

Bill Zylmans (Chair) Todd May; Scott May; Danny Chen; Kyle May; Colin Dring; Krishna Sharma; Steve Easterbrook; Kevin Eng (Policy Planning); Terry Crowe (Policy Planning);

**Regrets:**

Dave Sandhu; Bill Jones; Councillor Harold Steves; Kathleen Zimmerman (Ministry of Agriculture and Lands); Tony Pellett (Agricultural Land Commission)

**Guests:**

Lyle Weinstein; Saeed Jhatam

**1. Adoption of the Agenda**

AAC members adopted the July 18, 2013 AAC agenda.

2.

3.

**4. Medical Marihuana Production in the ALR**

In conjunction with recent changes to Federal regulations relating to the licensing and production of medical marihuana and an information bulletin published by the ALC about medical marihuana production in the ALR, staff is requesting feedback and comments from the AAC on this land use issue in Richmond. The following background information was provided by City staff.

- The Federal government has implemented regulations intended to phase out the previous program allowing for the production and distribution of medical marihuana to those in medical need and implement a new regulatory process and commercial industry under the Marihuana for Medicinal Purposes Regulations (MMPR).
- The MMPR involves a shift from medical marihuana being provided by licensed individuals (often in private residences) to a commercial industry where the regulations

and issued licenses will ensure access to quality controlled marihuana for medical purposes, produced under secure and sanitary conditions.

- Based on a review of the Federal regulations, staff identified that commercially licensed producers of marihuana for medical purposes will be contained in fully enclosed secured buildings that also are involved in secondary, processing, storage, packaging, office/administration and shipping/distribution functions.
- The ALC has recently published an information bulletin entitled “Medical Marihuana Production in the Agricultural Land Reserve”. This bulletin confirms that an individual/company who is lawfully sanctioned to produce medical marihuana for commercial purposes, the farming of the plant is considered a permitted farm use under the ALC act.
- City staff also sought additional clarification from ALC staff on the accessory uses (processing, packaging, office/administration, storage, shipping/distribution) to a federally licensed medical marihuana facility in the ALR. ALC staff confirmed that so long as the primary purpose of such a facility is to produce an agricultural crop, these accessory uses would be permitted.
- As noted in the information bulletin, ALC recommends that all local government’s contemplating changes to their zoning bylaw regarding medical marihuana production in the ALR should contact the ALC for review and comment.
- Staff identified that a medical marihuana production facility is not a defined use in the zoning bylaw.

Based on this background information, staff were in the process of developing some preliminary options for medical marihuana production in the ALR. General discussion ensued amongst committee members and staff about the legal issues, ALR jurisdiction, examples of prohibitive approaches in other Lower Mainland municipalities (Surrey and Chilliwack) and how other Provincial legislation (Right to Farm Act) factors in. Staff will be examining these issues as part of the review currently being undertaken.

The following comments were forwarded by individual AAC members:

- Does not support medical marihuana production on any lands contained in the ALR as these facilities will likely be fully enclosed, high-security, concrete bunkers occupying farmland with significant negative impacts to existing farm operators and residents in the ALR.
- A key question for this land use issue is how medical marihuana facilities in the ALR will impact the agricultural viability of existing farm business operations.
- Although the concerns about security, servicing and impacts to land are all valid, one member viewed the emergence of centralized, commercial medical marihuana production as a new business sector with associated economic benefits to Richmond. Reference was

also made to non-viable ALR land in Richmond that had already been filled or negatively altered and suggested that this land could be more suitable ALR land to locate medical marihuana production facilities.

- Security of such facilities and mechanisms to inspect and enforce regulations to ensure compliance remains a primary concern.
- A member felt that a federally licensed commercial medical marihuana production facility did not belong in the ALR and is more appropriate to be located in industrial areas.
- A member noted it was a difficult land use issue to tackle given the ALC's determination of it being a farm use and other concerns about such a facilities negative impact on farm land.
- One member questioned what the actual benefits to farmers would be in Richmond from a proposed medical marihuana production facility locating on ALR land.
- One member stated his opposition to an overly prohibitive approach of not permitting this use on agricultural land, without having more information from the federal government about operations. Economic opportunities and diversification can arise from the development of this new industrial sector that may warrant further exploration on agricultural lands under specific circumstances.

