



Support internships for graduate students

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Transitioning to the New Rural Cannabis Economy

Lessons from the
Kootenay Region of B.C.

Community Futures
Tracey Harvey, May 7th, 2019



"Outdoor organic loves lady bugs"

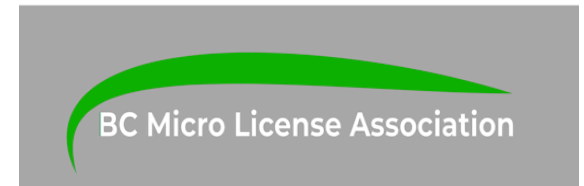


"Blue Sapphire Shatter"



"Fall flowers from the garden"

Acknowledgement and Thanks



Social Sciences and Humanities
Research Council of Canada

Conseil de recherches en
sciences humaines du Canada

Canada

Outline

- Influences
- Setting the Context
- Research Question
- Barriers and Challenges
- Solutions and Opportunities
- Conclusion



Historic and Global Influences



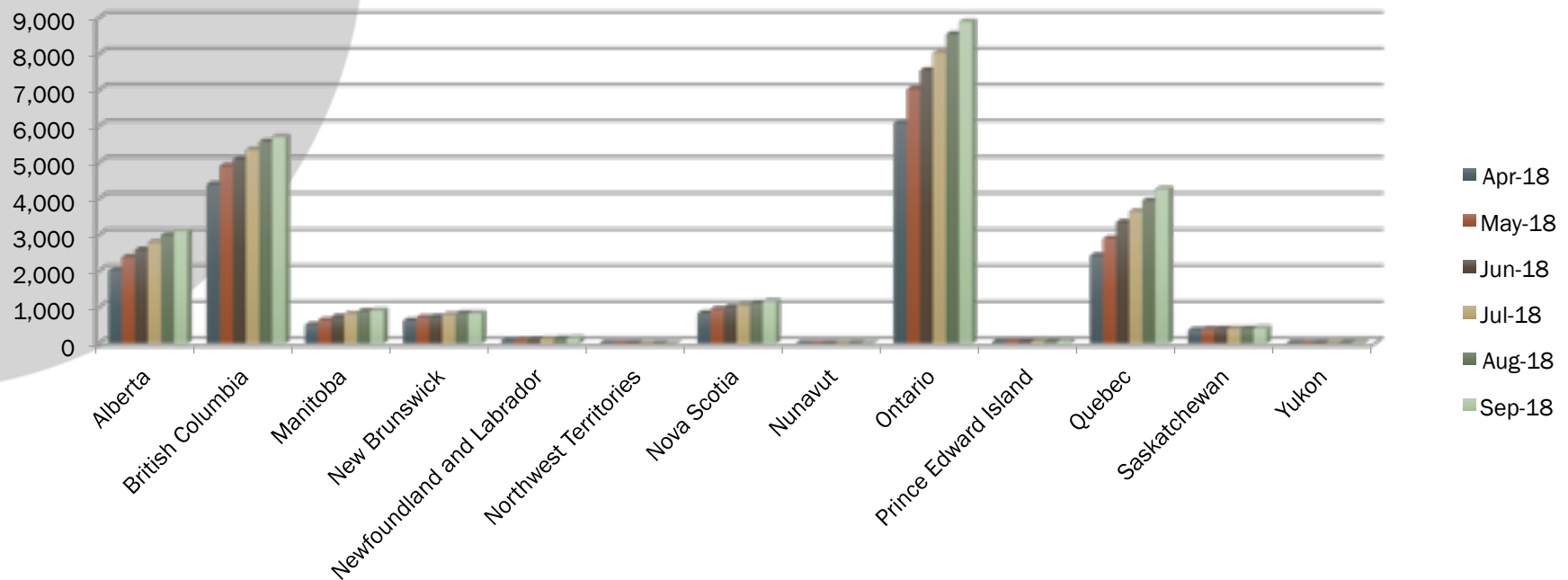
- 68 countries have legalized medical cannabis or decriminalized possession, or both



