Appendix B - PROPOSED DESIGNATED MEDICAL GROWERS LICENSING PROGRAM

PART I: GENERAL REQUIREMENTS, LICENCEE RESPONSIBILITIES, SUSPENSIONS & REVOCATION

That anyone who wishes to operate as a **Designated Grower** (DG) must at application provide the following:

1. Completed Licence Application and remit the associated Licence Fee.
2. Provide a copy of all applicable Health Canada "Registration Certificates" to produce/cultivate as a designated grower that the operator is intending to support, including the number of plants being grown.
3. If the applicant is not on title – a completed **Authorization Form (to be developed)** from the property owner granting permission to produce/cultivate cannabis as a designated grower at the property that the licence is for.
4. Active Monitored Alarm Permit for the proposed premise.
5. Additional Security Measures *(Only for DG's at Level 2, 3 & 4 (6+ plants)*
    a) Provide floor plans of property and location of activity.
    b) Provide plan of disposal of any medical cannabis that is not consumed by the patient.
    c) Storage plan for the medical cannabis produced and stored on the premises.
    d) A plan for packaging and delivery of medical cannabis to patients, including details on patient pickup times consistent with zoning and minimizing impact to neighbourhood.
    e) Names of all employed individuals.

Required Approvals: *(subject to review by PPD Zoning and Permits)*

1. Zoning Approval
    a. Applicant operation is within maximum approved size (number of plants) for the designated zoning area.
    b. List any conditions where a maximum is recommended by zoning.
2. Occupancy Approval
    a. A copy of the occupancy permit authorizing the business to occupy the premises for which the licence is sought.
3. A copy of all permits or authorizations that are required for work to make the premises appropriate for cannabis production, including:
    a. Electrical permits;
    b. Building permits; and
    c. Permits authorizing the installation of heating, ventilation, and air conditioning systems.

Licencee Responsibilities:

Licencee must:

1. Not operate outside of the address listed on the licence.

2. Maintain all required mechanical and electrical equipment in good working order.
3. Notify and provide any related documents to the designated employee when there are any changes to Health Canada Registrations. Failure to do so may result in:
    a. Fines
    b. Penalties
    c. Suspension or cancellation of licence.
4. Allow access to any City of Winnipeg Inspector or other official as required to conduct inspections when requested by an enforcement officer within 10 days of a request being made.
5. Allow for an enforcement officer to conduct an annual inspection of the operation within 30 days before a licence expiry *(not mandatory on City of Winnipeg, but if requested of licencee they must comply).*
6. Produce all related designated grower certificates upon request of an enforcement officer.
7. Comply with any orders issued under this By-law as directed by the designated employee.
8. If any conditions to the requirements of the licencee changes, or on expiry of the licence, cease using the premises as a designated cannabis production facility, and provide an enforcement officer with access to confirm that the premises is no longer being used as a designated growers production facility.
9. Allow an enforcement officer to conduct a final inspection of cancelled or expired licences to confirm that the designated production has been ceased.

Suspensions and Revocations

Immediate Revocations if:

1. Any information on an application was falsified
2. Any inspection by an enforcement officer finds that the operation has exceeded its licenced operation.
3. At the discretion of the designated employee if the licencee is failing to comply with an order made under this By-law.

PART II: LICENSING

Assumptions:

- Approximately 2000 Designated Growers (DG) operating in Manitoba (Provided by Health Canada data portal that shows registrations based on provinces, but does not provide breakdown information by municipalities)
- 20% will initially licence,
- DG licences will grow at the rate of 50 per year,
- Growth rate of licenced DG's will be incorporated into future increases in resources to regulate industry.

Elements of the Program	Required Staffing
• administrative and clerical file management. • point of contact for customer service to answer questions related to licensing of DG. • tiered licensing fee structure based on the number of plants being grown on site. • Coordination of DG Licensing information with PPD on City of Winnipeg website to inform licencees (for example, information required to obtain a licence, approvals required through PPD, etc.) • Provide IT and technical support. • Enhance Licensing platform to make it user friendly - further develop online licencing application processes with the ability to submit additional documentation and information as required for the assessment and processing of this new licensing type. • Initiate required systems software upgrade to all required equipment – if required.	1.5 FTE

Licensing Fee and Structure

Designated Grower Licensing levels	Annual Licensing Fee	Number of Plants
Level 1	$100	1-5
Level 2 - Baseline	$500	6-20
Level 3	$1500	21-50
Level 4	$5000	51+

The proposed licensing fee structure are projections and the objective is to achieve, at minimum, cost recovery based on Council's adoption of Licensing and Inspections.

It is anticipated that approximately 20% (400) existing Designated Growers will continue to operate after zoning and new licensing has been established. Based on the assumption that most designated growers will fall under level 2 as identified above, this could exceed $162,000 and is expected to fully offset the costs of the additional staff resource.

PART III: INSPECTION & ENFORCEMENT

Assumptions:

- 400 DG licenced with growth rate of 50 per year.
- 5% non-compliance rate and/or complaints

Elements of the Program	Required Staffing
o Complaint or non-compliant inspections (40 licencees) o There will be NO proactive inspections o Report findings to licensing branch	0 FTE

○ Address non-compliance through MBEA and Administrative management of licensing	

Administrative warnings and licence suspensions may be issued for any infraction.
Immediate Hearing for revocation of licence if ongoing non-compliance.
Enforcement inspection will result only if initiated by complaint.