



REPORT

To: Mayor Côté and Members of Council

Date: 8/26/2019

From: Emilie K Adin, MCIP

File: 13.2680.20

Item #: 314/2019

Subject: Cannabis Retail Locations: Public Operator Updates and Rezoning Application - Bylaw for Consideration of Readings

RECOMMENDATION

THAT Council approve the updated Cannabis Retail Rezoning Policy as outlined in and attached to this report; and

THAT Council give Zoning Amendment Bylaw No. 8140, 2019 First and Second Readings and direct staff to schedule a public hearing.

EXECUTIVE SUMMARY

BC Cannabis Stores, the public operator for cannabis retail sales in British Columbia, has applied for a Zoning Bylaw Amendment to operate a cannabis retail store at 805 Boyd Street (Queensborough Landing). This application was received along with 21 other applications as part of the initial intake of cannabis retail store locations which concluded on December 5, 2018.

Both the Cannabis Retail Rezoning Policy and the Cannabis Rezoning Application Evaluation Checklist (Initial Intake) are the guiding documents which were used to evaluate the initial intake of rezoning applications for cannabis retail locations. Both documents are primarily designed for private operators.

Staff used the Cannabis Retail Rezoning Policy and the Cannabis Rezoning Application Evaluation Checklist to evaluate the BC Cannabis Stores application in the same manner as

the private operators despite the fact that publically operated BC Cannabis Stores are different in several aspects from private operators. The result was that BC Cannabis stores were at a disadvantage in regard to the checklist when compared to private operators.

In recognition of these differences resulting in a lower score for the BC Cannabis Stores application, on May 27, 2019, Council directed staff to proceed immediately with the development of an alternate review process focusing on a government-operated non-medical cannabis retail store.

This report recommends revisions to the Cannabis Retail Rezoning Policy to clarify the City's considerations in relation to government-operated non-medical cannabis retail stores and recommends that Council consider First and Second readings of Zoning Amendment Bylaw No. 8140, 2019 and schedule a Public Hearing for the BC Cannabis Store location at 805 Boyd Street.

PURPOSE

The purpose of this report is to provide information to Council in consideration of revisions to both the Cannabis Retail Rezoning Policy and the Cannabis Rezoning Application Evaluation Checklist as they relate to applications from the public operator for cannabis retail locations; and in consideration of first and second readings of Zoning Amendment Bylaw No. 8140, 2019 which would allow BC Cannabis Stores to operate a cannabis retail location at 805 Boyd Street.

BACKGROUND

In January 2018, the City initiated the process of developing the Cannabis Regulatory Framework. On August 27, 2018 and September 17, 2018 Council adopted the necessary amending bylaws and endorsed the Cannabis Retail Rezoning Policy. Council also directed staff to use the Cannabis Application Evaluation Criteria, which seeks a balance between public and private operators, to evaluate the initial intake of cannabis retail location applications.

Twenty-two applications were received between October 24 and December 5, 2018, including one from BC Cannabis, Provincial public operator, as part of the initial application period.

In a report to Council on March 11, 2019 staff recommended that further consideration be given to the BC Cannabis Stores application at and four other private operators at: 71 Sixth Street, 532 Sixth Street, 451 E Columbia Street and 710 Twelfth Street. Council directed staff to proceed with preparation of Zoning Amendment Bylaw for the four recommended private applications and an additional private application in Queensborough at 540 Ewen Avenue. Staff was not directed at this time to proceed with the BC Cannabis Stores

application. Council also directed staff to report back on next steps for the applications which were not selected by Council to proceed ('remaining applications') and on revising the framework for future cannabis retail location applications.

On April 8, 2019, Council considered five separate Zoning Amendment Bylaws for five cannabis retail locations within the city and gave each bylaw was given First and Second readings. The staff report also provided Council with brief updates on:

1. Next Steps For Remaining Applications;
2. Future Cannabis Retail Location Applications;
3. Revisions to Evaluation Criteria; and
4. Transparent Windows Requirements.

