



STAFF REPORT

Planning and Development

Subject: *Application by Muise Cannabis for a Development Agreement to enable a Micro Cannabis Production / Processing Facility*
To: Municipality of Argyle CAO and Council for October 12, 2021
Date Prepared: October 7, 2021
Related Motions: None
Prepared by: Jared Dalziel, LPP, MCIP, Project Planner, WSP Canada Inc.

Summary

The Municipality has received a Development Agreement application from Ronald Muise, Linda Muise, and Maurice Muise (Muise Cannabis Ltd.) to enable a micro cannabis production/processing facility at 129 Tittle Road on Surettes Island (PID 90035510).

The subject site is zoned Coastal Community (CC). The current Land Use By-law (LUB) permits micro cannabis production/processing facilities in coastal community zones through a development agreement and the *Cannabis Act* permits up to a maximum of 200 square meters of cultivation area.

Financial Impact Statement

There is no immediate financial impact aside from the typical public engagement process and staffing requirements resulting from the application.

Recommendation

That Council to give second reading and approve the Development Agreement Application of the subject site along Chemin Tittle Road (PID 90035510) to enable a micro cannabis production/processing facility.

Recommended Motion

That Council:

- Give second reading and approve entering into a development agreement, to permit a micro cannabis production/processing facility on PID 90035510;
- Require the agreement be signed by the property owner within one year, or any extension thereof granted by Council on request of the property owner, from the date of final approval by Council and any other bodies as necessary, including applicable appeal periods, whichever is later; otherwise this approval will be void and obligations arising hereunder shall be at an end.



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Background

Muise Cannabis Ltd. has applied for a development agreement application to permit a micro cannabis production/processing facility on the subject property (PID 90035510). An excerpt of the zoning map (Figure 2) shows the location of the subject property (red dot).

Adjacent properties are zoned Coastal Community (CC). Additional nearby properties are zoned Coastal Wetlands (CW). Figure 1 shows the context of zoning currently in the area.



Figure 1: Zoning Excerpt (CC – brown; CW – green)

Subject Property

The subject property is located along Chemin Tittle Road (PID 90035510) on Surettes Island. As illustrated on Figure 3, the total size of the subject property is approximately 10.9 Acres.

There are three (3) existing buildings on the subject property which are currently being used to operate as a medicinal cannabis growing facility. The applicant intends to keep the existing wherever possible. Staff are recommending that a development agreement application be applied to the subject property. This would permit a micro cannabis production/processing facility, through a development agreement. A draft of the development agreement has been prepared as part of Appendix A.



Figure 2: Aerial of subject property

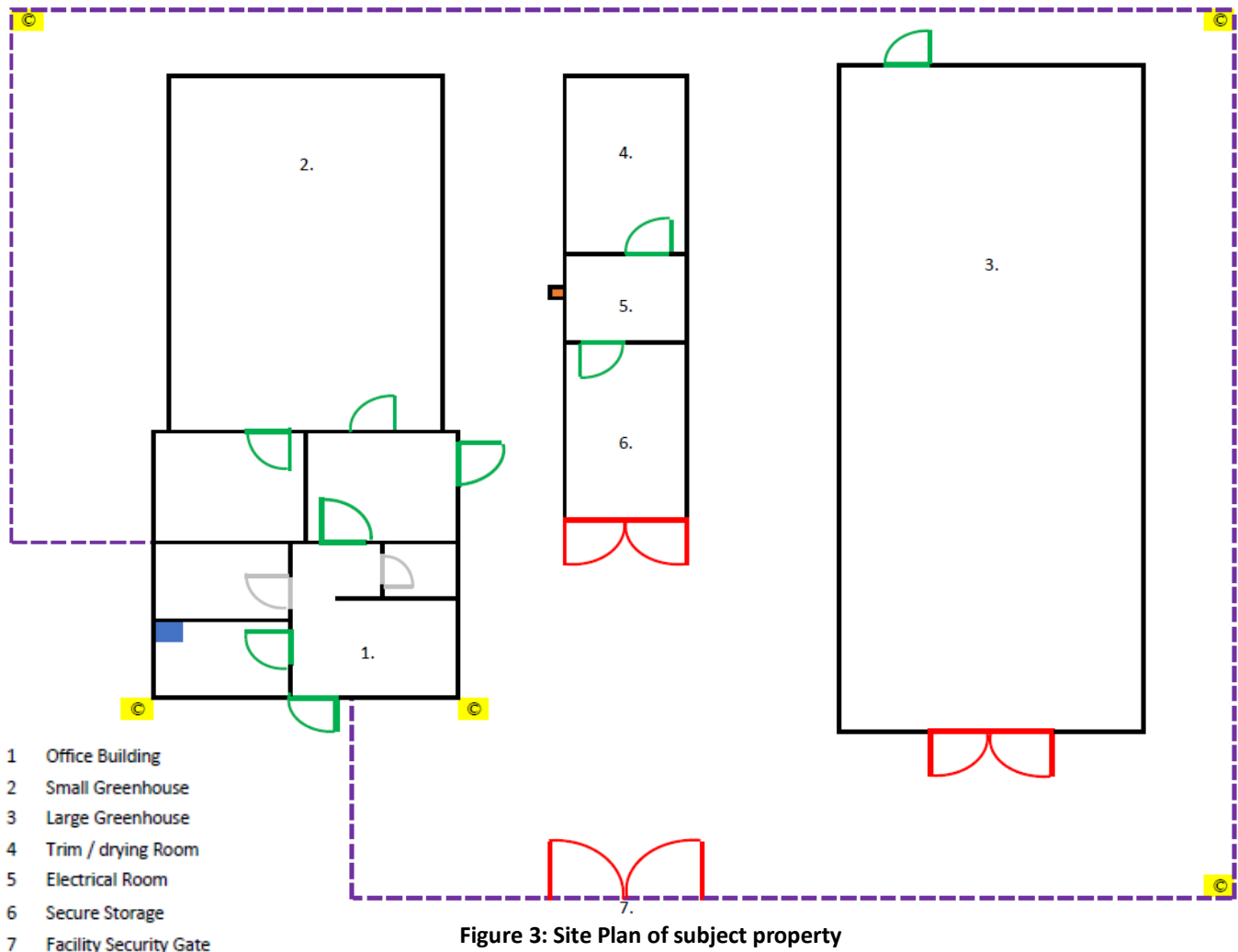


Figure 3: Site Plan of subject property

Development Proposal

The major aspects of the applicant's proposal for the property with access to 129 Tittle Road include:

