

Cannabis Legislation: What's Now? What's Next?

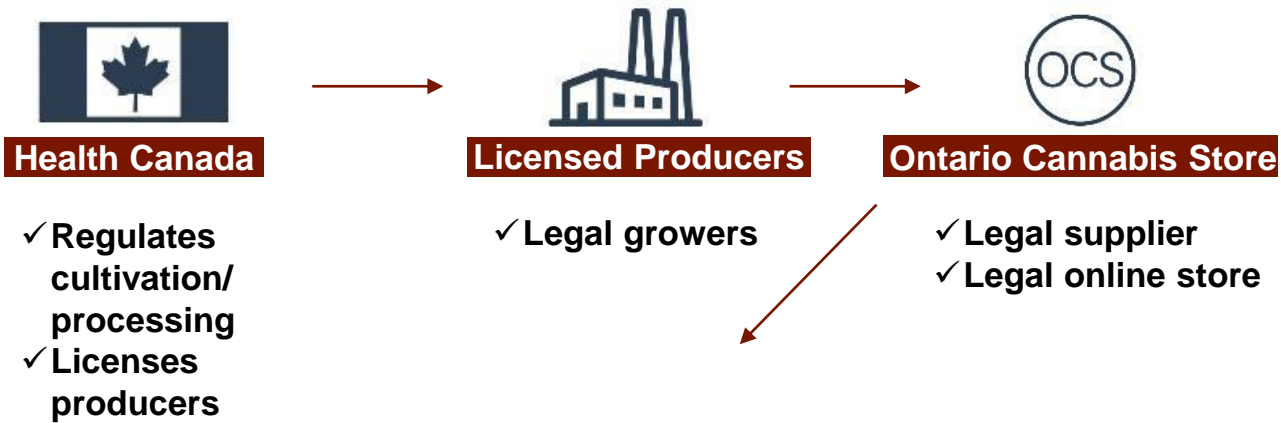
AMCTO

Municipal Licensing and Law Enforcement Forum
Thursday, May 23, 2019

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Alcohol and Gaming
Commission of Ontario

Industry Oversight and Participation



Health Canada

- ✓ Regulates cultivation/processing
- ✓ Licenses producers




Licensed Producers

- ✓ Legal growers

Ontario Cannabis Store

- ✓ Legal supplier
- ✓ Legal online store

Retail Cannabis Stores

-  ✓ Licensed retail operator(s)
-  ✓ Authorized retail store(s)
-  ✓ Licensed manager(s)



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- ✓ licensing authority for bricks-and-mortar stores