An update report was sent to Council on May 27, 2019, which responded to an inquiry made from an applicant for cannabis retail location at an open delegation on May 6, 2019. The May 2019 report outlined the process by which the applications were reviewed, scored and recommended to Council and summarizes next steps for applications which were not forwarded for further Council consideration. At that meeting Council directed staff to proceed with an alternate process for a publicly operated cannabis location with the adoption of the following motion:

***THAT** Council direct staff to proceed immediately with the development of an alternate review process focusing on a government-operated non-medical cannabis retail store.*

DISCUSSION

Government Agency Revisions to Cannabis Rezoning Policy Documents

Staff has reviewed the Cannabis Rezoning Application Evaluation Checklist and the Cannabis Retail Rezoning Policy in light of the differences between public and private cannabis retail locations. From this review, staff has recommended revisions to both of these documents as summarized in the sections below.

Cannabis Retail Rezoning Policy

Staff recommends the following revisions for applications from public government agencies:

- **Submission Requirements**: revise the submission requirements to remove materials not required for a government organization such as: proof of application to the Liquor and Cannabis Regulations Branch, Corporate Ownership Materials, Vulnerable Sector Criminal Record Checks;

- Rezoning Application Process: revise the rezoning process to reflect the fact the LDB applications are not required to be referred to the LCRB;
- Land Use and Location Evaluation Guidelines: no changes;
- Business and Neighbourhood Security: revise the requirements to provide a detailed description of security practices and protocols instead of a security plan provided by a certified professional;
- Business Aesthetics: revise the requirements provide a detailed description of security practices and protocols instead of a professional CPTED analysis;
- Nuisance Activity: no changes;

Through the establishment of the Cannabis Framework for the City, a key principle endorsed by Council was that a blend of public and private operators be sought. Staff recommends that a section outlining this objective be added to the Cannabis Retail Rezoning Policy. The revised Cannabis Retail Rezoning Policy with the recommended changes is attached as Appendix A.

Cannabis Rezoning Application Evaluation Checklist

Given that 1) key principles of the cannabis framework would still be applicable to public government agencies through the Cannabis Retail Rezoning Policy and 2) there is no need to evaluate different public operators against each other, since there is only one public operator, staff recommends that the Cannabis Rezoning Application Evaluation Checklist be revised to be made clear that it is intended solely to be used for privately operated cannabis retail locations.

BC Cannabis Store Application

An application has been received from BC Cannabis Stores, the Provincial government agency operating stores within British Columbia at 805 Boyd Street in Queensborough.

Given the Cannabis framework, the principles for the initial intake of applications and the revised Cannabis Retail Rezoning Policy seek to establish a balance between public and private operators, staff recommends that Council consider first and second readings and scheduling a Public Hearing for Zoning Amendment Bylaw No. 8140, 2019 which would allow BC Cannabis Stores to operate a cannabis retail location at 805 Boyd Street.

NEXT STEPS

The next steps in reviewing the rezoning application from BC Cannabis Stores at 805 Boyd Street are summarized as follows:

1. Council consideration of First and Second Readings of Zoning Amendment Bylaw; **(we are here)**;
2. Public Hearing for Zoning Amendment Bylaw, meeting Local Government Act as well as and LCRB consultation requirements; (September 30, 2019)
3. Council consideration of Third Reading and Adoption of Zoning Amendment Bylaw; (September 30, 2019)

Subsequent Approvals:

4. Application for City Building Permits, sign permits, etc. (as required);
5. Issuance of City Business Licence.

INTERDEPARTMENTAL LIAISON

The Development Services Department has consulted the City Solicitor regarding this report.

OPTIONS

The following options are available for Council's consideration:

1. That Council approve the updated Cannabis Retail Rezoning Policy as outlined in and attached to this report;
2. That Council give Zoning Amendment Bylaw No. 8140, 2019 First and Second Readings and direct staff to schedule a public hearing
3. That Council provide staff with alternative direction.

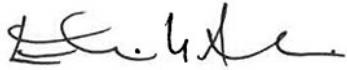
Staff recommends options 1 and 2.