Federal and provincial context



- Federal and B.C. policy priority disconnect
- B.C.'s unique and colourful cannabis history

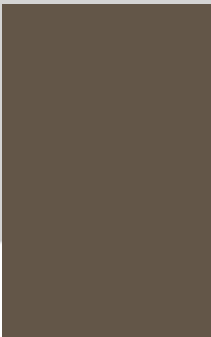


Personal use and designated use production licenses (Government of Canada, 2018)

Research Question



How can the Kootenay region effectively transition to the new rural cannabis economy?



A rural B.C. farmer at his outdoor medically licensed cannabis garden, by B. Taylor, 2018. Reprinted with permission.



“From the harvest Fall 2018” by JimsCannabis, 2018, <https://www.instagram.com/jimscannabis/>. Reprinted with permission.

The Kootenay Cannabis Industry



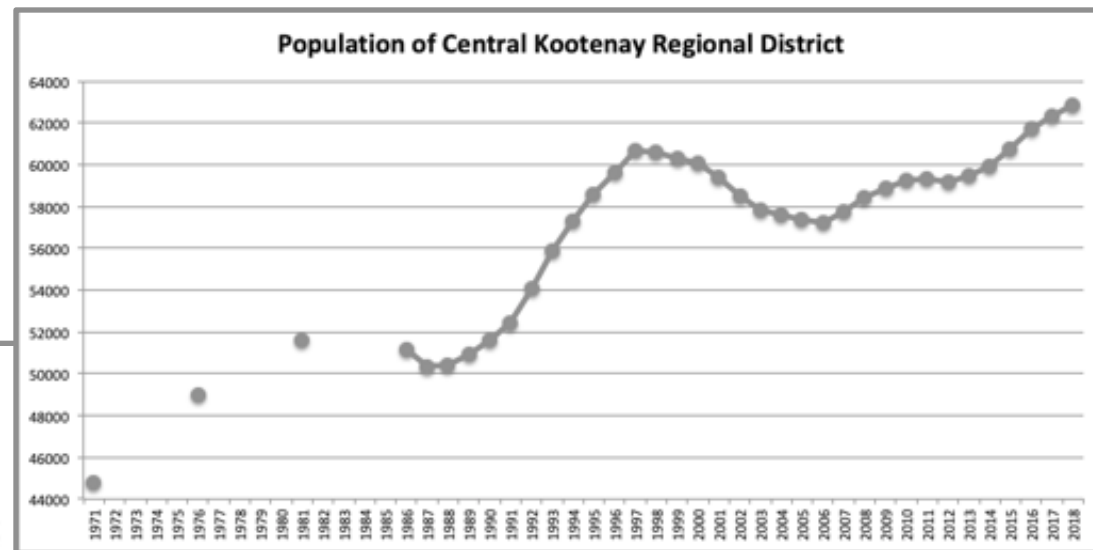
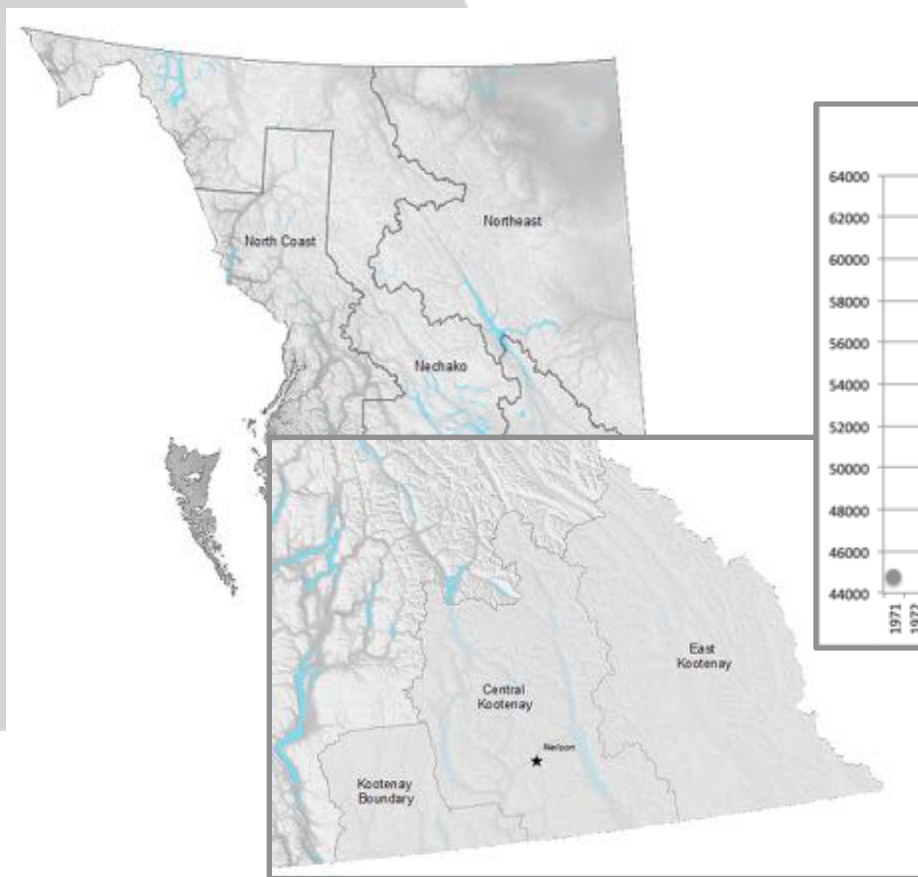
A rural medically licensed facility