- A large greenhouse for general cultivation with an approximate area of 111 square meters.
- A small greenhouse for plant cloning and general cultivation with an approximate area of 56 square meters.
- A container for general storage with an approximate area of 30 square meters.
- An office building with an approximate area of 45 square meters.

Most of the above area is within a fenced enclosure, having an area of approx. 600 square meters. For context, the location certificate showing the large greenhouse and container (existing buildings) are shown in Figure 4 below.

The Coastal Community (CC) Zone currently permits micro cannabis production/processing facilities in conformance with the requirements of the *Cannabis Act* by development agreement. The *Act* restricts the permitted micro production area to a maximum of 200 square meters.

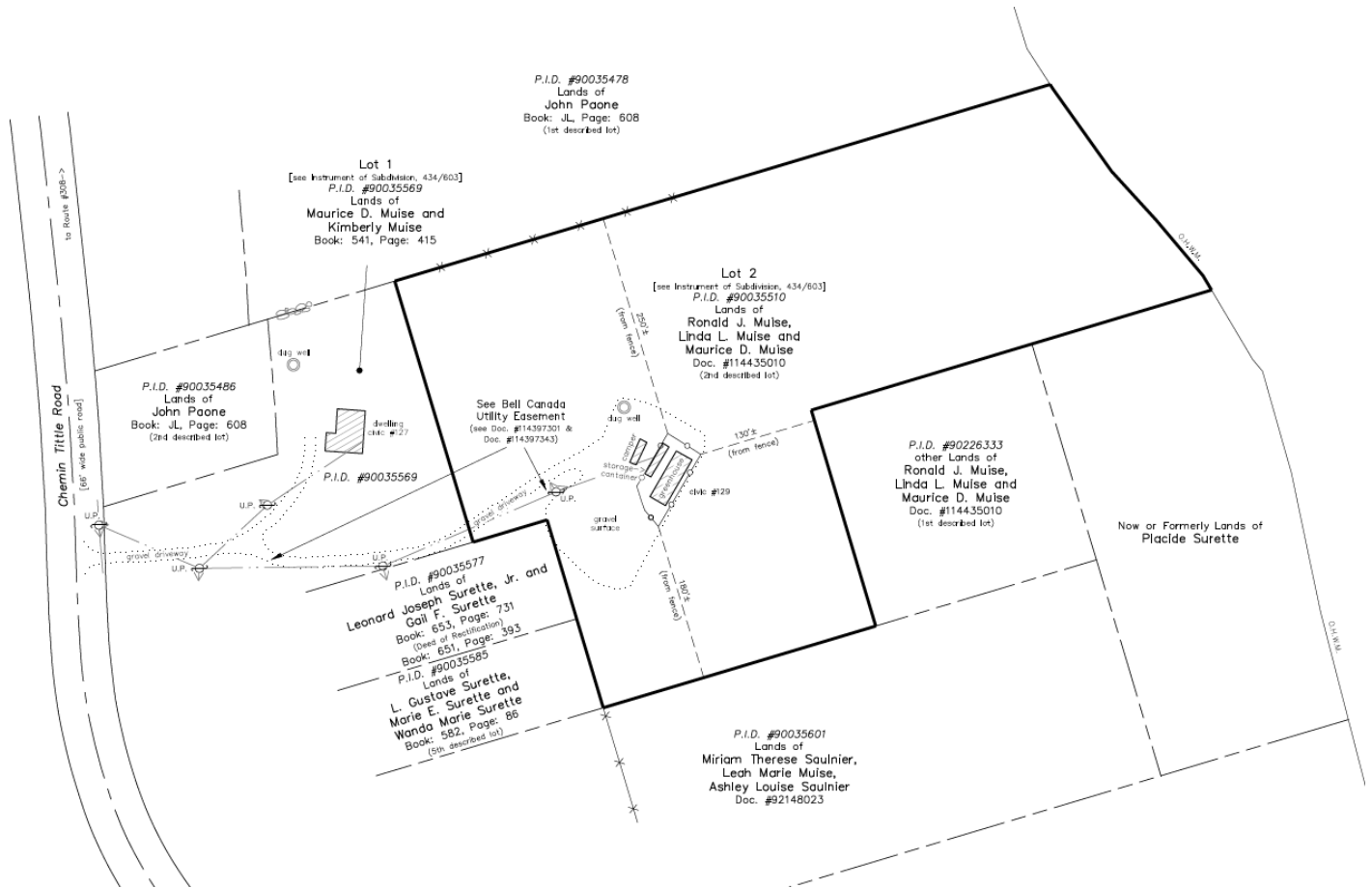


Figure 4: Excerpt of the 2019 location certificate plan

Policy Analysis

WSP and Staff are currently reviewing the application based on the applicable policies contained in the Municipal Planning Strategy (MPS).

Existing policies in the MPS allow Council to consider this development agreement without requiring amendments to *Municipal Planning Strategy*. The development agreement of the subject site is enabled by Policy 3.3.7 of the MPS. As indicated in the *Municipal Government Act*, there is a right of appeal option for approval or refusal of a development agreement.

