



October 4, 2018

The Honourable Shaye Anderson
Minister of Municipal Affairs
132 Legislature Building
10800 – 97 Avenue
Edmonton AB T5K 2B6

Dear Minister Anderson,

Re: Cannabis production facility assessment

Combined, the Rural Municipalities of Alberta (RMA) and Alberta Urban Municipalities Association (AUMA) represent all municipalities in Alberta. RMA and AUMA share a common concern with the lack of progress made by Alberta Municipal Affairs in amending current assessment regulations to clarify the ability of municipalities to assess cannabis production facilities at a level that reflects their impacts on municipal services and infrastructure.

AUMA and RMA are of the understanding that currently, cannabis production facilities will be classified as a “farming operation” as defined in the *Matters Relating to Assessment and Taxation Regulation*. While such facilities will certainly have certain attributes in common with other farming operations, they will also differ in ways that may result in greater impacts on municipal infrastructure and services. For example, such facilities may require a greater policing and emergency response presence, and their industrial nature may result in greater truck and equipment traffic, leading to more rapid straining of municipal infrastructure.

RMA first raised this concern to Municipal Affairs staff through a 2017 letter, and repeated it several times throughout roundtable meetings led by the Alberta Cannabis Secretariat in 2017 and 2018. Municipal Affairs staff repeatedly indicated that they were “looking into” the matter and that progress was being made on addressing the assessment of cannabis production facilities, though no details were shared and no invitation for RMA or AUMA to participate in the discussions was made. AUMA members confirmed their shared interest in this issue by passing a resolution calling for cannabis production facilities to be assessed at market value during the recent 2018 AUMA convention.

As cannabis legalization nears, both AUMA and RMA would appreciate an update on your ministry’s progress on this issue to support Alberta’s municipalities in planning for the costs associated with legalization.



Sincerely,

Al Kemmere
President, RMA

Barry Morishita
President, AUMA

cc: Steve White, Executive Director, Assessment Services Branch, Alberta Municipal Affairs
Alexander Nnamonu, Executive Director, Strategic Policy and Planning, Alberta Municipal Affairs