Minute No. 375
Report – Executive Policy Committee – April 20, 2022

Item No. 20 **Text Amendment – Winnipeg Zoning By-law No. 200/2006 and the Downtown Zoning By-law No. 100/2004 – Designated Cannabis Production Facilities**
Files DAZ 201/2022 and DAZ 202/2022

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That a by-law to amend the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No. 100/2004, a draft of which is attached as Appendix B to this report, be enacted.

2. That the Public Service be directed to report back within two years after implementation of the by-law with a review of the effectiveness of the by-law amendments, taking into account compliance, the number of violations reported, the number of zoning applications received and any other information the public service deems necessary.

3. That the Proper Officers of the City of Winnipeg be authorized to do all things necessary to implement the intent of the foregoing.

Report – Executive Policy Committee – April 20, 2022

DECISION MAKING HISTORY:

Moved by His Worship Mayor Bowman,
That the recommendation of the Executive Policy Committee be adopted.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 20, 2022, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On April 5, 2022, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service, with the following amendment:

- Add the following new Recommendation 2 and renumber the remaining recommendation accordingly:

  "2. That the Public Service be directed to report back within two years after implementation of the by-law with a review of the effectiveness of the by-law amendments, taking into account compliance, the number of violations reported, the number of zoning applications received and any other information the public service deems necessary."

and forwarded the matter the Executive Policy Committee.

PUBLIC HEARING SUMMARY

File: DAZ 201/2022 and DAZ 202/2022

Before: Standing Policy Committee on Property and Development, Heritage and Downtown Development
Councillor Gilroy, Chairperson
Councillor Klein
Councillor Lukes
Councillor Santos

Public Hearing: April 5, 2022
Council Building, 510 Main Street

Appellant: Director of Planning, Property and Development

Subject:

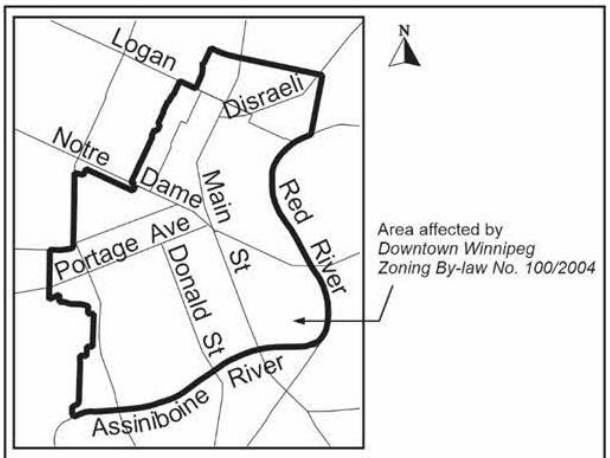


APPLICANT: Director of the Planning, Property and Development Department
FILE : DAZ 202/2022
PROPOSAL : Proposed amendments to the City of Winnipeg Zoning By-Law No. 200/2006.
Key amendments include:
- Adding "Cannabis Production Facility, Designated" as a new use definition.
- Adding "Cannabis Production Facility, Designated" as a permitted use in the MMU, M1, M2, and M3 zones;
- Requiring all Designated Cannabis Production Facilities to only establish within enclosed buildings.
- Prohibiting any portion of a building containing a Designated Cannabis Production Facility from be constructed within 300 feet of any residential dwelling, park, or school.

For more information about the proposed amendments, please contact: Rakvinder Hayer at 204-986-7168, or email rhayer@winnipeg.ca.

DEMANDEUR : Directeur du Service de l'urbanisme, des biens et de l'aménagement
N° DE DOSSIER : DAZ 202/2022
PROJET : Modifications proposées au *Zoning By-law No. 200/2006* (règlement municipal sur le zonage) de la Ville de Winnipeg
Les modifications comprennent notamment ce qui suit :
- Ajouter « Installation de production de cannabis, désignée » à titre de nouvelle définition en matière d'utilisation
- Ajouter « Installation de production de cannabis, désignée » à titre d'utilisation autorisée dans les zones MMU, M1, M2 et M3
- Exiger que les installations de production de cannabis désignées ne soient aménagées que dans des bâtiments fermés
- Interdire que les parties de bâtiment qui contiennent une installation de production de cannabis désignée soient construites à moins de 300 mètres des résidences, des parcs ou des écoles

Pour des renseignements supplémentaires sur les modifications proposées, veuillez communiquer avec Rakvinder Hayer, par téléphone au 204-986-7168 ou par courriel à rhayer@winnipeg.ca.