Attachment A contains the draft proposed development agreement that would apply to 129 Chemin Tittle Road. Attachment B contains a preliminary table of the evaluative criteria from the enabling policies and corresponding comments from WSP. Attachment C contains additional supplemental information on odour impacts of cannabis production/processing facilities as communicated by other jurisdictions in the province.



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Discussion

The majority of nearby properties along Tittle Road contain residential uses and are currently zoned Coastal Community (CC).

WSP feels the proposal is consistent with the intent of the Municipal Planning Strategy (MPS) based on the review of policies contained in the MPS, as indicated in more detail in Appendix B. The development agreement application is a modest change from the existing medical cannabis production operation on the property.

There is not expected to be a negligible increase in traffic to service the proposed use on the site. As noted previously, the federal Cannabis Act permits up to a maximum of 200 square meters of production area for micro production licenses.

Based on Pubnico Point Wind Farm Environmental Assessment¹, completed by CBCL and AWPC in September 2003, the wind direction coming from the proposed micro cannabis production/process facility comes from the western direction of the site, away from most of the more proximate housing on Tittle Road. More recent wind information is also available from the Yarmouth Airport, giving a northwest and southern direction, as shown below.²

There is approximately 90 meters between the proposed development and existing residential buildings, and approximately 150 meters for buildings not sharing common ownership. There is a separation distance of approximately 15 meters to residential lot boundaries (excluding PID 90035569 which shares some common owners).

There is no best practice guidance on appropriate setbacks from cannabis production facilities from Federal or Provincial governments at this time. While not often used in Nova Scotia, a separation distance of 150 m between production facilities of any size and residences is common in Ontario.³ For additional information on odours for cannabis production/processing facilities, including a jurisdictional scan, refer to Appendix C: Supplemental Information on Cannabis Facilities, Odours and Planning Department Feedback (Prepared originally for the Town of Yarmouth).

Considering the relatively small change in development impact the proposal offers relative to existing medical cannabis production facilities on site, staff feel the proposal is appropriate to bring forward to public hearing.

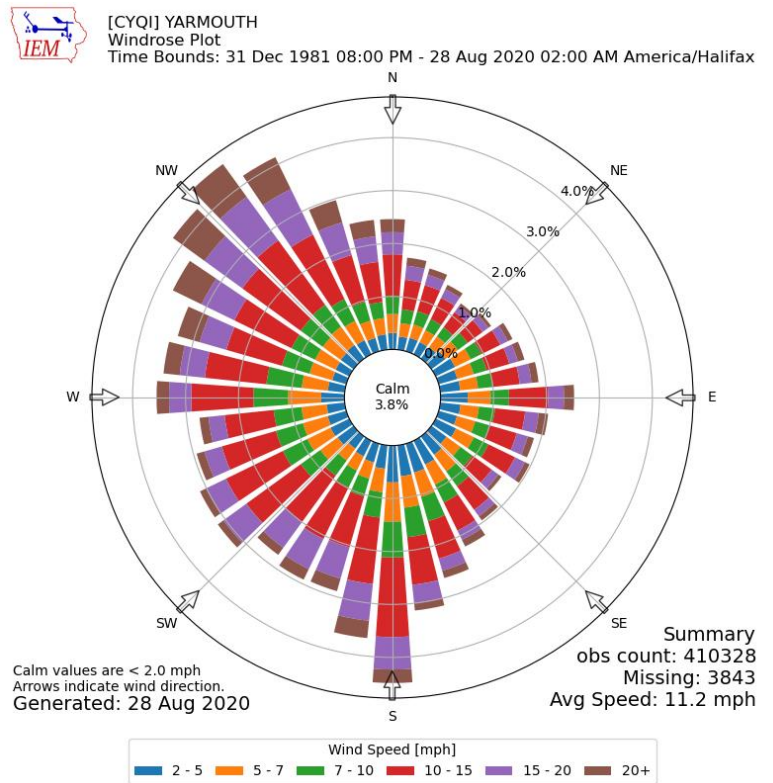


Figure 5: 2020 Yarmouth Airport Wind Rose (Generated by Iowa Environment Mesonet)

¹ Pubnico Point Wind Farm Environmental Assessment, CBCL and AWPC, September 2003, https://novascotia.ca/nse/ea/pubnicowind/Pubnico_TOC_Chp1-2.pdf

² https://mesonet.agron.iastate.edu/sites/site.php?station=CWWE&network=CA_NS_ASOS

³ Cannabis Land Use Report, Pelham, February 2020, <https://pelham-pub.escribemeetings.com/filestream.ashx?DocumentId=21743>



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Public Participation

Staff have complied with the Public Participation Policies of the Municipal Planning Strategy when processing this application. As per Section 206 of the *Municipal Government Act*, a public hearing is required for entering into a Development Agreement to hear input from the community.

Figure 5 illustrates the general process followed by the Municipality for a Development Agreement application. A newspaper advertisement was placed in the Tri-County Vanguard. A sign was placed on the subject property notifying residents that an application had been received by the Municipality and a notice of the application was also placed on the municipal website.

Staff mailed notices of application to all property owners within 152 meters of the subject property notifying them that a public hearing would be held prior to the decision of Council.

Four emails or letters were received regarding the application and have been provided to Council for their consideration. Three letters were against the proposal, with one in favour.

Note that there is a right of appeal option for approval or refusal by Council for the adoption of a development agreement

Conclusion

Staff have completed their review of the application by Ronald Muise, Linda Muise, and Maurice Muise (Muise Cannabis Ltd.) to apply for a Development Agreement (DA) for the subject property along Tittle Road (PID 90035510) to permit a micro cannabis production/processing facility on the property. WSP and Staff find the proposal to be consistent with the intent of the Municipal Planning Strategy (MPS) and are recommending Council approve the proposed Development Agreement.

