

# ONTARIO REGULATION 497/18

made under the

## CANNABIS LICENCE ACT, 2018

Made: December 13, 2018

Filed: December 13, 2018

Published on e-Laws: December 14, 2018

Printed in *The Ontario Gazette*: December 29, 2018

Amending O. Reg. 468/18

(GENERAL)

### 1. Ontario Regulation 468/18 is amended by adding the following sections:

#### MAXIMUMS, ALLOCATIONS AND APPLICATION RESTRICTIONS

##### Authorization maximums and allocations

##### 8.1 (1) In this section,

“census division” means a census division as identified in the 2016 Census of Canada, as reported by Statistics Canada under the *Statistics Act* (Canada); (“division de recensement”)

“East Region” means the following census divisions: Stormont, Dundas and Glengarry; Prescott and Russell; Ottawa; Leeds and Grenville; Lanark; Frontenac; Lennox and Addington; Hastings; Prince Edward; Northumberland; Peterborough; Kawartha Lakes; Simcoe; Muskoka; Haliburton; Renfrew; (“région de l’Est”)

“GTA Region” means the following census divisions, but does not include the Toronto census division: Durham; York; Peel; Halton; (“région du Grand Toronto”)

“North Region” means the following census divisions: Nipissing; Parry Sound; Sudbury; Greater Sudbury; Timiskaming; Cochrane; Algoma; Thunder Bay; Rainy River; Kenora; (“région du Nord”)

“Toronto Region” means the Toronto census division; (“région de Toronto”)

“West Region” means the following census divisions: Dufferin; Wellington; Hamilton; Niagara; Haldimand-Norfolk; Brant; Waterloo; Perth; Oxford; Elgin; Chatham-Kent; Essex; Lambton; Middlesex; Huron; Bruce; Grey; Manitoulin. (“région de l’Ouest”)

(2) No more than 25 retail store authorizations may be issued and in effect at any given time.

(3) The issuance of retail store authorizations is subject to the following allocation rules:

1. A maximum of five retail store authorizations is allocated in respect of cannabis retail stores to be located in the Toronto Region.
2. A maximum of six retail store authorizations is allocated in respect of cannabis retail stores to be located in the GTA Region.
3. A maximum of five retail store authorizations is allocated in respect of cannabis retail stores to be located in the East Region.
4. A maximum of two retail store authorizations is allocated in respect of cannabis retail stores to be located in the North Region.
5. A maximum of seven retail store authorizations is allocated in respect of cannabis retail stores to be located in the West Region.

(4) Until such time as more than 25 retail store authorizations may be issued, none of the retail store authorizations that may be issued in accordance with subsection (3) may be allocated,

(a) to the holder of a retail store authorization or a person whose affiliate holds a retail store authorization;

(b) to a licensed producer or affiliate of a licensed producer; or

(c) in respect of a cannabis retail store that would be located in a municipality with a population of less than 50,000.

(5) The Commission shall, on request, provide a person with information about the boundaries of the Regions.

##### Precondition of application, expression of interest

**8.2** (1) A person may not apply for a retail operator licence unless,

- (a) the person submits to the Registrar, in the form and manner specified by the Registrar, a written expression of interest which, for the purposes of section 8.1, identifies the Region referred to in that section in which the person wishes to locate a cannabis retail store; and
- (b) is notified by the Registrar that the person may apply for a retail operator licence.

(2) For the purposes of clause (1) (b), the Registrar shall choose a method for selecting which of the persons who have submitted an expression of interest may make an application that does not rely on the exercise of discretion on the part of the Registrar or any other person.

(3) A person may submit an expression of interest with respect to more than one Region, but may only be selected in relation to one of those expressions of interest.

(4) A person who submits to the Registrar more than one expression of interest with respect to the same Region may not apply for a retail operator licence.

(5) Two or more persons who are affiliates of one another may, subject to subsection (6), each submit expressions of interest, but of those affiliates only one may be selected in relation to one of those expressions of interest.

(6) If two or more persons who are affiliates of one another each submit to the Registrar an expression of interest with respect to the same Region, those affiliates may not apply for a retail operator licence.

(7) Subsections (3) to (6) apply despite the results of the method chosen under subsection (2).

(8) An applicant for a retail store authorization is not eligible to be issued an authorization in respect of a cannabis retail store that is located in a Region other than the Region identified in the expression of interest in relation to which the applicant was permitted to apply for a retail operator licence.

#### **Revocation**

**8.3** Sections 8.1, 8.2 and this section are revoked on December 13, 2019.

**2. (1) Section 12 of the Regulation is revoked.**

**(2) The Regulation is amended by adding the following section:**

#### **Maximum permissible authorizations**

**12.** The Registrar shall refuse to issue a retail store authorization if,

- (a) the applicant already holds 75 retail store authorizations; or
- (b) the applicant and its affiliates between them already hold 75 retail store authorizations.

#### **Commencement**

**3. (1) Subject to subsection (2), this Regulation comes into force on the day it is filed.**

**(2) Subsection 2 (2) comes into force on the first anniversary of the day this Regulation is filed.**

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[Back to top](#)