APPLICANT: Director of the Planning, Property and Development Department
FILE : DAZ 201/2022
PROPOSAL : Proposed amendments to the Downtown Winnipeg Zoning By-law No.100/2004.
Key amendments include:
- Adding "Cannabis Production Facility, Designated" to the list of prohibited uses.
- Adding ""Cannabis Production Facility, Designated" as a new use definition.

For more information about the proposed amendments, please contact: Rakvinder Hayer at 204-986-7168, or email rhayer@winnipeg.ca.
DEMANDEUR : Directeur du Service de l'urbanisme, des biens et de l'aménagement
N° DE DOSSIER : DAZ 201/2022
PROJET : Modifications proposées au *Downtown Winnipeg Zoning By-law No.100/2004* (règlement municipal sur le zonage du centre-ville de Winnipeg)
Les modifications comprennent notamment ce qui suit :
- Ajouter « Installation de production de cannabis, désignée » à la liste des utilisations interdites
- Ajouter « Installation de production de cannabis, désignée » à titre de nouvelle définition en matière d'utilisation
- **Pour des renseignements supplémentaires sur les modifications proposées, veuillez communiquer avec Rakvinder Hayer, par téléphone au 204-986-7168 ou par courriel à rhayer@winnipeg.ca.**

RE: Text Amendment – Winnipeg Zoning By-law No. 200/2006 and the Downtown Zoning By-law No. 100/2004 – Designated Cannabis Production Facilities
Files DAZ 201/2022 and DAZ 202/2022

For submission to: Executive Policy Committee

Prepared by: K. McMillan, Senior Committee Clerk
Standing Policy Committee on Property and Development, Heritage and Downtown Development

Report date: April 5, 2022

Standing Committee Recommendation:

On April 5, 2022, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service, as amended, and recommended to Council:

1. That a by-law to amend the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No. 100/2004, a draft of which is attached as Appendix B to this report, be enacted.

2. That the Public Service be directed to report back within two years after implementation of the by-law with a review of the effectiveness of the by-law amendments, taking into account compliance, the number of violations reported, the number of zoning applications received and any other information the public service deems necessary.

32. That the Proper Officers of the City of Winnipeg be authorized to do all things necessary to implement the intent of the foregoing.

Note: The wording in bold and italics denotes amendments made by the Standing Policy Committee.

The Standing Policy Committee on Property and Development, Heritage and Downtown Development provided the following supporting reasons for its recommendation:

1. We are seeking to address an oversight on the use and growth of cannabis and we are addressing neighborhood livability issues.

Objections under the Charter:

Total number of **v**alid objections as per section 125(2) – 2

In accordance with section 236.1(1), the threshold for sufficient objection has not been met.

Exhibits Filed:

1. Application dated January 21, 2022
2. Notification of Public Hearing dated March 17, 2022
3. Report from the Urban Planning Division dated March 7, 2022
4. Communication dated March 30, 2022, in support of the application submitted by Jim and Carol Wainwright
5. Communication dated March 30, 2022, in support of the application submitted by Gail Katz
6. Communication dated March 30, 2022 in support of the application submitted by Damir Gospic
7. Communication dated March 31, 2022 in support of the application submitted by Jeff and Judith Stanton
8. Communication dated March 31, 2022 in support of the application submitted by Dan Stanski
9. Communication dated March 31, 2022 in support of the application submitted by Luis Gameiro
10. Communication dated April 1, 2022 in support of the application submitted by Adrian Raizman
11. Communication dated April 1, 2022 in support of the application submitted by H. Henkelman
12. Communication dated April 2, 2022 in support of the application submitted by Marcio Chaves
13. Communication dated April 3, 2022 in support of the application submitted by Cristina Dias-Acquisto
14. Communication dated April 4, 2022 in support of the application submitted by Mintu Sandhu
15. Communication dated April 4, 2022 in opposition to the application submitted by Ben Raber.
16. Communication dated April 4, 2022 in opposition to the application submitted by Steven Stairs