Recommendation

That Council give second reading to and approve the Development Agreement Application of the subject site along Tittle Road (PID 90035510) to enable a micro cannabis production/processing facility.

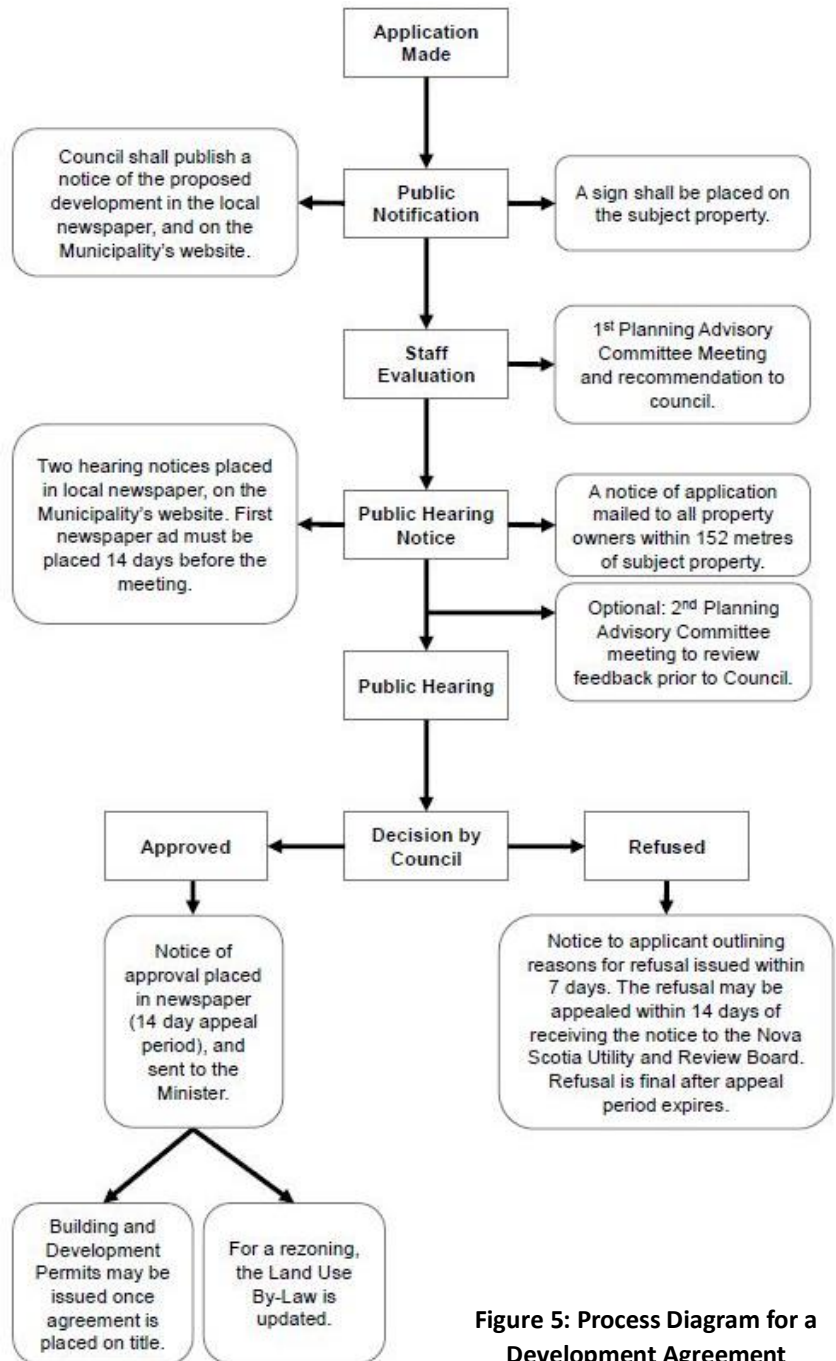


Figure 5: Process Diagram for a Development Agreement



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Alternatives

Council may refuse the proposed Development Agreement, and in doing so, must provide reasons why the proposed development does not reasonably carry out the intent of the MPS. A decision of Council to refuse the proposed Development Agreement is appealable to the N.S. Utility & Review Board.



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Appendix A: Draft Proposed Development Agreement

DEVELOPMENT AGREEMENT

TO PERMIT A MICRO CANNABIS PRODUCTION FACILITY at PID No. 90035510

THIS AGREEMENT MADE THIS _____ DAY OF OCTOBER 2021

BETWEEN:

MUISE CANNABIS, of Surettes Island, Province of Nova Scotia
(hereinafter called the “Developers”)

OF THE FIRST PART

- and -

THE MUNICIPALITY OF THE DISTRICT OF ARGYLE, a body corporate
(hereinafter called the “Municipality”)

OF THE SECOND PART

WHEREAS the Developers have good title to lands situated on 129 Tittle Road, in Surettes Island, Nova Scotia and identified as PID number 90035510, and which said lands (hereinafter called the “Property”) is more particularly described in Schedule “A” of this Agreement;

AND WHEREAS pursuant to Policy 3.3.7 of the Municipality of the District of Argyle’s Municipal Planning Strategy the Developers have requested that a development agreement be entered into to permit the Property to be used for a micro cannabis production facility, hereinafter called the “Development”;

AND WHEREAS the Municipality, by a resolution of Council passed on the 12th day of October 2021 approved this Development Agreement to permit the Development.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the granting by the Municipality of the Development Agreement requested by the Developers, the Developers and the Municipality agree as follows:

PART 1: DEFINITIONS

For the Purpose of this Agreement, all other words shall carry their customary meaning except those defined under in the definitions section of the Municipality of the District of Argyle's Land Use Bylaw, as amended from time to time.