As a result, the following motion was moved and seconded:

*That the Agricultural Advisory Committee does not support the development of federally licensed commercial medical marihuana production facilities in the Agricultural Land Reserve.*

The following discussion ensued amongst Committee members on the motion:

- General concerns about taking an overly prohibitive approach.
- Whether for properties with good or poor soils, pertaining to agricultural capability, commercial medical marihuana facilities do not belong in the farm areas.
- Comments were echoed about if this use is permitted in the ALR, consideration for medical marihuana facilities to locate on agricultural sites that had been previously degraded (i.e., through previous filling).

*The AAC carried the motion as proposed*

*C. Dring, T. May, D. Chen, K. Sharma, K. May, S. May – Support  
S. Easterbrook – Abstained  
B. Zylmans – Opposed*

**Richmond Land Use Issues and Responses  
For Licensed Medical Marihuana Production Facilities**

**Purpose**

This table summarizes the anticipated land use issues for a licensed commercial medical marihuana Production Facility in the City's Agricultural and Urban Areas, and outlines possible responses (e.g., through zoning or other regulations), to address planning, safety and servicing objectives of the City.

<b>AGRICULTURAL AREAS: 1. LAND IN THE AGRICULTURAL LAND RESERVE (ALR), AND 2. AGRICULTURAL ZONE (AG1) LAND WITHIN THE ALR WHICH PERMITS A "FARM BUSINESS"</b>	
<b>Issue</b>	<b>Examples of Possible Facility Management Highlights (e.g., by OCP, Zoning, Building Permit, or Other City Requirements, or Agreements)</b>
1. <u>Management Model</u> A licensed Health Canada commercial medical marihuana production facility may be regarded as being similar to a light industrial building.	Noted.
2. Proceed with a Strategic, Cautious, Rigorous Regulatory Facility Management Approach	1. <u>2041 OCP Policies</u> : Amend the 2041 OCP to establish a Strategic Facility Management Approach; 2. <u>Zoning Bylaw</u> : Amend the Zoning Bylaw as necessary. 3. <u>Other</u> : Apply other requirements (e.g., Building Bylaw and codes, the Business License Bylaw, and Business Regulation. Bylaw).
3. <u>Ensure Inter-Governmental Compliance</u> A.) Ensure federal compliance with Health Canada's MMPR. B.) Ensure ALC compliance.	Request all relevant Health Canada and ALC documentation and approvals
4. <u>Avoid General Land Use Conflicts</u> A.) Avoid locating Facilities in close proximity to OCP designated or zoned sensitive land uses like residential, school, park, community institutional, assembly and similar uses; B.) Avoid potential negative impacts to existing residential uses (primarily single-family homes) on the site or nearby.	1. Establish minimum separation distances from the property containing the Facility to sensitive uses. 2. Establish minimum: <ul style="list-style-type: none"> <li>- setbacks for a Facility to a lot's property lines to enable sufficient separation to mitigate any negative impacts;</li> <li>- setbacks for a Facility to any existing residential dwellings located on the same site to mitigate any negative impacts;</li> <li>- site size, frontage, yard and road frontage requirements to ensure that a site can accommodate setbacks.</li> </ul>
5. <u>Avoid Compounding Potential Problems With Several Facilities</u> Avoid concentrating medical marihuana production facilities in close proximity to one another to avoid compounding any potential negative impacts in one area.	Establish minimum separation distances between such facilities.
6. <u>Ensure Facility Building and Use Compatibility</u> Ensure that medical marihuana production facilities do not occur in residential buildings, or share a building with other, unrelated uses.	<ul style="list-style-type: none"> <li>- Health Canada MMPR regulations do not permit the production of medicinal marihuana in any type of residential dwelling.</li> <li>- Require that a proposed Facility:               <ul style="list-style-type: none"> <li>- be located in a stand-alone building,</li> <li>- containing no other uses except those which are considered accessory, and</li> </ul> </li> </ul>