REPRESENTATIONS:

In Support:

Eddie Calisto-Tavares
Marcio Chaves
Cristina Dias-Acquisto

Ross Eadie
Luis Gameiro
Damir Gospic
H. Henkelman
Carmen Nedohin
Carol Wainwright
Jim Wainwright
Gail Katz
Edward Kolodziej
Adrian Raizman
Mintu Sandhu
Jeff Stanton
Judith Stanton
Dan Stanski
Peter Squire

In Opposition:

Ben Raber
Steven Stairs

For Information:

Nil

For the City:

R. Hayer, Planner, Planning, Property and Development
W. Yee, Manager of Community Licensing and By-Law Enforcement, Community Services Department
J. Kiernan, Director, Planning, Property and Development

Exhibit "3" referred to in File DAZ 201/2022

ADMINISTRATIVE REPORT

Title: Text Amendments to the Winnipeg Zoning By-law 200/2006 and the Downtown Winnipeg Zoning By-law No. 100/2004 (Designated Cannabis Production Facilities)

Critical Path: Standing Policy Committee on Property and Development, Heritage and Downtown Development – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
J. Veitch	J. Kiernan	N/A	M. Jack

EXECUTIVE SUMMARY

Per the October 28, 2021 Council Decision, the Winnipeg Public Service is applying for a text amendment to the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No. 100/2004 in order to regulate Designated Cannabis Production sites. These are buildings or structures where medical cannabis is produced by a person who has been authorized by Health Canada to produce a limited amount of medical cannabis on behalf of another person who has a medical prescription.

The proposed By-law amendments are part of a two-pronged approach to regulate designated medical cannabis production facilities, alongside proposed changes to the Community Safety Business Licensing By-law No. 91/2008 that are being prepared separately by the Community Services Department.

The proposed amendments to the Community Safety Business Licensing By-law would result in the establishment of a new designated medical cannabis growers licensing program that would require Designated Growers (i.e. individuals operating a Designated Cannabis Production Facility) to obtain and maintain a valid business license. The licensing program (pending Council approval) would allow the City to conduct inspections, to suspend or revoke a license, or to issue a fine, if there are health and/or safety concerns with Designated Growers. Licensed individuals would be required to obtain zoning approvals, and all work would be required to be completed under development and building permits.

A report detailing the proposed amendments to the Community Safety Business Licensing By-law will be presented at an upcoming meeting of the Standing Policy Committee on Protection, Community Services and Parks and ultimately the by-law amendment will require approval by City Council to be enacted.

The licensing by-law amendments and zoning by-law amendments have been drafted to come into force on a harmonized timeline, thus ensuring that the entire regulatory approach can be considered and implemented simultaneously.
The proposed by-law amendments would not apply to individuals operating under Health Canada approvals permitting them to grow cannabis for their own personal medical use. They would also not apply to any retail cannabis store, nor to any federally licensed commercial cannabis production facility. Winnipeg residents would continue to have legal access to medical cannabis, including at retail locations, and could still grow their own medical cannabis, or designate someone else to grow it for them, provided they are doing so in properly-zoned areas.

The proposed amendments to the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No. 100/2004 are:

1. Add “Cannabis Production Facility, Designated” as a new land use to the definitions section of the Winnipeg Zoning By-law and Downtown Winnipeg Zoning By-law.

2. Add “Cannabis Production Facility, Designated” as a permitted use in the “M1” Manufacturing Light, “M2” Manufacturing General, “M3” Manufacturing Heavy, and “MMU” Manufacturing Mixed-Use zones of the Winnipeg Zoning By-law, with the following use specific standards:

    a. Cultivating, propagating, harvesting and storing of cannabis is only permitted within a wholly enclosed building.

    b. No portion of any building used to cultivate and/or store cannabis may be located within 300 feet of a lot line to a property containing any of the following:

        i. any dwelling unit;

        ii. any Parks and Recreation Zoning District or any park use in a Residential District; or

        iii. any elementary, middle, or senior high school.

3. Add “Cannabis Production Facility, designated” to the list of prohibited uses under the Downtown Winnipeg Zoning By-law.

This report is being submitted for the public hearing related to these proposed amendments. The public hearing was advertised on March 17 in the Winnipeg Free Press and Winnipeg Sun.