PART 2: GENERAL REQUIREMENTS

- 2.1 Subject to the provisions of this Agreement, the Developers shall be bound by all bylaws and regulations of the Municipality as well as by any applicable provincial and federal statutes and regulations.
- 2.2 Notwithstanding Section 2.1, where the provisions of this Agreement conflict with those of any provincial or federal regulations, bylaws or codes, the more stringent requirements shall apply.
- 2.3 The Developers shall assume full responsibility for meeting all obligations and financial liabilities required to meet all federal, provincial, or municipal regulations, bylaws or codes in force at the present time, or any time in the future.
- 2.4 The Developers shall ensure that any structure permitted by this Agreement meets the requirements of the Federal Cannabis Act, the National Fire Code and the National Building Code at the time of construction.
- 2.5 The Schedules to this Agreement form part of this Agreement and are binding upon the Developers. Where a provision of a Schedule conflicts with the body of this Agreement, the body of this Agreement shall prevail.

PART 3: DEVELOPMENT OF THE PROPERTY

3.1 Land Use

- 3.1.1 Only the following uses shall be permitted on the Property:
 - a) All uses permitted in the underlying zoning, as per the requirements of the Municipality of the District of Argyle Land Use Bylaw, as amended from time to time, in addition to any other uses permitted by this agreement; and
 - b) The developer shall be permitted to construct a micro cannabis production and processing facility having a cultivation area equal to or less than 200 square meters, provided that the following requirements are met:
 - i. Building or outdoor areas used for the growing or processing of cannabis, or similar accessory uses which could cause offensive odours, shall be setback a minimum of 15 metres from abutting lot lines used for residential purposes, where said lots are not owned by the Developer;
 - ii. Sufficient screening shall be maintained from buildings related to the cannabis production and processing facility, either with a fence or with vegetated areas having a minimum width of 8 metres;
 - iii. The retail sale of cannabis on the property to recreational users shall not be permitted; and
 - c) other uses, signage, parking or loading areas accessory to the principal use as per the requirements of the Municipality of the District of Argyle Land Use Bylaw, as amended from time to time.
- 3.1.2 Except where specifically stated otherwise in this agreement, all provisions of the Land Use Bylaw of the Municipality of the District of Argyle, approved by Municipal Council, as amended from time

to time, shall apply to this development.

3.1.3 The Developers shall ensure that:

- a) all structures are maintained in good repair and in a tidy, attractive and usable state;
- b) all lawns, trees, shrubs, parking areas, lighting systems, and other landscaping elements are maintained in a tidy, attractive and usable state free of unkempt matter of any kind;
- c) the Development shall not generate emissions such as noise, dust, radiation, odors, liquids, or light to the air, water, or ground so as to create a recognized health or safety hazard, or create an unreasonable nuisance to adjacent properties.

3.2 Development Permit

3.2.1 This development agreement shall be administered by the Development Officer as appointed by the Council of the Municipality of Argyle.

3.2.2 The Development Officer, at their discretion, may revoke a development permit pursuant to this agreement if:

- a) the development is not in accordance with:
 - i. the Land Use Bylaw where not varied by this agreement,
 - ii. this agreement, or
 - iii. the plans associated with the approved development permit.
- b) the permit was issued based on incorrect information provided by the applicant when applying for a development permit; or
- c) the permit was issued in error.

3.2.3 The development described in this agreement shall not be approved until the Development Officer has issued a development permit. In addition, the Development Officer shall not issue a development permit until:

- a) Nova Scotia Department of Transportation and Active Transit has granted positive recommendation on all transportation issues within their responsibility and has given their approval, if any is required.
- b) Payment for all required permit fees, registration of the document at the Registry of Deeds, and costs associated with advertising and processing the application have been received by the Municipality.

3.3 Building and Site Requirements

3.3.1 Municipal Services

All on site servicing and/or connections to the Municipality's Sanitary Sewer Services by the Developers will be maintained in a manner that is satisfactory to the Municipality.

3.3.2 Parking and Loading Areas

- a) The parking and loading areas shall be surfaced with asphalt, gravel, or similar hard surface materials.
- b) The Developers shall be responsible for supplying, installing, and maintaining at the Developers' cost, directional and regulatory signage on the Property as required by the Provincial Traffic Authority.

3.3.3 Traffic and Vehicle Access

Final design and location of all driveways, pedestrian walkways, and regulatory signage are subject to approval by the Provincial Traffic Authority.

3.3.4 All outdoor lighting shall be installed so as to reflect light away from adjacent properties. In order to preserve the night sky, the Developer is encouraged to use sensitive lighting which is orientated downward, is low wattage, energy efficient and minimizes glare.

3.3.5 Operation and Maintenance of Property

- a) Any refuse, composting, or recycling container must be screened from public view and not situated within 6 m of any property abutting the development.
- b) The Developers shall keep the Property free from litter and debris and shall provide litter (and recycling if provided) receptacles in appropriate and easily accessible locations and service, maintain, and empty the receptacles as required.

PART 4: VARIANCE

4.1 The Development Officer may grant a variance in the terms of this Agreement in accordance with Section 235 of the Municipal Government Act.

PART 5: AMENDMENTS

5.1 Any amendment to this agreement, whether substantive or otherwise, must be approved by both parties in writing.

5.2 The following shall be considered non-substantial matters:

- a) The addition, removal or relocation of accessory buildings or structures.
- b) An extension to the time limits identified in Part 7 of this agreement by a period to be decided by Council.
- c) Matters dealing with signage.
- d) Matters dealing with parking.
- e) Matters dealing with landscaping.
- f) Changes to the permitted use of the property that are necessary to accommodate features that are subject to approval or authorization by other authorities such as, but not limited to, the Nova Scotia Department of Transportation and Active Transit and Nova Scotia Environment.

