



Regular Council Meeting

To:	Mayor and Council
Date:	July 6, 2020
From:	Kimberley Pope, Finance Department
Report Number:	Finance 2020-16
Subject:	Use of Cannabis Legalization Implementation Funds (OCLIF)

Recommendations:

1. That Council support the hiring of a consultant, utilizing funds from the Ontario Cannabis Legalization (OCLIF) Reserve to review the current Zoning By-law and Official Plan policies and develop the appropriate policy, planning tools and amendments; and
2. That Council support the use of any remaining Ontario Cannabis Legalization (OCLIF) Reserve to promote and market the economic development opportunities in our municipality moving forward; and
3. That Council provide the Clerk direction to draft a letter to the City of Peterborough in response to the correspondence received requesting that a portion of the Ontario Cannabis Legalization Implementation Fund (OCLIF) be provided to the Peterborough Police Service.

Overview:

On November 20, 2018 the Ministry of Finance advised municipalities that the Province was beginning the fulfillment of its commitment to provide \$40 million in funding over two years to municipalities to help with the implementation costs of recreational cannabis legalization.

On March 12, 2020 Gary Baldwin from the Peterborough Police Board provided correspondence to the Township requesting that consideration be given to releasing some of the \$15,319.00 in funding that was received for the Ontario Cannabis Legalization Implementation to the Peterborough Police Service to assist with expenses related to the implementation costs of the Cannabis Act.

On May 19, 2020 in the Cavan Monaghan Policing Services Report (Corporate Services 2020-09) the Clerk recommended "that Council provide direction to draft a letter to the City of Peterborough in response to the correspondence received requesting that a portion of the Ontario Cannabis Legalization Implementation Fund (OCLIF) be provided to the Peterborough Police Service."

As per Motion R/19/05/20/09 Council requested that "staff prepare a report to Council on the potential utilization locally of the Ontario Cannabis Legalization Implementation Fund (OCLIF) before responding to the request from the Peterborough Police Service".

The Township of Cavan Monaghan has received a total of \$15,319 through the Ontario Cannabis Legalization Implementation Fund (OCLIF) which is currently held in the OCLIF Reserve. Payments received were received in three installments; \$5,000 (1st payment in January 2019), \$5,319 (2nd payment in February 2019), \$5,000 (3rd payment in August 2019). Funding allocations were based on the number of households multiplied by a set funding amount per 100 households or the minimum \$5,000 funding allocation to municipalities. Lower-tier and upper-tier municipalities received a 50/50 split of the allocations made on a per household basis.

Municipalities must use their OCLIF funding to address the implementation costs that directly relate to the legalization of recreational cannabis. Examples of permitted costs include;

- increased enforcement (e.g. police, public health and by-law enforcement, court administration, litigation)
- increased response to public inquiries (e.g. 311 calls, correspondence)
- increased paramedic services
- increased fire services
- by-law / policy development (e.g. police, public health, workplace safety policy)

The Peterborough County Treasurer's Group responded to a survey on the use, or proposed future plans for the use of OCLIF in their municipalities. This summary is attached to this report for your information and comparison.

The Management team and CAO have reviewed the funding permitted costs and are recommending that Council support the hiring of a consultant to review the current Zoning By-law Amendment (ZBA) and Official Plan (OP) policies and develop a comprehensive package of policy, planning tools and amendments to the ZBA and OP to address recreational cannabis in the Township. In addition, once the policies are amended, any remaining fund will be used to promote and market the economic development opportunities in our municipality moving forward. The municipality has received a significant number of inquiries and business interest regarding this market and the potential of future employment opportunities for consideration and support. It is important that these planning policies be amended quickly to respond to private and public interest. Funding may also be used for signage and marketing these opportunities once the planning process is completed.

The management team suggested other potential uses of funding including further by-law/policy development and allocating of funds to offset fire department response costs. It is expected that there will be no remaining funds after the policies are amended for additional projects and/or for release to the Peterborough Police Service.

Financial Impact:

Staff are recommending that the \$15,319 of the Ontario Cannabis Legalization Implementation Fund (OCLIF) which is held in the OCLIF Reserve will be utilized to support the hiring of a consultant to develop a comprehensive package of policy, planning tools and amendments to the existing Zoning By-law Amendment and Official

Plan and any funds remaining in the OCLIF Reserve will be used to promote and market the economic development opportunities in our municipality moving forward.

Respectfully Submitted by,

Reviewed by,

Kimberley Pope
Director of Finance/Treasurer

Yvette Hurley
Chief Administrative Officer