This report recommends that Council enact the proposed amendments to the Winnipeg Zoning By-law No. 200/2006 and Downtown Winnipeg Zoning By-law No. 100/2004, as outlined in Appendix A and attached as Appendix B to this report.

RECOMMENDATIONS

1. That Council enact a by-law to amend the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No. 100/2004, a draft of which is attached as Appendix B to this report.

2. That the proper officers of the City of Winnipeg be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

This report responds to the following motion made on March 25, 2021, whereby Council directed the Winnipeg Public Service to report back within 180 days with the following:

- *"Amendments to the Winnipeg Zoning By-law No. 200/2006, which would:*

    i. Prohibit the cultivation of cannabis in residential neighbourhoods and/or properties with a residential zoning designation;
    ii. Limit the cultivation of cannabis in residential neighbourhoods and/or properties with a residential zoning designation based on:
        a. a prescribed number of plants;
        b. a prescribed percentage of the useable area of the residence, or
        c. such other criteria that supports the intent and purpose of this motion.

- *Options to amend the Neighbourhood Liveability By-law No. 1/2008 or any other City of Winnipeg By-law to regulate or prohibit nuisance odours or any other conditions that pose a health hazard or detriment to the neighbourhood emanating from properties where cannabis cultivation is occurring.*

- *Options to create a licensing regime to protect the health and safety of our communities by regulating the cultivation of cannabis for medical purposes on behalf of other registered users.*

- *Regulations to various building systems (including, but not limited to HVAC, electrical, lighting and heating systems) for all properties with a residential zoning designation to minimize or eliminate:*

    i. the exhausting and emission of odours from the property;
    ii. the infiltration of moisture, mould and other harmful elements into the building structure; and
    iii. any other conditions that pose a health hazard or detriment to the neighbourhood."

On October 13, 2021, the Winnipeg Public Service submitted a report to the Standing Policy Committee on Property and Development, Heritage and Downtown Development in response to the aforementioned Council direction. This report identified Zoning By-law amendments and establishment of a new licensing regime to regulate designated cannabis production facilities and operators of these facilities, to address the Council ask. On October 28, 2021, City Council

concurred in the recommendations of the Winnipeg Public Service and adopted the following direction:

1. *That the Winnipeg Public Service be directed to proceed with the proposed zoning and licensing frameworks and report back within 180 days with draft amendments to the Winnipeg Zoning By-law 200/2006 and Downtown Winnipeg Zoning By-law 100/2004, and draft amendments to the Doing Business in Winnipeg By-law 91/2008.*

2. *That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.*

IMPLICATIONS OF THE RECOMMENDATIONS

If Council approves the proposed amending By-law, a draft of which is attached as Appendix B, the applicable text amendments will be incorporated into Winnipeg Zoning By-law No. 200/2006 and Downtown Winnipeg Zoning By-law No. 100/2004.

HISTORY/DISCUSSION

APPROACH TO REGULATION

Appendix A contains a summary of the proposed amendments to the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No. 100/2004 and the draft amending By-law is attached as Appendix B to this report.

The proposed amendments are based on the framework that was approved by City Council on October 28, 2021, and are part of a two-pronged approach to regulate designated medical cannabis production facilities, alongside proposed changes to the Community Safety Business Licensing By-law No. 91/2008 (previously known as the Doing Business in Winnipeg By-law) that are being prepared separately by the Community Services Department.

Community Safety Business Licensing By-law:

Proposed amendments to the Community Safety Business Licensing By-law (pending Council approval) would result in the establishment of a new designated medical cannabis growers licensing program that would require Designated Growers (i.e. individuals operating a Designated Cannabis Production Facility) to obtain and maintain a valid business license. The proposed licensing program would allow the City to conduct inspections, to suspend or revoke a license, or to issue a fine, if there are health and/or safety concerns with Designated Growers.

There is no Public Hearing requirement to consider the proposed amendments to the Community Safety Business Licensing By-law. A report detailing the proposed amendments to the Licensing By-law and related licensing program will be presented at an upcoming meeting of the Standing Policy Committee on Protection, Community Services and Parks and ultimately the amendment will require approval bya City Council to be enacted. The Licensing By-Law amendments and Zoning By-Law amendments have been drafted to come into force on a harmonized timeline, thus ensuring that the entire regulatory approach can be considered and implemented simultaneously.