“This legacy industry in our region established a culture that became a mainstay in the communities.”

(Kootenay United Cannabis Association Director, 2019, April 28)

Kootenay Region Case Study



(Bollman, 2019)

The Kootenay economic development region.
Population: 151,403 (B.C. Stats, 2016)



BARRIERS
AND
CHALLENGES
To
TRANSITIONING AND *solutions*
SOLUTIONS

Graphics by Lisa Thiessen, April 11th, 2019

TRACEY HARVEY

- RESEARCH - PHD PROJECT
2016 - 2020



by Lisa Thiessen, April 11th, 2019



TWO MAJOR CONCERNS

PROHIBITION EXPERIENCE

TRANSITIONING ECONOMY



RURAL STAKEHOLDERS NOT CONSIDERED



CRUCIAL TO HAVE PARTICIPATIONAL

AVOID TOKENISM!

NEW MODEL
WORK TOGETHER

RISK OF ECONOMIC COLLAPSE



LEVERAGE STRENGTHS

PURE WATER

COLLABORATIVE GOVERNANCE

QUALITY
QUANTITY



Barriers and Challenges



“Now these individuals and families who make up a large percentage of our communities, who have upheld usage, customs, and culture, face insurmountable challenges.”

(Kootenay United Cannabis Association Director, 2019, April 28)

Barriers and Challenges



1. Cost

\$800,000 to \$1.5 million start up costs for micro producer licensing

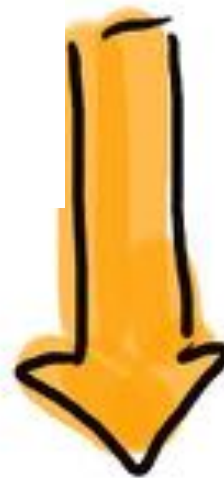
“Chicken and egg scenario”