Municipalities

- ✓ Opt-out
- ✓ Public notice
- ✓ Existing by-laws



Residents

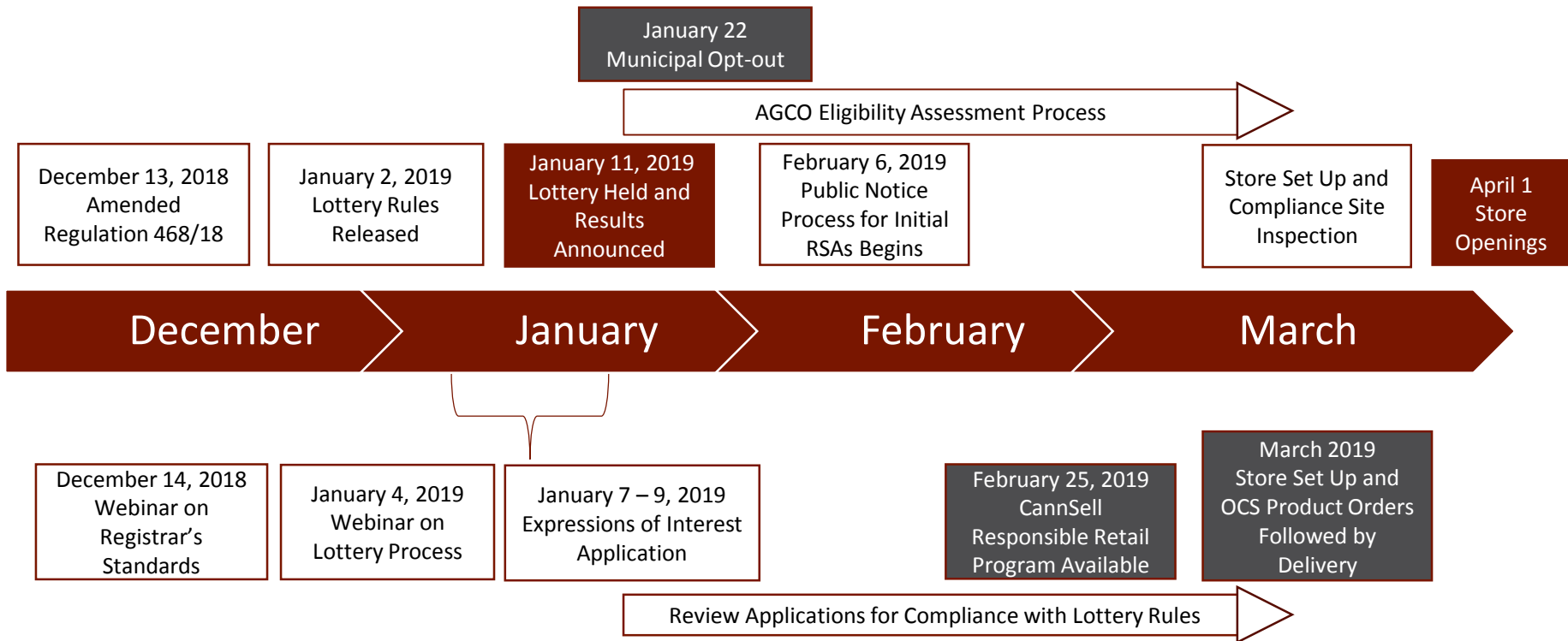
- ✓ Public notice process



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Critical Path to April 1, 2019



Key Regulatory Success Factors

1. Operator has controls in place to ensure ethical behavior and a commitment to compliance
2. Inability for the illicit market to participate in the market and mitigation of unlawful activity
3. Security for customers and employees, including product integrity
4. Inventory tracking and recordkeeping that enables robust regulatory assurance activities
5. Inability for minors and other prohibited persons to purchase product
6. Customers who purchase cannabis know how to consume responsibly
7. Responsible advertising and promotion
8. Businesses are provided fair access to the recreational cannabis market

Retail Success Factors:

1. Authorized cannabis retail stores have a reasonable selection and quantity of product for their customers
2. Authorized cannabis retail stores are reasonably distributed across Ontario using a transparent methodology
3. Licence and authorization holders see a “one government” approach between AGCO and OCS, which want to support their business while meeting public expectations regarding social responsibility



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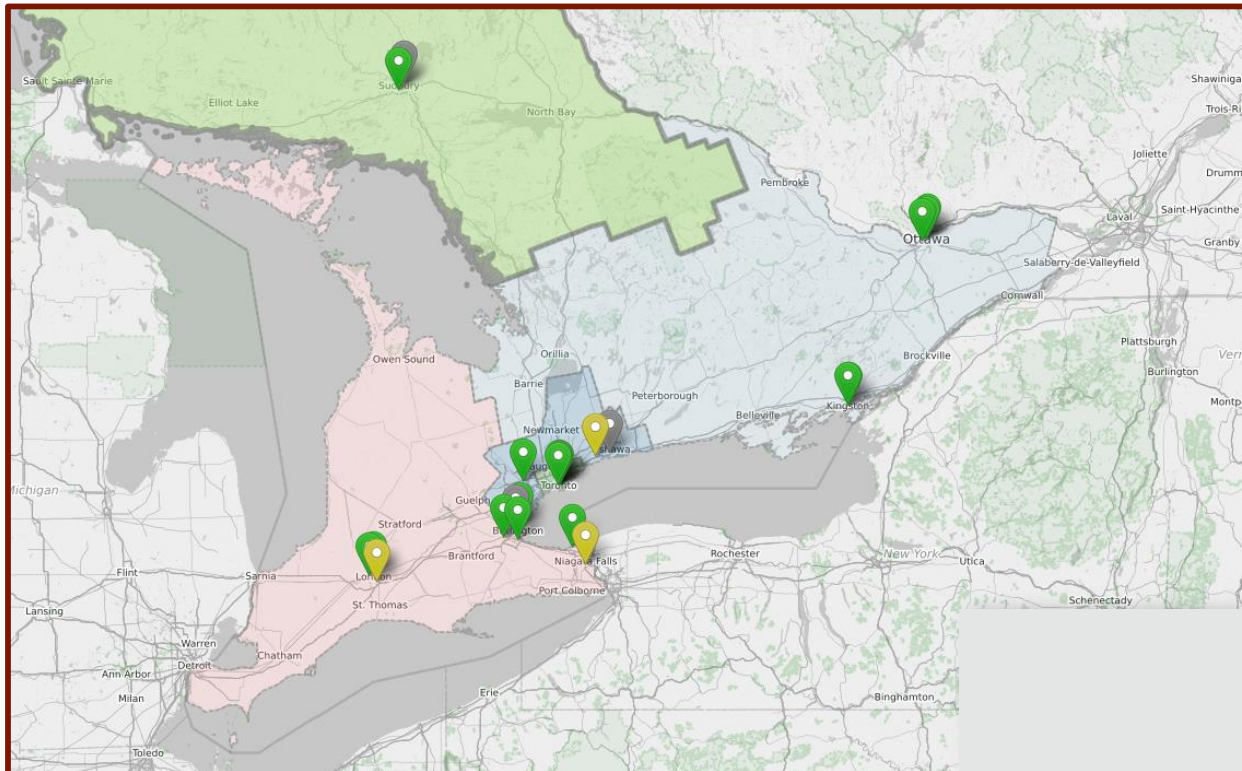
Current Status