SUPPLEMENTARY INFORMATION

Under Federal Government regulations, Health Canada is the government agency responsible for regulating cannabis production and cultivation for commercial and personal purposes. Although Health Canada can issue licenses and registrations to authorize and permit cannabis production, zoning (including for cannabis production facilities of any kind) is within the City's authority under the *City of Winnipeg Charter*.

The federal cannabis framework is rooted in the *Cannabis Act* (also referred to as Bill C-45) and the specific authorizations to produce cannabis are set out in the *Cannabis Regulations*. There is nothing in the *Cannabis Act* or *Cannabis Regulations* or even the provincial *Liquor, Gaming and Cannabis Act* that would grant an individual or a property an exemption from following local laws and/or bylaws concerning land use.
To the contrary, Health Canada has provided guidance to medical cannabis growers that they are *"expected to comply with all relevant provincial/territorial and municipal laws including local bylaws about zoning, electrical safety, fire safety, together with all related inspection and remediation requirements*".

While the *Cannabis Act* lacks a preamble, Bill C-45 includes a summary of its objectives, which states that the "*objectives of the Act are to prevent young persons from accessing cannabis, to protect public health and public safety by establishing strict product safety and product quality requirements and to deter criminal activity by imposing serious criminal penalties for those operating outside the legal framework".*

The proposed By-law amendments would not conflict with the objective of the *Cannabis Act*. Rather, the proposed amendments could be argued to facilitate them, because Winnipeg residents would continue to have legal access to cannabis at retail locations and could still grow their own medical cannabis in properly-zoned areas. It would still be possible for registered individuals and designates to grow medical cannabis within the City of Winnipeg. Other sources of medical cannabis have also become more affordable and accessible than they were prior to federal legalization of recreational cannabis.

In terms of regulation at the municipal level potentially being perceived as creating a barrier to reasonable access to medical cannabis, the Public Service is of the opinion that reasonable access does not necessarily equate to unlimited access. Given that the proposed amending by-law is recommending that Designated Cannabis Production Facilities be permitted either as a Principal Use or an Accessory Use in Manufacturing zones in the City of Winnipeg (subject to use specific standards), the proposed zoning regulations are not a prohibition under the guise of regulation.

Furthermore, registered individuals growing their own medical cannabis for personal use, would not be prohibited from producing cannabis for personal medical needs, provided the appropriate authorizations are obtained. Designates would also be permitted to produce medical cannabis, provided the appropriate authorizations are obtained.

Air Filtration/Exhaust Requirements:

An air filtration/exhaust requirement was initially contemplated to mitigate the release of substances that result in cannabis odour outside of the production site. However, additional research and consultation with the Plan Examination Branch found there are no air filtration/exhaust requirements for medical cannabis production facilities under the Manitoba Building Code to rely on. If there are no existing standards for the City to rely on, then the City would become responsible for developing a ventilation standard for medical cannabis production facilities and then implementing it via the Zoning By-law, which is not advisable.

Capturing air quality requirements for a non-enclosed area would be unreasonable and subjective, particularly given the number of variables associated with outdoor air quality. There is also a lack of accepted technology to measure cannabis odour. If a prescriptive ventilation standard does not satisfy everyone, and there is no reasonable way for the City to measure outcomes, then the City could be called out as providing poor oversight.

Indoor air quality, which is far more detrimental to human health and safety, is regulated based on occupancy type. Therefore, oversight over internal air quality is already part of the permit review process and is code related.

FINANCIAL IMPACT

Financial Impact Statement Date: March 7, 2022

Project Name:

Text Amendments to the Winnipeg Zoning By-law 200/2006 and the Downtown Winnipeg Zoning By-law No. 100/2004 (Designated Cannabis Production Facilities)

COMMENTS:

There are no direct financial implications associated with this report.

Mike McGinn Mar. 7, 2022

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

Legal Services (as to legal issues)
Community Services Department

OURWINNIPEG POLICY ALIGNMENT

01-3 Prosperity

- *Direction 1: Provide efficient and focused civic administration and governance.*

The following policy statements apply to the proposed amendments (Appendix "A") of which most are being proposed to either: improve the quality of the built environment; accommodate different uses; or make uses more compatible with their surrounding neighbourhoods.