5.3 Any non-substantial amendment to either the terms of this agreement or to any Schedules shall be subject to the amendment procedures set out in the Municipal Government Act.

5.4 Substantial matters shall relate to any matter not identified as insubstantial in this Part or otherwise addressed in this Agreement. This Agreement may be amended in order to provide for substantial matters according to the Municipal Government Act.

PART 6: IMPLEMENTATION

6.1 Upon breach by the Developers of any of the terms or conditions of this Agreement, the Municipality may, after thirty days notice in writing to the Developers of the breach, enter the Property and perform any of the terms and conditions of this Agreement. It is agreed that all reasonable expenses arising out of the entry or the performance of the terms and conditions may be recovered from the Developers by direct suit and shall form a charge on

the Property.

- 6.2 This Agreement shall be binding upon the Developers' assigns, mortgagees, lessees, successors and occupiers of the Property.
- 6.3 This agreement shall be filed by the Municipality in the Registry of Deeds at Bridgewater, Nova Scotia, and shall form a charge or encumbrance upon the property as described in Schedule "A" attached hereto.
- 6.4 The Developers hereby certify that they are the sole owner of the Properties.
- 6.5 The Developers further certify that they have not disposed of any interest in the Property and there are no judgements, mortgages or other liens or encumbrances affecting the Property in addition to those described in this Agreement.
- 6.6 The provisions of this Agreement are severable from one another and the invalidity or unenforceability of one provision shall not prejudice the validity or enforcement of any other provisions.
- 6.7 The Developer shall at all times indemnify and save harmless the Municipality from and against all claims, demands, losses, costs, damages, actions, suits or other proceedings by whomever made, brought or prosecuted to the extent that the foregoing are based upon, occasioned by or attributable to anything done or omitted by the Developer or his servants or his agents or his employees in the fulfillment of any of his obligations under this Agreement.
- 6.8 Upon completion of the Development, or after five (5) years from the date of approval of this Agreement, whichever time period is less, Council may review this agreement, in whole or in part, and may:
 - a) retain the Agreement in its present form; or
 - b) discharge the Agreement on the condition that for those portions of the development that are deemed complete by the Council, the Developer's rights hereunder are preserved, and Council shall apply appropriate zoning pursuant to the Municipal Planning Strategy and Land Use Bylaw.

PART 7: TIMING

- 7.1 The Developers shall enter into this Agreement within one year of the Municipality of the District of Argyle's approval of this Agreement.
- 7.2 Pursuant to the terms and conditions of this agreement, the Developer shall apply for a development permit for the Development within five (5) years of the parties entering into this development agreement. Once a development permit has been issued, the development shall be made consistent with all terms and conditions of this agreement no later than two (2) years after the development permit has been issued, otherwise the development agreement may be terminated and the existing zone and all provisions of the Land Use Bylaw shall apply without the concurrence of the property owner.
- 7.3 If the Developers fails to conform to any of these specified time limits, or breaches any other term of this Agreement, this Agreement may be discharged by Council, with or without the concurrence of the property owner, and the lands will become subject to the Municipal Planning Strategy and Land Use Bylaw.

SCHEDULES

A Legal description of property

DRAFT

IN WITNESS WHEREOF the parties hereto have executed these presents on the day and year first above written.

SIGNED, SEALED & DELIVERED
in the presence of:

)	<u>DEVELOPER</u>
)	
)	
_____)	_____
Witness)	Muise Cannabis
)	
)	
)	<u>THE MUNICIPALITY OF THE DISTRICT OF</u>
)	<u>ARGYLE</u>
)	
_____)	_____
Witness)	Chief Administrative Officer
)	

PROVINCE OF NOVA SCOTIA
COUNTY OF YARMOUTH

On this _____ day of September 2021, before me, the subscriber, personally came and appeared _____, a subscribing witness to the foregoing agreement, who having been by me duly sworn, made oath and said that the developer, one of the parties thereto, caused the same to be executed in their name in his/her presence.

A Barrister of the Supreme Court of Nova Scotia

PROVINCE OF NOVA SCOTIA
COUNTY OF YARMOUTH

On this _____ day of September 2021, before me, the subscriber, personally came and appeared _____, a subscribing witness to the foregoing agreement who having been by me duly sworn, made oath and said that the Municipality of the District of Argyle, a Municipal Body Corporate, duly affixed its Corporate Seal and executed by Mr. Alain Muise, its Chief Administrative Officer, its proper officers duly authorized in that behalf in his/her presence.

A Barrister of the Supreme Court of Nova Scotia

SCHEDULE "A"

PID 90035510

This agreement applies to property identified by PID 90035510 and further described by Plan filed at the Registry of Deeds Office for the registration district of Yarmouth in Bridgewater, Nova Scotia, registered under the *Land Registration Act*.



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Appendix B: Policy Evaluation

The proposal may be considered by Council through the following applicable policies of the Municipal Planning Strategy for Argyle (MPS):