Out of 414 single and lower tier municipalities, **77 have opted out** as of January 22, 2019 deadline

18 stores have opened since April 1, 2019

23 Retail Operator Licences
21 Retail Store Authorizations
35 Retail Manager Licences

Over **1,200 individuals** have completed the CannSell retail training, which is required for all employees of cannabis retail stores



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Cannabis Retail Stores in Ontario

Region	Allocated	Open	
East	5	5	<ul style="list-style-type: none"> ▪ Fire & Flower – <i>Brock Street, Kingston</i> ▪ SpiritLeaf – <i>Princess Street, Kingston</i> ▪ Superette – <i>Wellington Street West, Ottawa</i> ▪ Hobo – <i>Bank Street, Ottawa</i> ▪ Fire & Flower – <i>York Street, Ottawa</i>
GTA	6	2	<ul style="list-style-type: none"> ▪ Ganjika House – <i>Main Street S., Brampton</i> ▪ RELM Cannabis – <i>Fairview Street, Burlington</i>
North	2	1	<ul style="list-style-type: none"> ▪ Cana Cabana Sudbury – <i>Long Lake Road, Sudbury</i>
Toronto	5	4	<ul style="list-style-type: none"> ▪ Nova Cannabis – <i>499 Queen Street W.</i> ▪ Tokyo Smoke – <i>333 Yonge Street</i> ▪ The Hunny Pot – <i>202 Queen Street W.</i> ▪ Ameri – <i>20 Cumberland Street</i>
West	7	6	<ul style="list-style-type: none"> ▪ Cana Cabana Hamilton – <i>Barton Street E., Hamilton</i> ▪ Tweed – <i>Wellington Road, London</i> ▪ Hello Cannabis Store – <i>Cootes Road, Hamilton</i> ▪ J London – <i>Richmond Street, London</i> ▪ Central Cannabis – <i>Wonderland Road N, London</i> ▪ The Niagara Herbalist – <i>Lakeshore Road, St. Catharines</i>

Public Notice Period

- As part of the Retail Store Authorization process, local residents and the municipality are provided with 15 calendar days to provide AGCO with written submissions about an application
- The applicant is provided with five calendar days to respond to any written submissions
- The Registrar will consider submissions that address **three matters of public interest**



Protecting Public Health & Safety



Protecting Youth & Restricting Their Access to Cannabis



Preventing Illicit Activities in Relation to Cannabis



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179 Public Notice Process Submissions Received

Average of 7.5 submissions from individuals and municipalities per proposed cannabis retail store	Top reasons for submissions:	From the submission archives:
	1. Protecting youth and restricting their access to cannabis	<ul style="list-style-type: none">• “Young children will be passing close by as well as high school students who frequent the plaza...”
	2. Reasons not applicable for Registrar’s decision making	<ul style="list-style-type: none">• “There is insufficient parking at this location”• “Please open the shop ASAP - Thank You”
	3. Protecting public health and safety	<ul style="list-style-type: none">• “...Too close to The Missions, injection sites & low income housing”• “who will this business attract to the neighbourhood?”

A Progressive Compliance Approach