01-1 City Building:

- *Create Complete Communities.*
- *Provide Options to Accommodate Growth.*

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Key Direction 4.2: Ensure New Areas of Growth are Designed According to the Principles of Complete Communities.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to any of the specific Goals and Objectives in the PRS and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Planning, Property and Development
Division: Urban Planning and Design Division
Prepared by: R. Hayer, RPP, MCIP
Date: March 7, 2022

Attachments:
Appendix A – Summary of Proposed Zoning By-law Amendments
Appendix B – Draft Amending By-law

APPENDIX A: SUMMARY OF PROPOSED ZONING BY-LAW AMENDMENTS

WINNIPEG ZONING BY-LAW NO. 200/2006 AMENDMENTS:

The proposed text amendments to the City of Winnipeg Zoning By-law No. 200/2006 are summarized below, and the full draft amending By-law is attached as Appendix B to this report.

Definitions:

The following definition is proposed to be added to section 48 of Zoning By-law No. 200/2006:

- **"cannabis production facility, designated"** means the use of buildings or structures for cultivating, propagating, harvesting, drying, storing, packaging or distributing cannabis where the operator of the facility is authorized to produce cannabis for the medical use of specific individual(s) pursuant to Part 14 of the Cannabis Regulations, SOR/2018-144, as amended, or its successor, and the Cannabis Act, S.C. 2018, c. 16, as amended, or its successor. For greater certainty, this definition does not include the use of buildings or structures by an individual to produce cannabis for their own personal medical use.

Discussion**:**

The Public Service recommends the above use definition in order to regulate Designated Cannabis Production Facilities. This is a use that is carried out by someone who has been authorized by Health Canada to produce a limited amount of cannabis on behalf of someone else for their medical use. The definition being recommended by the Public Service has been drafted to clarify that the intent is to not regulate individuals who are producing cannabis for personal medical use.

The Public Service has heard a potential concern that exempting registered individuals could be exploited as a "loophole", whereby designated growers register themselves as patients to obtain federal authorization to produce their own personal medical cannabis. However, this type of federal authorization requires the applicant to provide a medical document, with a health care practitioner authorizing medical cannabis for an individual. In this regard, there would still be a role for federal and provincial legislators to address any potential perceived or real gaps in legislation.

A proposed amendment to the Community Safety Business Licensing By-law No. 91/2008 is forthcoming and (pending Council approval) would establish a new licensing requirement whereby any operator of a Designated Cannabis Production Facility would be required to obtain a license issued by the City of Winnipeg, which would be in addition to valid approvals issued by the federal government.

In this regard, a Designated Cannabis Production Facility use would only be permitted on a property subject to compliance with Zoning By-law 200/2006, Licensing By-law 91/2008, and the operator having a valid registration certificate issued by the federal government.

Permitted Zone Categories:

The zone categories in which a Designated Cannabis Production Facility would be permitted as a principal or accessory use include the following:

- "MMU" Manufacturing Mixed-use;
- "M1" Manufacturing Light;
- "M2" Manufacturing General; and
- "M3" Manufacturing Heavy.

Discussion**:**

The Public Service recommends allowing Designated Cannabis Production Facilities to establish either as principal or accessory uses in all of the Manufacturing zoning districts.

If established as a Principal Use, a Designated Cannabis Production Facility would be categorized as an Industrial Service and would be subject to the same parking requirements as other Industrial Service type uses (1 parking space for each 1,000 square feet of gross floor area, but not less than 2 spaces).

If established as an Accessory Use, then it would only be allowable in Manufacturing zones and the parking requirement for the Principal Use would apply, meaning there would be no additional parking required for the Designated Cannabis Production use.

Regardless of whether the use is established as a principal or accessory use, the building within which the use is being established would be required to adhere with the applicable dimensional standards as well as the Use Specific Standards summarized on the following pages of this report.

Use Specific Standards:

A "cannabis production facility, designated" would be subject to compliance with the following use specific standards:

- Cultivating, propagating, harvesting and storing of cannabis is only permitted within a wholly enclosed building.