<b>AGRICULTURAL AREAS:</b> <b>1. LAND IN THE AGRICULTURAL LAND RESERVE (ALR), AND</b> <b>2. AGRICULTURAL ZONE (AG1) LAND WITHIN THE ALR WHICH PERMITS A "FARM BUSINESS"</b>	
<b>Issue</b>	<b>Examples of Possible Facility Management Highlights (e.g., by OCP, Zoning, Building Permit, or Other City Requirements, or Agreements)</b>
	<ul style="list-style-type: none"> <li>- meet all Federal, Provincial, Regional and City requirements and codes.</li> </ul>
<b>7. <u>Avoid Potential Nuisances</u></b> Avoid potential nuisances caused by Facility lighting, odour, noise, ventilation and vehicle traffic.	<ul style="list-style-type: none"> <li>- Establish minimum setbacks for a Facility to a lot's property lines and/or separation distances to other sensitive land uses located on-site, to enable sufficient separation to mitigate any negative impacts;</li> <li>- Require the submission of appropriate professional reports to confirm that nuisances caused by a Facility (e.g., lighting, odour, noise, ventilation and vehicle traffic) will be avoided or minimized.</li> <li>- Incorporate into 2041 OCP Policy.</li> </ul>
<b>8. <u>Ensure Appropriate Transportation Services</u></b> Ensure that adequate transportation services are available and manage traffic.	<ul style="list-style-type: none"> <li>- Require the submission of appropriate professional report(s) to confirm that a proposed Facility:               <ul style="list-style-type: none"> <li>- can be adequately serviced by appropriate transportation services;</li> <li>- that traffic is well managed;</li> <li>- Incorporate into 2041 OCP Policy.</li> </ul> </li> </ul>
<b>9. <u>Ensure Appropriate Services and Infrastructure</u></b>	<ul style="list-style-type: none"> <li>- Require the submission of appropriate professional report(s) to confirm that a proposed Facility can be adequately serviced by:               <ul style="list-style-type: none"> <li>- City storm and water systems, and</li> <li>- an on-site sanitary sewer septic system approved by Vancouver Coastal Health.</li> <li>- Incorporate into 2041 OCP Policy.</li> </ul> </li> </ul>
<b>10. <u>Ensure Appropriate Solid Waste Management</u></b>	<ul style="list-style-type: none"> <li>- Require a Solid Waste Management Plan which meets City requirements, for example:               <ul style="list-style-type: none"> <li>- it should target 70% waste diversion and support the waste reduction hierarchy to minimize waste generation,</li> <li>- maximize reuse, recycling and material recovery, and dispose of any remaining waste in accordance with approved practices.</li> <li>- all recyclable materials banned from disposal (in addition to organics) are not permitted in the waste disposal stream.</li> </ul> </li> <li>- Incorporate into 2041 OCP Policy</li> </ul>
<b>11. <u>Ensure Community Life Safety And Security</u></b>	Ensure that: <ul style="list-style-type: none"> <li>- physical security measures implemented on-site are regulated through Health Canada's MMPR and that all facilities comply with these provisions;</li> <li>- City fire and life safety issues are addressed by the applicable building, fire and electrical code requirements;</li> <li>- that Emergency Response Plans are approved by the RCMP and Richmond Fire-Rescue;</li> <li>- Inspections of a Facility are undertaken, as determined by City, RCMP and Richmond Fire Rescue staff,</li> <li>- Incorporate into 2041 OCP Policy.</li> </ul>

