

TO: Chair and Members of the Board of Health

FROM: Christopher Mackie Medical Officer of Health / CEO

DATE: 2019 October 17

GRANT FUNDING TO SUPPORT CANNABIS PROGRAMMING

Recommendation

It is recommended that the Board of Health:

- 1) Receive Report No. 060-19 re: “Grant Funding to Support Cannabis Programming” for information;*
- 2) Receive the Health Unit’s 2019 funding allocation from the City of London’s share of the Ontario Cannabis Legalization Implementation Fund, and endorse recruitment of 2.0 FTE temporary Enforcement Officers; and*
- 3) Direct staff to continue their work with the City of London’s interagency Cannabis Implementation Working Group and to submit a proposal for the 2020 installment of funding.*

Key Points

- Late in 2017, the City of London established a Cannabis Implementation Working Group comprised of City staff from its planning, licensing, bylaw enforcement, fire prevention, and governmental/external relations departments, as well as representatives from London Police Services and the Health Unit.
- The Ontario Government provided municipalities with funding, through the [Ontario Cannabis Legalization Implementation Fund \(OCLIF\)](#), to assist with implementation costs related to the legalization of non-medical cannabis.
- The City of London received a total of \$1,232,709, in three payments, as its share of the OCLIF.
- The Health Unit has been issued its first installment, of \$230,849, from the City of London’s OCLIF to support public health cannabis programming.
- A funding proposal for 2020 funding from the City of London’s OCLIF is currently under development by Health Unit staff.

Municipal Support for Privatized Retail Sale of Non-Medical Cannabis

To support municipalities as they implement a legalized non-medical cannabis system and to address activities within the illegal cannabis market, the provincial government created the [Ontario Cannabis Legalization Implementation Fund \(OCLIF\)](#). In early January 2019, a first payment totalling \$15 million was made to all municipalities on a per-household basis, adjusted so that each municipality received at least \$5,000. A second payment of \$15 million was distributed following the January 22, 2019 deadline for municipalities to opt out of retail sales under the *Cannabis Licence Act*. Municipalities that did not opt out received funding on a per-household basis, adjusted so that each municipality received at least \$5,000. Municipalities that chose to opt out of retail sales received a second payment of \$5,000 only. In August 2019, the government announced that since Ontario’s portion of the federal excise duty on non-medical cannabis over the first two years of legalization exceeded \$100 million, the Province will provide 50% of the surplus only to the municipalities that did not opt out of hosting private retail stores by January 22, 2019. A full list of funding by municipality is available [online](#).

The OCLIF funding must be used to address implementation costs that relate directly to the legalization of non-medical cannabis, including:

- Increased enforcement (e.g., police, public health and by-law enforcement, court administration, litigation);
- Increased response to public inquiries;
- Increased paramedic services;
- Increased fire services; and
- By-law/policy development (e.g., public health or smoking/vaping bylaws, workplace safety policy).

Funding Opportunities through Local Collaboration

Since November 2017, Health Unit staff have been working collaboratively with County and City municipal partners to support the implementation of a legalized non-medical cannabis market. In November 2017, the City of London established the Cannabis Implementation Working Group (CIWG), comprised of staff from the City's planning, licensing, bylaw enforcement, fire prevention, and governmental/external relations departments, as well as representatives from London Police Services and the Health Unit. To ensure public health and safety and to respond and adapt to this complex policy change locally, it has been imperative that municipal, enforcement, health, education, and community/social service partners work together and share information as it becomes available. Through this collaborative partnership roundtable, the Health Unit has been able to keep City staff apprised of activities and funding pressures related to cannabis programming.

As its share of the OCLIF, the City received an initial payment of \$450,991 and a second installment of \$551,801. In late August 2019, the City was notified that a third payment, of \$229,917, would be issued.

In June 2019, the Health Unit submitted a funding proposal (attached as [Appendix A](#)) to the City of London for consideration. Public health work related to cannabis has historically been included within the broader program area of "substance use." With the legalization of non-medical cannabis, there are greater expectations on the public health sector: to monitor trends associated with cannabis use and the impact of legalization on community health; to provide public education and to respond to inquiries from the public regarding potential health risks; to field complaints and to enforce laws related to the consumption of non-medical and medical cannabis; and to work with and support municipalities and workplaces in the development and enforcement of policies and bylaws that further regulate cannabis use to reduce exposure to second-hand smoke and vapour. These growing demands for cannabis programming come at the expense of program and service delivery per the Substance Use Prevention and Harm Reduction Program Guidelines, 2018 set out under the Ontario Public Health Standards.

As outlined in the funding proposal, a request for \$230,849 was submitted based on the need for two additional FTE Enforcement Officers for complaint/inquiry response and enforcement, and increased Health Promoter capacity for surveillance, public education, and other health-promotion initiatives related to cannabis. This funding proposal was approved by the City of London in mid-September, with the understanding that any funds that remain unspent by December 31, 2019, can be carried over to be spent on cannabis-related program expenses incurred in 2020. With the Board of Health's endorsement, recruitment of 2.0 FTE temporary Enforcement Officers will commence as soon as possible. The City of London has requested that the Health Unit submit a similar funding proposal for its 2020 cannabis program costs, to be allocated from the remainder of the City's OCLIF share. This proposal is currently under development.

This report was prepared by the Healthy Living Division.



Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health / CEO