- No portion of any building used to cultivate and/or store cannabis may be located within 300 feet of a lot line to a property containing:

    - any dwelling unit;

- any Parks and Recreation Zoning District or any park use in a Residential District; or

- any elementary, middle, or senior high school.

Discussion

Limiting operations to enclosed buildings:

Limiting operations to enclosed buildings is recommended because, as stated previously, the Public Service recommends the use be allowable in Manufacturing zones. As these can be areas with a mix of uses, and often have a sizeable employment or customer base, limiting cultivation to indoor buildings ensures the grow sites are inconspicuous and minimize the potential adverse effect on surrounding properties. Occupancy of the building would be subject to code compliance, which would factor in HVAC systems, electrical systems, and others.

Unlike commercial operators/businesses operating under a Health Canada-issued license, the terms of the registration certificate granted to designated growers do not require the applicant to implement any specific security measures. A proposed amendment to the Community Safety Business Licensing By-law No. 91/2008 is forthcoming and (pending Council approval) would establish a requirement for an alarm system to be implemented as part of the licensing requirement.

Minimum Separation Distance from Sensitive Land Use:

The Public Service recommends that any building where a Designated Cannabis Production Facility use is proposed to be established, either as a principal or accessory use, then that building not be within 300 feet of certain sensitive land uses, such as residential dwellings, parks, or schools. The minimum separation distance measurement would be taken radially, and measured from the production building to the nearest lot line of a property containing a sensitive land use.

The distance being recommended is 300 feet. While this distance is generally less than other major Cities would require as a minimum setback between commercial cannabis producers and sensitive uses, the Winnipeg Public Service are of the opinion that limiting operations to Manufacturing zones and prescribing a 300-foot setback buffer strikes an appropriate balance between addressing the land use conflict (between residential and cannabis growing) as well reasonably accommodating the proposed new land use. This ensures that the production facility is not established directly across the street from residential neighbourhoods, but also not pushed deep into industrial areas.



Figure 1: Proposed Setback Graphic Example. Designated Cannabis Production Facilities would be required to establish at least 300 feet away from residential areas.

DOWNTOWN WINNIPEG ZONING BY-LAW NO. 100/2004:

The proposed text amendments to the Downtown Winnipeg Zoning By-law No. 100/2004 are summarized below, and the full draft amending By-law is attached as Appendix B to this report.

PROHIBITED USES:

The following is proposed to be added to the list of Prohibited Uses under section 200(4) of Downtown Winnipeg Zoning By-law No. 100/2004:

- **"cannabis production facility, designated"**

Discussion:

Land uses incompatible with the vision of Downtown Winnipeg articulated in *OurWinnipeg*, the *Complete Communities Direction Strategy*, and other downtown policy are prohibited. Prohibited Uses must not be established and variances for Prohibited Uses must not be approved within Downtown Winnipeg. This includes those uses that produce excessive noise, smell, dust, vibration, and other nuisances.

As indicated previously under the History/Discussion section to this report, the Winnipeg Public Service is not recommending creation of a prescriptive zoning standard for air filtration or to otherwise regulate nuisance odour, smell, dust or any other nuisances that may be associated with a Designated Cannabis Production Facility. Therefore, it is advised that Designated Cannabis Production Facilities not be permitted in the Downtown area, in order to mitigate the potential for these uses to be established in proximity to residential dwellings and for these uses to adversely impact residents in the downtown area via nuisance odour. Again, this would not apply to registered individuals, growing their own medical cannabis for personal use.

DEFINITIONS:

The following definition is proposed to be added to section 700(2) of Downtown Winnipeg Zoning By-law no. 100/2004:

- ***"cannabis production facility, designated"*** *means the use of buildings or structures for cultivating, propagating, harvesting, drying, storing, packaging or distributing cannabis where the operator of the facility is authorized to produce cannabis for the medical use of specific individual(s) pursuant to Part 14 of the Cannabis Regulations, SOR/2018-144, as amended, or its successor, and the Cannabis Act, S.C. 2018, c. 16, as amended, or its successor. For greater certainty, this definition does not include the use of buildings or structures by an individual to produce cannabis for their own personal medical use.*

Discussion:

The Public Service recommends the above use definition in order to regulate Designated Cannabis Production Facilities. This definition generally aligns with the same definition as is proposed to be added to the Winnipeg Zoning By-law No. 200/2006.