ATTACHMENTS

Appendix A - Zoning Amendment Bylaw No 8140, 2019
Appendix B - Updated Cannabis Retail Rezoning Policy

This report has been prepared by:
Mike Watson, Planner

Approved for Presentation to Council



Emilie K Adin, MCIP
Director of Development Services



Lisa Spitale
Chief Administrative Officer

Appendix A:

Zoning Amendment Bylaw No 8140, 2019

Appendix B:

Updated Cannabis Retail Rezoning Policy

1.0 PURPOSE

- 1.1 This purpose of this policy is to provide transparency, clarity and flexibility in the City of New Westminster's consideration of rezoning applications to allow retail sale of cannabis. The guidelines provided in this document outline the expectations of the City and community for the location, security, appearance, and neighbourliness of retail cannabis businesses in the City.

2.0 SCOPE

- 2.1 This policy applies to all rezoning applications which would allow for retail cannabis uses within New Westminster.

3.0 APPLICATION MATERIALS

- 3.1 In addition to submission materials required for rezoning applications by other City policy, practice or bylaw, applications for retail cannabis uses shall provide the information outlined in Appendix A of this policy as part of any application to rezone land.
- 3.2 An application for a business license shall be submitted at the time of application for rezoning.
- 3.3 An application for a non-medical cannabis retail store licence with the Liquor and Cannabis Regulations Branch (LCRB) shall be submitted prior to an application for rezoning for application for privately operated locations.
- 3.4 Subsequent applications to the City, such as building permit, sign permit and / or development permits applications, with further submission materials may be required should the subject rezoning application be approved.
- 3.5 The applicant is solely responsible for meeting the necessary application requirements for other jurisdictions such as provincial licensing requirements.

4.0 REZONING APPLICATION PROCESS

- 4.1 An application for rezoning would be required to be submitted and approved by Council before a cannabis retail use is permitted.
- 4.2 The review and approval process for privately operated cannabis retail locations with the LCRB would run concurrently with the City's review process for Rezoning and Business Licence applications. Following deliberation on the Zoning Amendment Bylaw, Council would consider a resolution to the LCRB.
- 4.3 The consultation requirements in association with the rezoning application would be determined by Council and would be streamlined and combined with the LCRB consultation process where possible.

5.0 LAND USE AND LOCATION EVALUATION GUIDELINES

Commercial Retail Location Guidelines

Intent

- 5.1 The intent of the guidelines for commercial retail location is to ensure that cannabis retail stores are located in areas where other retail commercial uses are located or intended to be located in the future.

Guidelines

- 5.2 Cannabis retail uses should be located in areas zoned or designated in the Official Community Plan for commercial retail uses.

Separation from Other Retail Cannabis Locations

Intent

- 5.3 The intent of the guidelines for separation from other retail cannabis locations is to encourage access throughout the city and discourage clustering.

Guidelines

- 5.4 Retail cannabis locations should be separated by a distance of 200 metres from other cannabis retail locations.
- 5.5 Distance between cannabis retail locations should be measured 'as the crow flies' from the front door of each location.

Separation from Places Youth Gather

Intent

- 5.6 The intent of the separation from places youth gather guidelines is to encourage operation consistent with other Federal and Provincial regulations to help protect youth from promotions or enticements to use cannabis.

Guidelines

- 5.7 Distance between cannabis retail locations should be 150 metres to the following:
- schools teaching academic subjects to students from kindergarten to grade twelve;
 - community facilities in which a large majority of the programming is focused on youth (e.g. New Westminster Youth Centre); and
 - public playgrounds.
- 5.8 Separation distances should be measured from the centre point of the main entrance of the proposed retail cannabis location, 'as the crow flies', to:
- the nearest property line of a parcel containing a school site which includes play or sports fields;
 - the centre point of the main public entrance of a school building on a site which does not include play or sports fields;
 - the centre point of the main entrance of community facilities in which a majority of the programming is focused on youth; and
 - the edge, as determined by the City, of an area used for a public playground.
- 5.9 Despite the guidelines in this section regarding separation from places youth gather, within the area bounded by Front Street, Royal Avenue, 10th Street and Church Street, the separation distance guidelines shall not apply.
- 5.10 An explanatory map showing the separation guidelines from places youth gather at time of the preparation of this policy is attached in Appendix C.