SUBSIDIES FOR START UPS



AND TESTING



TAX
FOR
MICRO

Barriers and Challenges



2. Compliance

Main issues regarding property, facility, security, and testing

SIMPLIFY
AND LOWER





Barriers and Challenges



3. Future Market Value

Investment is risky



Barriers and Challenge

4. Application process

Licensing through Health Canada is arduous, and requires expertise

Cost: \$10,000 to \$100,000



REDUCE
LICENSING
BOTTLENECK



IMPROVE

A/R
RESPONSE
TIMES





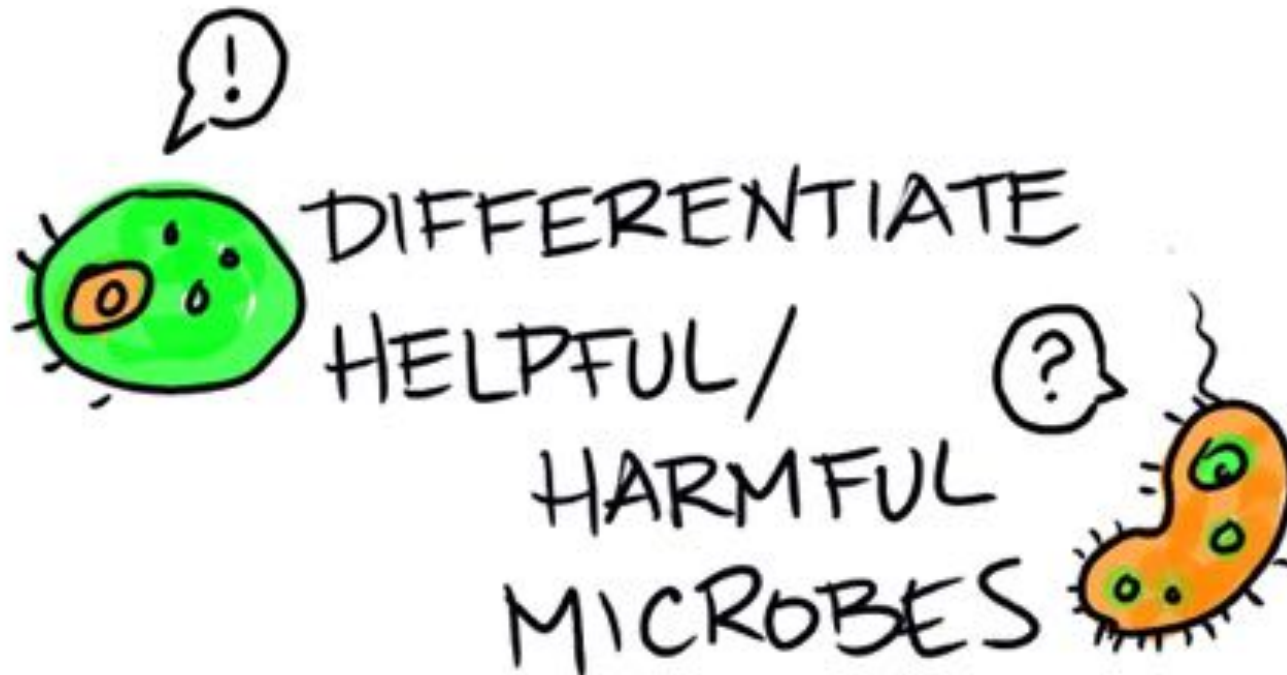
APP GUIDES
AVAILABLE TO
AVOID CONSULTANT FEES

Barriers and Challenges



5. Testing

Costly, ineffective and inefficient





PROMOTE

3RD PARTY CERTIFICATION

PAUL KELLY

CANNABIS
BUSINESS
101
AT KCDS

WALK THROUGH REGULATIONS
FOR FREE

EMPLOYMENT & DOCUMENTATION
BEYOND HEALTH CANADA

LENDER / BORROWER RESOURCES
- WHAT'S EXPECTED?
ASSETS?