URBAN AREAS: LANDS OUTSIDE AGRICULTURAL AREAS	
Issue	Examples of Possible Facility Management Highlights (e.g., by OCP, Zoning, Building Permit, or Other City Requirements, or Agreements)
1. <u>Management Model</u> A licensed Health Canada commercial medical marihuana production facility may be regarded as being similar to a light industrial building.	Noted.
2. Proceed with a Strategic, Cautious, Rigorous Regulatory Facility Management Approach	<ol style="list-style-type: none"> <li>1. <u>2041 OCP Policies</u>: Amend the 2041 OCP to establish a Strategic Facility Management Approach;</li> <li>2. <u>Zoning Bylaw</u>: Amend the Zoning Bylaw as necessary.</li> <li>3. <u>Other</u>: Apply other requirements (e.g., Building Bylaw and codes, the Business License Bylaw, and Business Regulation. Bylaw).</li> </ol>
3. <u>Ensure Inter-Governmental Compliance</u> <ul style="list-style-type: none"> <li>- Ensure federal compliance with Health Canada's MMPR.</li> <li>- Ensure ALC compliance.</li> </ul>	Request all relevant Health Canada and ALC documentation and approvals
4. <u>Avoid General Land Use Conflicts</u> Avoid locating facilities in close proximity to OCP designated or zoned sensitive land uses like residential, school, park, community institutional, assembly and similar uses.	<ul style="list-style-type: none"> <li>- Establish minimum separation distances from the property containing the Facility to sensitive uses.</li> <li>- Review each rezoning application on a case-by-case basis to ensure land use conflicts are minimized.</li> </ul>
5. <u>Avoid Compounding Potential Problems With Several Facilities</u> Avoid concentrating medical marihuana production facilities in close proximity to one another to avoid compounding any potential negative impacts in one area.	Establish minimum separation distances between such facilities.
6. <u>Ensure Facility Building and Use Compatibility</u> Ensure that medical marihuana production facilities do not occur in residential buildings, or share a building with other, unrelated uses and limit the impacts on a multi-tenanted and stratified industrial site/building.	<ul style="list-style-type: none"> <li>- Health Canada MMPR regulations do not permit the production of medicinal marihuana in any type of residential dwelling.</li> <li>- Require that a proposed Facility: <ul style="list-style-type: none"> <li>- be located in a stand-alone building,</li> <li>- containing no other uses except those which are considered accessory, and</li> <li>- meet all Federal, Provincial and City requirements and codes.</li> </ul> </li> </ul>
7. <u>Avoid Potential Nuisances</u> Avoid potential nuisances caused by Facility lighting, odour, noise, ventilation and vehicle traffic.	<ul style="list-style-type: none"> <li>- Through the rezoning application, review all potential nuisances and secure appropriate responses and mitigation measures.</li> <li>- Require the submission of appropriate professional reports to confirm that nuisances caused by a Facility (lighting, odour, noise, ventilation and vehicle traffic) will be avoided or minimized.</li> <li>- Incorporate into 2041 OCP Policy.</li> </ul>
8. <u>Ensure Appropriate Transportation Services</u> Ensure that adequate transportation services are available and manage traffic.	<ul style="list-style-type: none"> <li>- Through the rezoning application, review each proposal on a case-by-case basis, to ensure appropriate transportation and traffic management.</li> <li>- Require the submission of appropriate professional report(s) to confirm that a proposed Facility can be</li> </ul>



URBAN AREAS: LANDS OUTSIDE AGRICULTURAL AREAS	
Issue	Examples of Possible Facility Management Highlights (e.g., by OCP, Zoning, Building Permit, or Other City Requirements, or Agreements)
	adequately serviced by appropriate transportation services and that traffic is well managed. - Incorporate into 2041 OCP Policy.
9. <u>Ensure Appropriate Services and Infrastructure</u> Ensure adequate City services and supporting infrastructure similar to a light industrial type development.	- Through the rezoning application, review each proposal on a case-by-case basis, to ensure appropriate water, sanitary and drainage infrastructure - Through the rezoning application, require the submission of the appropriate professional consultant reports to confirm the ability of the Facility to be serviced by appropriate City infrastructure. - Incorporate into 2041 OCP Policy.
10. <u>Ensure Appropriate Solid waste Management</u>	<u>Ensure Appropriate Solid Waste Management</u> - Require an adequate Solid Waste Management Plan The Plan meet City requirements for example, it should target 70% waste diversion and support the waste reduction hierarchy to minimize waste generation, maximize reuse, recycling and material recovery, and dispose of any remaining waste in accordance with approved practices. All recyclable materials banned from disposal (in addition to organics) are not permitted in the waste disposal stream. - Incorporate into 2041 OCP Policy
11. <u>Ensure Community Life Safety And Security</u>	Ensure that: - physical security measures implemented on-site are regulated through Health Canada's MMPR and that all facilities comply with these provisions. - City fire and life safety issues are addressed by the applicable building, fire and electrical code requirements. - that Emergency Response Plans are approved by the RCMP and Richmond Fire - Rescue. - Inspections of a Facility are undertaken, as determined by City, RCMP and Richmond Fire Rescue staff. - Incorporate into 2041 OCP Policy.

**Bylaw to prohibit Medical Marihuana Facilities  
in all areas of the City of Richmond**



**City of  
Richmond**

**Bylaw 9071**

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**Richmond Zoning Bylaw 8500  
Amendment Bylaw 9071 (Medical Marihuana Regulation)**

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The Council of the City of Richmond, in open meeting assembled, enacts as follows:

1. Richmond Zoning Bylaw 8500 is amended by:

i. Inserting the following text into Section 3.4 – Use and Term Definitions:

**“Medical Marihuana Production Facility**

Means a facility for the growing and production of medical marihuana in a fully enclosed **building** as licensed and lawfully sanctioned under Health Canada’s *Marihuana for Medical Purposes Regulations* (as amended from time to time), including the necessary supporting accessory uses related to processing, testing, research and development, packaging, storage, distribution and **office** functions that are directly related to and in support of growing and cultivation activities.