COASTAL COMMUNITY ZONE	
<p>The majority of communities in the Municipality developed in a linear fashion within a three kilometer wide corridor along the coastal shoreline and estuaries of the Tusket and Argyle Rivers. From East Pubnico at the Shelburne County line westward to Melbourne at the Argyle-Yarmouth Municipal boundary line there are twenty-six (26) communities excluding the Rural Centres of West Pubnico, Wedgeport and Tusket. Twenty-three (23) of these communities border the shoreline or estuaries. The remaining three including Melbourne, Belleville and South Belleville are within 0.8 km to 3.2 km of the coast.</p> <p>The numerous in-shore and off-shore islands are an integral feature of Argyle's coast. Traditionally many have served as a base during lobster season while others have been used for the grazing of sheep. There are also a number of seasonal dwellings, some of which are conversions of fish shanties. The total area within the mainland coastal corridor and islands is approximately 179 square kilometres.</p> <p>The communities mirror the composition of development found in the Rural Centres, largely residential with a small scattered mixture of institutional, commercial and industrial uses. There are concentrations of commercial and industrial development at Pubnico Head at the junction of Highway 335 and Highway 3. There are also concentrations of fishery and marine related uses near existing wharves in east Pubnico, Lower Argyle, Sluice Point and Little River Harbour.</p>	
Applicable Policies	Staff Comments
<p>Policy 3.3.1: To designate sections of the mainland and all islands as Coastal Communities (CC) on the Generalized Future Land Use Maps to accommodate growth and development in a manner similar to the Rural Centres.</p>	<p>The subject site is within this designation.</p>
<p>Policy 3.3.3: That the intent of the Coastal Communities (CC) designation and zone is to accommodate a wide range of residential, institutional, commercial, industrial, agricultural, recreational and utility uses.</p>	<p>The subject site is within this designation, and the proposed use of the site is considered an industrial use within the Land Use By-law.</p>
<p>Policy 3.3.7: Council may consider the following uses by development agreement, pursuant to the requirements of Policy 13.14, in the Coastal Community (CC) Zone: n) Cannabis production and/or processing facility, Micro</p>	<p>The proposed use is a micro cannabis production facility.</p>
<p>To enter into development agreement pursuant to the <i>Municipal Government Act</i> on the terms and conditions set forth in this Municipal Planning Strategy and a development agreement shall: 13.12.1 specify the development, expansion, alteration, or change in use permitted; and 13.12.2 specify the conditions under which the development may occur; and 13.12.3 set forth the terms by which Council may terminate the agreement. 13.12.4 The provisions of the Land Use By-law shall prevail after discharge of any agreement.</p>	<p>The required provisions are contained in the draft development agreement.</p>
<p>3.14 To consider the following in addition to all other criteria set out in the various policies of this Municipal Planning Strategy, when considering amendments to the Land Use By-law, or proposals for development agreements:</p>	<p>The proposal is not near a school. The relatively small cultivation area, and the predominant wind direction is expected to minimize odour impacts to adjacent properties.</p>



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Policy 13.14.2: That the proposal conforms to the intent of the Municipal Planning Strategy and to all other applicable Municipal By-laws and regulations, except where the application is for a development agreement and the requirements of the Land Use By-law need not be met; and

Policy 13.14.3 Where a proposal is for a use which involves the advertising, sales, and/or production of production facilities for alcohol and cannabis, Council will consider the proximity and exposure of the use to areas where children and youth frequent. Council will also consider the potential negative effects on residents by odours resulting from such production facilities.

Policy 13.14.4: That the proposal is not in conflict with Municipal or Provincial programs in effect in the Municipality; and that the proposal is not premature or inappropriate by reason of the:

- a) Financial ability of the Municipality to absorb costs related to the development; or
- b) Adequacy of sewer and water services, including fire flows and water pressure or the adequacy of the site for on-site services; or
- c) Creation or worsening of a pollution problem in the area such as but not limited to soil erosion and siltation of watercourses; or
- d) Adequacy of storm drainage and effects of alteration to drainage patterns, including the potential for creation of a flooding problem; or
- e) Suitability of the site regarding grades, soils and geological conditions, location of watercourses, marshes, bogs and swamps, and proximity to utility rights-of-way; or
- f) Adequacy and proximity of school, recreation and other community facilities; or
- g) Adequacy of road networks in, nearby, and leading to the development, regarding congestion and traffic hazards; and
- h) That the proposal provides adequate off-street parking to prevent congestion, nuisance and inconvenience in the area; and
- i) The hours of operation are appropriate for the neighbourhood; and
- j) That the primary architectural features of the proposal, including but not limited to bulk, scale, roof shape, building materials, exterior cladding and shape, and size and relationship of doors and windows, shall be visually compatible with nearby buildings in the case of a new building, or with the original building in the case of an addition; and
- k) That the proposal will not significantly alter the character or stability of the surrounding neighbourhood.

- a) No financial impacts are expected to the Municipality from the proposed development.
- b) Any additional on-site services will need to be determined as part of detailed design.
- c) No soil erosion and siltation of watercourse concerns are expected from the proposed development, and NSE regulations will apply to development. Odours are required to be managed through *Cannabis Act* requirements, and the clauses within the Development Agreement.
- d) No drainage concerns are expected from the proposed development.
- e) The site appears to be suitable.
- f) These matters are not substantive to the application, since no residential dwelling units are proposed.
- g) No significant impacts are expected to change to the transportation network from the proposed development relative to the existing on-site production.
- h) The proposed development needs to conform to zoning requirements for parking.
- i) The operation is not expected to generate significant evening traffic or night-time activity.
- j) The size of the building is compatible with nearby and surrounding development forms. The proposed development's bulk is proposed to be similar in size to the existing greenhouse structure, and is similar in bulk to nearby houses.
- k) The proposed development is expected to be a minor change in terms of developable area from the existing medical cannabis use on the property. The development is set back from the Tittle Road.



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Appendix C: Supplemental Information on Cannabis Facilities, Odours and Planning Department Feedback (Prepared originally for the Town of Yarmouth)

Background on Cannabis Production/Processing Facility Odours

Cannabis odours are created by cannabis plants during the flowering phase, when the plant's essential oils (terpenes) are noticeable. Public Health Ontario⁴ completed a literature review that found no studies correlating health effects with cannabis odours. Cannabis odours can still be perceived as unpleasant (and often are) even if they do not have any health impacts and can be a source of irritation to nearby residents if odours are not properly controlled.