Solution Strategies



The Cannabis Economy



Steven L. Levine
Partner
Husch Blackwell LLP
Denver, CO



Joseph Devlin
Chief of Cannabis Policy
and Enforcement
City of Sacramento
Sacramento, CA



Matthew Zabloski
Business Strategist with
Community Standards
City of Calgary
Calgary, AB

Please type your questions into the "Questions" box.

Step One: Self Assessment



(Devlin, J, 2019, April 18th)

Step One: Self Assessment

- ▶ Where is the status of legalization in your region? Has it been legalized?
 - ▶ Legal? Trending toward regulation? Totally Illicit?
- ▶ Public opinion?
 - ▶ Does the opinion of electeds leader differ from the public?
- ▶ What does your existing cannabis industry look like?
 - ▶ Existing Demand. How is it bought & consumed?
 - ▶ Who is using it? Who is growing/making it?
- ▶ What are your city's strengths? Where is their opportunity?
- ▶ What are obstacles to regulation?
 - ▶ Political, resources, public support
- ▶ What are your resources for managing cannabis?
 - ▶ Staff, Policy

Step Two: Develop a Plan

(Devlin, J, 2019, April 18th)



Step Two: Develop a Plan

- ▶ Have a vision of what you want it to look like, including goals like social equity.
- ▶ Develop policies that align with the city's goals, public expectation and reality!
- ▶ Identify a Department or persons to manage and coordinate cannabis.
 - ▶ Policy Support: Who will help elected officials craft best policy? Attorney? PD? Planning?
 - ▶ Land-use restrictions? This will shape how the public interacts with the industry. (access to markets)
 - ▶ Administrative Support :What will your application process be and who will process?
 - ▶ Enforcement: Who will do enforcement of regulated cannabis & illicit cannabis?
- ▶ Educating and coordinating staff: Fire, PD, Code, Building will all need to be educated and work in alignment. Cannabis will touch nearly every department in your local government.
- ▶ Don't forget about youth education.



MENU ▾

Jobs and the workplace

Immigration and citizenship

Travel and tourism

Business and industry

Benefits

Health

Taxes

Environment and natural
resources

National security and defence

Culture, history and sport

Policing, justice and emergencies

Transport and infrastructure

Canada and the world

Money and finances

Science and innovation



[Home](#) > [Health](#) > [Healthy living](#) > [Problematic substance use](#) > [Canadian drugs and substances strategy](#)
> [Funding: Canadian Drugs and Substances Strategy](#) > [Substance Use and Addictions Program](#)

Micro-funding for cannabis and vaping public education

2019-2020 Call for Proposals

On this page:

- [Micro-funding overview](#)
- [Cannabis micro-funding](#)
- [Vaping micro-funding](#)
- [Examples of projects](#)
- [Who can apply](#)
- [How to apply](#)
- [How applications will be assessed](#)
- [Application deadline](#)
- [After you apply](#)
- [Contact us](#)

CREATE
COOPERATIVE
COMMUNITY
RESOURCES



Opportunities



“Amnesia Haze cola” by JimsCannabis, 2018,
<https://www.instagram.com/jimscannabis/>.
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“Ice cream pho live resin” by JimsCannabis, 2018,
<https://www.instagram.com/jimscannabis/>.
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Cluster Development