**Medical Marihuana Research and Development Facility**

Means a facility for the research and development of medical marihuana only in a fully enclosed **building** as lawfully sanctioned by Health Canada under the *Controlled Drugs and Substances Act* (as amended from time to time).”

ii. Repeal the definition of **farm business** in Section 3.4 – Use and Term Definitions and replace it with the following:

**“Farm business**

Means a business in which one or more of the following farm activities are conducted, and includes a farm education or farm research institution to the extent that the institution conducts one or more of the following farm activities:

- a) growing, producing, raising or keeping animals or plants, including mushrooms, or the primary products of those plants or animals;
- b) clearing, draining, irrigating or cultivating land;
- c) using farm machinery, equipment, devices, materials and

**structures;**

- d) applying fertilizers, manure, pesticides and biological control agents, including by ground and aerial spraying;
- e) conducting any other agricultural activity on, in or over agricultural land;
- f) intensively cultivating in plantations, any
  - i) specialty wood crops, or
  - ii) specialty fibre crops prescribed by a Minister of the Province of BC;
- g) conducting turf production in an **Agricultural Land Reserve** with the approval under *Agricultural Land Commission Act* of the Provincial Agricultural Land Commission;
- h) aquaculture as defined in the *Fisheries Act* when carried on by a person licensed, under part 3 of that Act, to carry on the **business** of aquaculture;
- i) raising or keeping game, within the meaning of the *Game Farm Act*, by a person licensed to do so under that Act;
- j) raising or keeping fur bearing animals, within the meaning of the *Fur Farm Act*, by a person licensed to do so under that Act;
- k) processing or direct marketing by a farmer of one or both of
  - i) the products of a farm owned or operated by the farmer, and
  - ii) within limits prescribed by a Minister of the Province of BC, of products not of that farm,
 to the extent that the processing or marketing of those products is conducted on the farmer's farm, but

**farm business** does not include:

- a) an activity, other than grazing or hay cutting, if the activity constitutes a forest practice as defined in the *Forest and Range Practices Act*;
- b) breeding pets or operating a kennel;
- c) growing, producing, raising or keeping exotic animals, except types of exotic animals prescribed by a Minister of

the Province of BC;

- d) a **medical marihuana production facility**; and
- e) a **medical marihuana research and development facility**.”

- iii. In Section 3.4 – Use and Term Definitions, repeal the existing definition of **office** and replace with the following text:

**“Office**

Means a facility that provides professional, management, administrative, consulting or monetary services in an **office** setting, including research and development, which includes **offices** of lawyers, accountants, travel agents, real estate and insurance firms, planners, clerical and secretarial agencies, but excludes the servicing and repair of goods, the sale of goods to the customer on the site, the manufacture or handling of product and a **medical marihuana research and development facility**.”

- iv. Insert the following text into Section 5.13.4 – Uses Permitted in All Zones:

“c) A **medical marihuana production facility** and **medical marihuana research and development facility** is not permitted.”

- 2. This Bylaw may be cited as “**Richmond Zoning Bylaw 8500, Amendment Bylaw 9071**”.

FIRST READING

PUBLIC HEARING

SECOND READING

THIRD READING

ADOPTED

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CORPORATE OFFICER

CITY OF RICHMOND
APPROVED by
APPROVED by Director or Solicitor



**Richmond Zoning Bylaw 8500  
Amendment Bylaw 9070 (Medical Marihuana Regulation)**

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

1. Richmond Zoning Bylaw 8500 is amended by:

i. Inserting the following text into Section 3.4 – Use and Term Definitions:

**“Medical Marihuana Production Facility**

Means a facility for the growing and production of medical marihuana in a fully enclosed **building** as licensed and lawfully sanctioned under Health Canada’s *Marihuana for Medical Purposes Regulations* (as amended from time to time), including the necessary supporting accessory uses related to processing, testing, research and development, packaging, storage, distribution and **office** functions that are directly related to and in support of growing and cultivation activities.

