



BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION

January 19, 2018

Cannabis Legalization and Regulation Secretariat
Address locator 0602E
Health Canada

Sent by email: cannabis@canada.ca

Dear Secretariat Members,

Re: BCREA Submission to Health Canada Cannabis Regulation Consultation

The British Columbia Real Estate Association (BCREA) is pleased to see Health Canada continue to engage with Canadians on how to regulate non-medical cannabis across the country.

The Association appreciates this new consultation paper, *Proposed Approach to the Regulation of Cannabis*, and the ongoing work of the Task Force on Cannabis Legalization and Regulation on this important file. Though personal cultivation is not a focus of this consultation paper, BCREA believes this is a critical area and wishes to offer several recommendations.

BCREA is concerned about the dangers posed by properties used in the production of drugs, including cannabis. When a property has been involved in drug production, residents can be exposed to serious health and safety risks resulting from mould, chemicals and electrical fires, even if the property is no longer being used for drug production. The federal government's 2016 *Final Report of the Task Force on Cannabis Legalization and Regulation* notes these risks. Further, properties used in drug operations often become stigmatized, which can result in financing and insurance challenges.

BCREA appreciates there are significant differences between large-scale grow operations and an individual growing up to four plants in their residence. However, the potential property damage from even four plants per residence is not yet quantified. Depending on the circumstances and the size of the residence, four plants could still potentially cause damage. Growing four plants in a 400-square foot apartment, or in a small closet, may have very different impacts than growing four plants in a large, open space.

In addition, we believe the proposed legislation does not adequately account for multiple residences in the same property, such as high-rise buildings or homes with secondary suites. These properties may experience significant damage if several residents grow their own cannabis at home. Moreover, some individuals may grow more than their allotted amount, and enforcing the size and number of plants will be difficult. This creates the potential for even greater property damage and subsequent financing and insurance complications for future residents, and leaves renters and buyers unable to make informed decisions about their homes.

1420 – 701 Georgia Street W, PO Box 10123, Pacific Centre, Vancouver, BC V7Y 1C6

President Jim Stewart
Past President Deanna Horn

President-Elect James Palanio
Interim CEO Damian Stathonikos

bcrea@bcrea.bc.ca | 604.683.7702 (tel)
www.bcrea.bc.ca | 604.683.8601 (fax)



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In cases where homes are damaged by personal cannabis cultivation, strong and consistent standards for property remediation are needed. In BC, as in most jurisdictions across Canada, there are currently no such standards for remediating and certifying properties that have been used to produce drugs. This means there are no consistent standards for what constitutes a safe, successful remediation.

In November 2016, BCREA hosted a forum on properties used in drug production with more than 50 stakeholders from the financial, insurance, real estate, home inspection, business and government sectors. The overwhelming consensus of this forum was that the provincial government should implement standards for property remediation and certification. Federal leadership on this file can catalyze provinces and territories to develop robust property remediation standards.

BCREA notes there are gaps in the existing research on this file, and advocates for a risk-averse policy approach. The Association is taking active steps to help provide evidence, including through original research on remediation processes in other jurisdictions and their potential applicability in BC. The Association has also established a multi-stakeholder Drug Operations Advisory Group, which brings together industry professionals to advance the establishment of remediation and certification standards. BCREA is happy to provide any further resources or assistance to the government based on this research and expertise. Our research is available at www.bcrea.bc.ca/government-relations/drug-operations.

BCREA is the professional association for about 22,000 REALTORS® in BC, focusing on provincial issues that impact real estate. Working with the province's 11 real estate boards, BCREA provides continuing professional education, advocacy, economic research and standard forms to help REALTORS® provide value for their clients.

To demonstrate the profession's commitment to improving Quality of Life in BC communities, BCREA supports policies that encourage economic vitality, provide housing opportunities, respect the environment and build communities with good schools and safe neighbourhoods.

Yours sincerely,



Damian Stathonikos
Interim Chief Executive Officer

Copy: Hon. Mike Farnworth, British Columbia Minister of Public Safety and Solicitor General
(mike.farnworth.mla@leg.bc.ca)
Mike Morris, MLA – Prince George-Mackenzie (mike.morris.mla@leg.bc.ca)