



June 5, 2014

Honourable Coralee Oakes
Minister of Community, Sport and Cultural Development

Honourable Norm Letnick
Minister of Agriculture

The following is a Cabinet minute excerpt from May 20, 2014 for your attention:

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Elizabeth MacMillan
Deputy Cabinet Secretary

pc: Becky Denlinger, Deputy Minister
Ministry of Community, Sport and Cultural Development

Derek Sturko, Deputy Minister
Ministry of Agriculture

Corinne Swystun, Chief Legislative Counsel
Ministry of Justice

Pages 2 through 5 redacted for the following reasons:

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Context

Farm Class:

- For the 5 current approved applications,

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Example of Current Facility



Illustrations of Permitted ALR Farm Uses/Farm Class

Product	Farm/ Permitted Use	Farm Class
Agro-Tourism	✓	X
Gravel Extraction	✓	X
Wineries/Cideries (facilities)	✓	X
Heroin Poppies (Federal Regulated Narcotic)	? (ALC has not considered)	X
Medical Marihuana (proposed)	✓	X

Pages 9 through 14 redacted for the following reasons:

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Cabinet Submission – Request for Decision

Minister: Coralee Oakes, Minister of Community, Sport and Cultural Development

Ministry: Community, Sport and Cultural Development

Date: 20/05/2014 Ministry Document #:

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Background / Context:

Health Canada's (HC) Marihuana for Medical Purposes Regulation (MMPR) came into effect April 1, 2014. Under the old federal regulation, individual growers were permitted to produce relatively small amounts of MM for themselves or contracted users. The MMPR will focus the MM Production facilities in larger industrial scale operations, likely



located in areas zoned for commercial or industrial use. These facilities have highly prescribed requirements including specific requirements around security and structural design, consistent with other industrial operations. In addition, once HC approves licenses applicants are required to notify LG, fire and police officials of the location of their facilities, and to comply with all federal, provincial and LG laws and bylaws, including zoning bylaws. These cumulative requirements place new obligations on local governments as well as proponents.

As of April 4, 5 licenses have been issued with a 6th expected to be issued shortly (locations of the 5 approved licenses are Central Saanich, Maple Ridge, Whistler, Nanaimo, and Armstrong).

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Honourable Coralee Oakes

May.15, 2014

Date Signed



Cabinet Decision Summary Sheet

Ministry: Agriculture

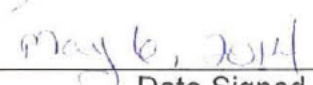
Date: 14/05/2014

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Contact: David Coney, Policy Manager
250 387-3232


Honourable Norm Letnick


Date Signed

Cabinet Submission – Request for Decision

Minister: Norm Letnick, Minister of Agriculture

Ministry: Agriculture

Date: 14/05/2014

Ministry Document #: PP-02/14

Title:

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"Farm use" is defined under the *Agricultural Land Commission Act* (ALCA) as "an occupation of land for farm purposes, including farming of land, plants and animals and any other similar activity designated as farm use by regulation.....". "Farm use" is separate and distinct from "Farm Class", which is a term under the *BC Assessment Act* concerning property assessment values and LG tax revenues.

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The BC Agriculture Council (BCAC) does not support allowing LG to prohibit MM production in the ALR.

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Background / Context:

Health Canada's Marihuana for Medical Purposes Regulation (MMPR) came into effect April 1, 2014. MMPR changes the parameters for MM production in Canada from a system of home-based production licenses for personal use, which have been associated with various law enforcement and public safety concerns, to a system of more tightly regulated, commercial scale production licenses supplying MM prescription holders. Applications for commercial licenses are made to Health Canada, and MMPR requires applicants to notify LG, fire and police officials of the location of their facilities, and to comply with all federal, provincial and LG laws and bylaws, including zoning bylaws. As of April 4, six licenses have been issued in BC, in Saanich, Maple Ridge, Whistler, Nanaimo, the Okanagan, and one unknown location.

In January 2014, the Agricultural Land Commission (ALC) issued an information bulletin (Appendix A) stating that: the production of MM in the ALR is allowable, and would be interpreted by the ALC as being consistent with the definition of "farm use" in the ALCA; and that accessory activities not specifically related to the growing of the product (e.g packaging, shipping, research & development) would not necessarily be considered a farm use, and may therefore require a non-farm use application to the ALC. The Ministry of Agriculture concurs with the ALC's view.

Section 918 of the *Local Government Act* (LGA) provides that the Province may "regulate" a LG, the effect of which is that any new bylaws affecting agriculture (Farm Bylaws) then require approval from the Minister of Agriculture. s. 12

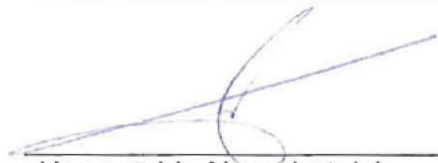
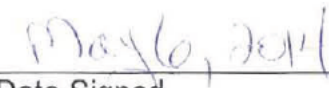
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INFORMATION BULLETIN MEDICAL MARIHUANA PRODUCTION IN THE AGRICULTURAL LAND RESERVE

Updated January 2014

Health Canada's Marihuana for Medical Purposes Regulation (MMPR) <http://www.laws-lois.justice.gc.ca/eng/regulations/SOR-2013-119/> has changed the parameters for the production of medical marihuana in Canada. 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 geared to larger scale production/distribution facilities. For further information about the changes see the following website <http://www.hc-sc.gc.ca/dhp-mps/marihuana/index-eng.php>.

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. Others are looking to restrict this land use or direct to particular areas of their community.

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 the following for clarification purposes 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 allowed 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.

Municipalities are responsible for governing the use of land within the respective municipality's jurisdiction. Zoning bylaws enacted by municipalities may set out restrictions on land use, including but not limited to the use of land for medical marihuana production. Where such restrictions may apply to land within the ALR, such restrictions with respect to the particular land use of lawfully sanctioned medical marihuana production would not in and of themselves be considered as inconsistent with the *ALC Act*.

Proponents of medical marihuana production facilities should contact their local government to determine the applicability of zoning bylaws, approval processes and to determine building permit requirements that may apply.

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