**Medical Marihuana Research and Development Facility**

Means a facility for the research and development of medical marihuana only in a fully enclosed **building** as lawfully sanctioned by Health Canada under the *Controlled Drugs and Substances Act* (as amended from time to time).”

ii. Repeal the definition of **farm business** in Section 3.4 – Use and Term Definitions and replace it with the following:

**“Farm business**

Means a business in which one or more of the following farm activities are conducted, and includes a farm education or farm research institution to the extent that the institution conducts one or more of the following farm activities:

- a) growing, producing, raising or keeping animals or plants, including mushrooms, or the primary products of those plants or animals;
- b) clearing, draining, irrigating or cultivating land;
- c) using farm machinery, equipment, devices, materials and structures;

- d) applying fertilizers, manure, pesticides and biological control agents, including by ground and aerial spraying;
- e) conducting any other agricultural activity on, in or over agricultural land;
- f) intensively cultivating in plantations, any
  - i) specialty wood crops, or
  - ii) specialty fibre crops prescribed by a Minister of the Province of BC;
- g) conducting turf production in an **Agricultural Land Reserve** with the approval under *Agricultural Land Commission Act* of the Provincial Agricultural Land Commission;
- h) aquaculture as defined in the *Fisheries Act* when carried on by a person licensed, under part 3 of that Act, to carry on the **business** of aquaculture;
- i) raising or keeping game, within the meaning of the *Game Farm Act*, by a person licensed to do so under that Act;
- j) raising or keeping fur bearing animals, within the meaning of the *Fur Farm Act*, by a person licensed to do so under that Act;
- k) processing or direct marketing by a farmer of one or both of
  - i) the products of a farm owned or operated by the farmer, and
  - ii) within limits prescribed by a Minister of the Province of BC, of products not of that farm,
 to the extent that the processing or marketing of those products is conducted on the farmer's farm,
- l) **a medical marihuana production facility, but**

**farm business** does not include:

- a) an activity, other than grazing or hay cutting, if the activity constitutes a forest practice as defined in the *Forest and Range Practices Act*;
- b) breeding pets or operating a kennel;
- c) growing, producing, raising or keeping exotic animals, except types of exotic animals prescribed by a Minister of

the Province of BC; and

d) **a medical marihuana research and development facility.”**

- iii. In Section 3.4 – Use and Term Definitions, repeal the existing definition of office and replace with the following text:

**“Office**

Means a facility that provides professional, management, administrative, consulting or monetary services in an **office** setting, including research and development, which includes **offices** of lawyers, accountants, travel agents, real estate and insurance firms, planners, clerical and secretarial agencies, but excludes the servicing and repair of goods, the sale of goods to the customer on the **site**, the manufacture or handling of product and a **medical marihuana research and development facility.”**

- iv. Insert the following text into Section 5.13.4 – Uses Permitted in All Zones

**“c) A medical marihuana production facility and medical marihuana research and development facility is not permitted.”**

- v. Inserting the following text into Section 5 – Specific Use Regulations

**“5.20 Medical Marihuana Production Facility**

5.20.1 A **medical marihuana production facility** can only be considered on land zoned to allow for **Farm Business** as a permitted use.

5.20.2 For land zoned to allow **Farm Business** as a permitted use, a **medical marihuana production facility** must comply with the following regulations:

- (a) Must be located on land designated in the **Official Community Plan** for **Agriculture**.
- (b) 200 m minimum property line separation distance from lands designated in the **Official Community Plan** or zoned to allow for school, **park**, conservation area and/or community institutional land uses.
- (c) 200 m minimum property line separation distance from lands designated in the **Official Community Plan** or zoned to allow for residential land uses.
- (d) 50 m minimum **frontage** on an opened and constructed public **road**.

- (e) 100 acres (40.5 hectares) minimum lot area.
- (f) 15 m minimum yard setback to all property lines.
- (g) 15 m minimum building separation distance to any single-detached housing located on the same lot.
- (h) The maximum height for a medical marihuana production facility is 12 m.
- (i) No portion of the medical marihuana production facility building, including any supporting structures, parking spaces, loading spaces, drive-aisles areas and on-site sanitary septic disposal system shall be located further than 100 m from a constructed public road abutting the property. On a corner lot or double fronting lot, the 100 m from a constructed public road abutting the property shall be determined based on the location of the permitted access to the lot.
- (j) A medical marihuana production facility must be located in a standalone building that contains no other uses.
- (k) A medical marihuana production facility must comply with the British Columbia Building Code (Division B, Part 3).
- (l) In addition to the regulations listed above, a medical marihuana production facility must also comply with all regulations contained on a lot's existing zone."