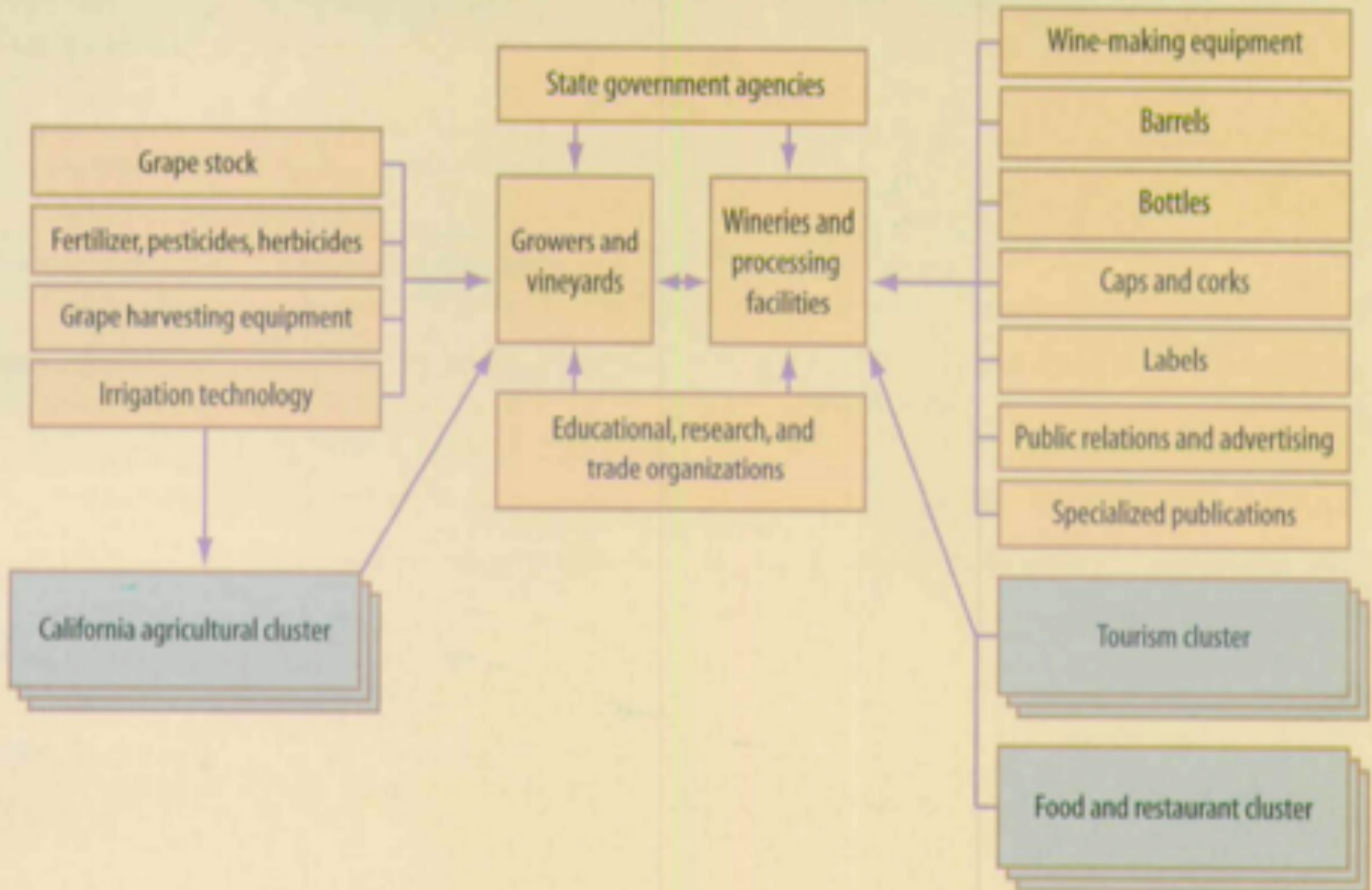
“Knowledge, relationships, motivation - that distant rivals cannot match” (Porter, 1998, p.2)

Involve entities more than just related industries: community supporting organizations, NGOs, academic institutions, government

Supported by entrepreneurial & small business development

**Ensure dollars turn over as many times
as possible within a region**

ANATOMY OF THE CALIFORNIA WINE CLUSTER



Conclusion



“KUCA sees a prosperous future in store for the micro-cannabis Industry if the necessary policy changes happen to alleviate these barriers”

(Kootenay United Cannabis Association Director, 2019, April 28)



Questions?



“Black Rock Tungsten outdoor organic”,
by JimsCannabis, 2018.
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<http://ruralbclegalizationstudy.wordpress.com/>