6.0 BUSINESS AND NEIGHBOURHOOD SECURITY

Intent

- 6.1 The intent of the guidelines for business and neighbourhood security is to reduce the opportunity for crime and to ensure the safety and security of employees and the general public.

Guidelines

6.2 In addition to the security requirements required through the Business License Bylaw, applicants for privately operated cannabis retail locations shall provide a security plan prepared by trained security professional who is either:

- (a) a Certified Protection Professional (CPP); or
- (b) a Physical Security Professional (PSP); and

holds a valid business license or is the employee of a company with a valid business license in the City of New Westminster.

6.3 The security plan prepared by the security professional shall be provided as outlined in Appendix B of this policy.

6.4 The security plan prepared by the security professional may, prior to adoption of a zoning amendment bylaw, be required to be registered on the title of the property with a Land Title Act Section 219 Covenant to ensure adherence to the security the requirements of the plan.

6.5 Where the applicant is a public government agency, a detailed description of security practices and protocols shall be provided instead of a security plan.

7.0 BUSINESS AESTHETICS

Intent

7.1 The intent of the guidelines for business aesthetics is to ensure high quality store fronts in commercial environments, which are consistent with City policies and regulations such as Development Permit Guidelines, Sign Bylaw requirements and Great Street objectives.

7.2 Business aesthetics are closely linked to business and neighbourhood security and the further intent of these guidelines is to balance aesthetics and security through Crime Prevention through Environmental Design (CPTED) principles.

Guidelines

7.3 The applicant shall include with their application graphical representation of proposed interior and exterior design of the proposed retail store (e.g. architectural drawings, renderings). This submission shall include all information needed to illustrate how the proposal meet all related regulations, policies and guidelines including federal, provincial and municipal. This submission shall also include a sign plan which details the proposed locations, sizes and construction of all signage.

- 7.4 The applicants for privately operated cannabis retail locations shall include with their application a Crime Prevention Through Environmental Design (CPTED) analysis prepared by a qualified CPTED practitioner.
- 7.5 All glazing on the primary street frontage or front of the retail area should be fully transparent and not covered by signage or other opaque or translucent coverings unless authorized by the sign bylaw. Opportunities for additional glazing should be considered.
- 7.6 Retail areas should be visible from the primary street or from directly outside the front of the retail area.
- 7.7 Notwithstanding the requirements of a security plan, retractable security gates, such as scissor security gates (illustrated below), which are opened during operating hours and which allow visibility into the store when closed after operating hours, should be provided.



- 7.8 Adequate lighting within the retail space, both during and outside of operating hours, should be provided.
- 7.9 The proposed retail store shall be in compliance with relevant Development Permit Area Design Guidelines, Sign Bylaw requirements and any other design guidelines in respect to streetscape character.
- 7.10 Applicants shall work with the City to meet the objectives of the guidelines in this section while still complying with Federal and Provincial Regulations.

8.0 NUISANCE ACTIVITY

Intent

- 8.1 The intent of the guidelines for nuisance activity is to limit the potential for, and impact of, nuisance activities to businesses and residents in the surrounding area which may result from operation of a cannabis retail use.

Guidelines

- 8.2 The applicant shall include with their application a detailed description of how nuisance behavior, such consumption outside the store, odors from ventilations, etc. is to be mitigated (e.g. location of venting, carbon filters, etc.).
- 8.3 The submission shall include information on venting with the proposed retail store and venting locations onto the street. The applicant will provide information on ventilation within the proposed retail store and how odors from the business would be addressed (e.g. location of venting, carbon filters, etc.).
- 8.4 The applicant may be required to, prior to adoption of a zoning amendment bylaw, enter into a Land Title Act Section 219 Covenant or good neighbour agreement addressing commitments to mitigate nuisance.

9.0 PUBLIC AND PRIVATE OPERATORS

- 9.1 The City of New Westminster seeks both public and private operators to conduct the retail sale of cannabis. Each application should be considered in how it would establish a balance between public and private operators.

10.0 COUNCIL DISCRETION

- 10.1 While this policy is intended to establish a framework which would apply to all rezoning applications for retail cannabis uses, Council maintains full discretion in consideration of applications for rezoning to allow cannabis retail uses and may, at its sole discretion, exempt applications from this policy.