2. This Bylaw may be cited as “Richmond Zoning Bylaw 8500, Amendment Bylaw 9070”.  
FIRST READING



A PUBLIC HEARING WAS HELD ON

SECOND READING

THIRD READING

ADOPTED

\_\_\_\_\_  
MAYOR

CITY OF RICHMOND
APPROVED by 
APPROVED by Director or Solicitor 

\_\_\_\_\_  
CORPORATE OFFICER





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**Richmond Official Community Plan Bylaw 9000  
Amendment Bylaw 9072  
(Health Canada Licensed Medical Marihuana Production Facilities)**

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

1. Richmond Official Community Plan Bylaw 9000 is amended by adding the following text to Section 3.0 Connected Neighbourhoods with Special Places:

**“3.6.5 Health Canada Licensed Medical Marihuana Production and Research and Development Facilities**

**OVERVIEW**

Health Canada enacted the *Marihuana for Medical Purposes Regulations (MMPR)* to manage the production and distribution of medical marihuana. The Federal regulation permits research and development and production of medical marihuana by approved licensed producers in “Production Facilities” and “Research and Development Facilities” (Facilities).

It is important to protect the City’s social, community safety, land use, infrastructure, environmental and financial interests, by establishing a Strategic Facility Management Approach aimed at limiting the number and type of Facilities, and requiring high performance requirements for Facilities.

**TERMINOLOGY**

For this section, the following terms apply:

- “Agricultural Area” means land in the Agricultural Land Reserve (ALR) and land outside the Agricultural Land Reserve (ALR) zoned to allow a “Farm Business” as a permitted use;
- “Urban Areas” means all lands not in the above Agricultural Area;
- “Medical Marihuana Production Facility” (Production Facility) – means a commercial medical marihuana production facility which primarily focuses on growing, researching and developing, processing, and distributing medical marihuana; and
- “Medical Marihuana Research and Development Facility” (Research and Development Facility) – means a medical marihuana research and development facility which primarily focuses on medical marihuana research and development.

**OBJECTIVE 1**

To control the distribution of Facilities across the City and mitigate potential negative impacts.

**POLICIES**

Adopt a Strategic Facility Management Approach regarding both types of Facilities which involves:

- a) City-wide, at any one time, encourage only one (1) Production Facility, and avoiding any separate Research and Development Facility.
- b) Discourage a Facility in Agricultural Areas.
- c) In the Urban Area, use the rezoning process to review and ensure that A Facility meets all City policies and requirements (e.g., are appropriately located, have adequate site size).
- d) In the Agricultural Area, require that any Facility application, prior to the issuance of a Building Permit, undergo a rigorous review (see below).

**OBJECTIVE 2**

Establish clear Facility application criteria and information requirements.

**POLICIES:**

- a) A proposal shall demonstrate compliance with all federal, provincial, regional and City regulations and requirements.
- b) A proposal must adequately address City land use, building, security (e.g., police, fire, emergency response), transportation, infrastructure (e.g., water, sanitary, drainage), solid waste management, environmental (e.g., Environmentally Sensitive Areas, Riparian Management Areas, Ecological Network), nuisance (e.g., noise, odour and emissions) financial and other technical issues specific to each proposal.
- c) Proponents shall submit reports and plans prepared by qualified professionals to address all City issues including land use, building, security (e.g., police, fire, emergency response), transportation, infrastructure (e.g., water, sanitary, drainage), solid waste management, environmental (e.g., Environmentally Sensitive Areas, Riparian Management Areas, Ecological Network), nuisance (e.g., noise, odour and emissions) financial and other technical issues specific to each proposal.
- d) All applicant prepared Facility plans are to be reviewed, as Council determines, by the Advisory Committee on the Environment, RCMP, Richmond Fire-Rescue and others, prior to a rezoning.

**OBJECTIVE 3**

Establish Facility review and consultation requirements.

**POLICIES**

- a) Facility applications will be reviewed on a case-by-case basis.
- b) A Facility is to avoid proximity to sensitive land uses involving residential, schools, parks, conservation areas, and community institutional uses.

- c) To minimize potential negative impacts and conflict with other land use activities and businesses a licensed Facility must be located in a stand alone building, which does not contain any other businesses or non-licensed adjoining units.
- d) To address infrastructure servicing requirements and emergency response requirements, a Licensed Facility must have frontage on an existing, opened and constructed City road.
- e) Consult with Health Canada, the Agricultural Land Commission and other agencies where appropriate.
- f) Consult with the Agricultural Advisory Committee, the Advisory Committee on the Environment and other Advisory Committees where appropriate.
- g) Ensure environmental concerns are addressed and require a Facility to comply with all applicable City management policies (e.g., Ecological Network, Environmentally Sensitive Areas, Riparian Management Areas).