Many industrial uses produce odours that need to be controlled by building systems. As part of reviewing how nearby municipalities have dealt with the use to date, some municipalities have created specific by-laws related to cannabis production facility odours. This could be a more preventative approach, such as requiring an Odour Control Plan or Odour Abatement Protocol prepared by a Registered Occupational Hygienist. Requiring this would add upfront costs to a business seeking a license but would add additional compliance options for the municipality. The Municipality of West Hants considered such an option in December 2019 and decided to not proceed with such a by-law.

More commonly, municipalities have mitigated any potential odour-related compliance issues by simultaneously siting cannabis production/processing facilities in business parks, away from residential areas. This is reflected on the locations of facilities on the jurisdictional scan table below.

Based on our review, five control technologies are used to control odours from cannabis production facilities. Based on our review, and jurisdictional discussions, carbon filters seem to be the preferred odour management system. Metro Vancouver has created a 'A Proposed Emission Regulation for Cannabis Production and Processing Operations in Metro Vancouver'⁵ which examines best practices applied in both the United States and Canada. As mentioned in the discussion paper, five technologies can be applied for odour control:

Carbon Filters

Activated carbon filters are widely used to control VOC and reduce odours. Carbon filters can be effective and reliable when properly maintained and replaced at appropriate intervals. These filters have relatively large surface areas that adsorb and remove VOC.

Biofilters

A biofilter is a filtration system that employs biological activity to remove odorous contaminants from an air stream. The microorganisms responsible for removing the odorous air contaminants may include bacteria and fungi.

Odour neutralizers

Plant-based odour neutralizers use natural plant oils that interact with and alter VOC emitted by cannabis so they are no longer odorous. VOC reduction can vary from 20% to 90% depending on product and contact time. Odour neutralizers may also contain odour-masking agents.

Thermal oxidation

A thermal oxidizer applies high levels of heat to decompose VOC to waste products that are without odour, typically carbon dioxide and water.

Ozone generators

These generators are used for disinfection and sometimes used in industrial settings to control strong odours. Ozone generators are potentially harmful to crops and human health because they produce ozone by design.

⁴ Evidence Brief, Odours from cannabis production. Retrieved from: <https://www.publichealthontario.ca/-/media/documents/eb-cannabis-production-odours.pdf?la=en>

⁵ Metro Vancouver. 'A Proposed Emission Regulation for Cannabis Production and Processing Operations in Metro Vancouver'. Retrieved from: <http://www.metrovancouver.org/services/air-quality/AirQualityPublications/CannabisProductionRegulationDiscussionPaper.pdf>



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Federal Government Regulations for Cannabis Production/Processing Facility Odour

In the Cannabis Regulations (SOR/2018-144) Section 85 (excerpt below), any cannabis facility is required to be equipped with a system that filters air to prevent the escape of odours associated with cannabis plant material to the outdoors. Health Canada has indicated that it will inspect all license holders on a regular basis to assess and monitor compliance to ensure odour control technology is maintained and used. If odour does become an issue at a cannabis facility, complaints can be sent to the Federal government using the cannabis reporting form at: <https://health.canada.ca/en/health-canada/services/drugs-medication/cannabis/recalls-adverse-reactions-reporting/reporting-form.html>

System – Filtration and Ventilation

- **85 (1)** Any building or part of a building where cannabis or anything that will be used as an ingredient is produced, packaged, labelled, stored or tested must be equipped with a system that
 - (a) filters air to prevent the escape of odours associated with cannabis plant material to the outdoors;
 - (b) provides natural or mechanical ventilation with sufficient air exchange to provide clean air and to remove unclean air in order to prevent the contamination of the cannabis or thing that will be used as an ingredient;
 - (c) is accessible and, if necessary for its cleaning, maintenance or inspection, is capable of being disassembled;
 - (d) is capable of withstanding repeated cleaning; and
 - (e) functions in accordance with its intended use.

Jurisdictional Scan of Cannabis Production/Processing Facilities

As shown on the table below, most Cannabis Production Facilities permitted in the province to date have been in industrial parks or in rural areas. We have performed phone interviews with municipal staff in Nova Scotia that have Cannabis Production Facilities, as well as the Provincial Director of Planning for the Province of New Brunswick. Note that New Brunswick has a provincial directive regarding the siting of cannabis production facilities, and the director has been informed on multiple rezoning applications throughout the province.

Based on our media review, and discussion with municipalities, odour control measures with Cannabis Production Facilities can have variable levels of success. From our review, most of the major concerns in Canada occurred directly after initial cannabis production facilities were granted approval, and issues were most common at large-scale operations.



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Table: Cannabis Production Facility Odours or Land Use Impacts Jurisdictional Scan

Jurisdiction	Location	Experience with Cannabis Production Facility Odours or Land Use Impacts
Town of Truro	Industrial Park	Not aware of any complaints, issues, or other concerns.
Cumberland County	Agricultural Area	Odour - no major concerns. In an agricultural area
Windsor/ West Hants	Industrial Park	Not aware of any complaints, issues, or other concerns.
Kentville	Industrial Park	Not aware of any complaints, issues, or other concerns. There may be some occasional odour, but no complaints since it on the northern side of their industrial park adjacent to Highway 101, and he industrial park is not fully built out.
NB Provincial Director of Planning	Various	The Province of New Brunswick has a provincial directive for Cannabis Production Facilities, and their provincial director has been involved in numerous rezoning applications throughout the province. In their experience, the standards regarding ventilation systems is not clear, and it sometimes works, and it sometimes does not. Health Canada will deal with complaints, but it is after permit approval, and the building is in operation. The major issue to date with existing facilities has come from extremely large facilities such as the one in Moncton, but there has not been enough small producer (micro production facilities) in operation yet to get a good grasp of their land use impacts.