#### **OBJECTIVE 4**

Establish Facility location and development requirements in Urban and Agricultural Areas.

#### **POLICIES**

- a) Apply the following Urban Area Facility policies:
  - i. Require a Facility to undergo a rezoning process; and
  - ii. Consider accommodating a Facility in OCP Mixed Employment and Industrial designated areas.
- b) For Agricultural Areas, prior to consideration for the issuance of a Building Permit, the following Facility policies and requirements must be addressed:
  - i. Consider only on land in the Agricultural Land Reserve (ALR) and zoned Agriculture (AG1) where a "Farm Business" is permitted.
  - ii. Allow only on land designated "Agriculture" in the 2041 OCP.
  - iii. Require large minimum site sizes (e.g., 100 acres);
  - iv. Establish high minimum property line separation distances (e.g., 200 m) to sensitive land uses designated in the 2041 OCP or zoned for school, park, conservation area, community institution and residential uses.
  - v. Establish minimum setbacks (e.g., 15 m) for a Facility to the property lines and a maximum height regulation (e.g., 12 m) to ensure adjacencies to surrounding areas are addressed in a sensitive manner and based on site specific conditions.
  - vi. Establish maximum setback requirements for a Facility, related structures, off-street parking, loading areas, drive-aisles, perimeter fencing and on-site servicing (i.e., sanitary septic disposal system) from an opened, constructed road (e.g., 100 m).
  - vii. A Facility must be located in a standalone building that contains no other uses.
  - viii. A Facility must comply with all regulations contained in the applicable zone.

- c) To carefully manage soils in the Agricultural Areas, the following policies shall be followed:
  - i. Illegal soil fill activities, or intentionally modifying farm land to reduce its agricultural capability for the purposes of developing a Facility is not permitted.
  - ii. It is preferred that a Facility locate on agricultural lands that have low soil capability (e.g., already modified due to past activities or site-specific conditions, which must be verified by an external, independent consulting professional).
  - iii. Specified permeable surface treatments for Facility parking, loading and drive-aisle areas are required.
  - iv. Information is to be submitted by an appropriate qualified professional consultant (e.g., agrologist, soil scientist, geotechnical engineer or other) to confirm how native soils will be retained on site and protected, the quality and quantity of fill, how any soil/site contamination will be prevented and ensure that any proposed Facility will not impact the viability of farmland and supporting infrastructure in the neighbourhood, (e.g., on-site drainage).
  - v. An applicant will be required to provide a soil estimate from a qualified professional to rehabilitate that site back to its original agricultural capability. A security for the full cost of the rehabilitation will be required.
  - vi. Application and approval from the ALC through an ALR non-farm use application may be required for activities involving soil fill and/removal activities, which must be confirmed by the ALC.
- d) A Facility may implement fencing and other security perimeter measures to meet federal requirements, all security measures that impact farm land are to be reviewed, as Council determines, by the City's Agricultural Advisory Committee (AAC), Advisory Committee on the Environment (ACE) and other authorities, to ensure that agricultural and environmental concerns are minimized.

## **OBJECTIVE 5**

Ensure community safety by carefully managing the Facility.

## **POLICIES**

- a) A Facility must comply with current BC Building Code, BC Fire Code, BC Fire Services Act, BC Electrical Code and other related codes or standards.
- b) A Facility must comply with the City's Building Regulation Bylaw, Noise Regulation Bylaw and other City Bylaws.
- c) A Facility located in the Agricultural Areas must comply with BC Building Code (Division B, Part 3).
- d) A Facility must prepare emergency response, safety/security and fire and life safety plans prepared by the appropriate professional consultants for review and approval by the City.
- e) A Facility shall not emit any offensive odours, emissions and lighting to minimize negative impacts to surrounding areas.

**OBJECTIVE 6**

Address specific and special considerations as necessary.

**POLICIES**

- a) For a Facility that has been decommissioned or ceased operations, confirmation is required that the building and site has been fully remediated to a condition acceptable to the City and verified by an appropriate professional consultant.
- b) A Facility and site shall meet all environmental decontamination requirements."

2. This Bylaw may be cited as **"Richmond Official Community Plan Bylaw 9000, Amendment Bylaw 9072"**.

FIRST READING



PUBLIC HEARING

SECOND READING

THIRD READING

ADOPTED

\_\_\_\_\_  
MAYOR

_____ CITY OF RICHMOND
APPROVED by 
APPROVED by Manager or Solicitor 

\_\_\_\_\_  
CORPORATE OFFICER