11.0 EFFECTIVE DATE

- 11.1 This policy shall come into force on the date of adoption of Zoning Amendment Bylaw No. 8043, 2018.

Appendix A: Application Submission Requirements for Cannabis Retail Use

Applications for a rezoning to allow a retail cannabis location shall provide all the following required information:

Applicant Information

1. Name of applicant(s); and,
 - a. Where the applicant is a corporation:
 - Contact information (mailing address, email, phone number);
 - Incorporation number;
 - Date of incorporation;
 - Business Number (nine-digit number issued by the Canada Revenue Agency);
 - Register of current directors and officers by:
 - Full legal name;
 - Contact information;
 - Photo identification;
 - Position; and
 - Date of appointment;
 - List of voting shareholders by:
 - Full legal name;
 - Contact information;
 - Photo identification; and
 - Number of voting shares
 - Central Securities Register;
 - If one of the shareholders is a private corporation, a public corporation, a society or a partnership, you must submit all the required information for that type of organization; and
 - Where the applicant is a public corporation, all Shareholders with a 10% or greater interest in the company.
 - b. Where the applicant is sole proprietor:
 - Full legal name;
 - Contact information (mailing address, email, phone number);
 - Photo identification;
 - Date of birth; and
 - Business Number (nine-digit number issued by the Canada Revenue Agency).
 - c. Where the applicant is a partnership:
 - Name of the partnership
 - Contact information (mailing address, email, phone number)
 - Business Number (nine-digit number issued by the Canada Revenue Agency)
 - Partnership Agreement
 - List of partners identifying:

- Type of partner;
 - Full legal name;
 - Photo identification;
 - Contact information;
 - If one of the partners is a private corporation, public corporation or society, you must submit all of the required information for that type of organization
- d. Where the applicant is a society:
- Contact information (mailing address, email, phone number);
 - Business Number (nine-digit number issued by the Canada Revenue Agency);
 - Register of all current directors, officers and senior management by:
 - Full legal name;
 - Contact information;
 - Photo identification;
 - Position; and
 - Date of appointment;
 - Society incorporation number;
 - Date of incorporation; and
 - Society's membership lists.
2. Vulnerable Sector Criminal Record Check for all individuals listed in the subsection relevant to the proposed business in Section 1.
 3. A detailed description of the applicant's current business undertakings, including a description of the applicant's experience in retail sales in a commercial sector regulated by Canada or Provinces and Territories (i.e. age restricted sales and/or controlled substance sales);
 4. A detailed description of any enforcement actions or proceedings brought by Canada, Provinces or Territories, a local government, or an agent or branch of either of them against the applicant in relation to the past or current business undertakings of all individuals listed in the subsection relevant to the proposed business in Section 1.
 5. A listing and detailing of current and previous businesses licenses held or applied for by all individuals listed in the subsection relevant to the proposed business in Section 1 with the City of New Westminster;
 6. Proof of application to the Liquor and Cannabis Regulation Branch (LCRB) for a Non-Medical Cannabis Retail Licence;

Property Information

7. A current title search, including a copy of any 'legal notations' or 'legal encumbrances' documents registered on title which may affect the development of the site such as restrictive covenants, right of ways, easements, and other documentation;

8. if an applicant has been assigned to apply on behalf of the owner, [a Letter of Authorization](#) signed by the owner(s) is required;
9. Proof and declaration of ownership or of an interest in the subject property including that the applicants either:
 - own the property or have an agreement to buy it if a rezoning is approved;
 - have a lease on the property or have an agreement to lease it if a rezoning is approved; or
 - have a different property arrangement in place (for example, a sublease or a property owned or leased in the name of one of the applicant's business partners)

Business Operation Details

10. A detailed description of the applicants proposed business plan for undertaking the retail sale of Cannabis Products for non-medicinal use including a detailed description of the following:
 - a. Proposed hours of operation;
 - b. Staffing roles and responsibilities;
 - c. Proposed plan for ensuring that the retail sale of Cannabis Products for non-medicinal use is in compliance with Federal, Provincial and City regulatory requirements, and any applicable City bylaws; and
 - d. a detailed description of how nuisance behavior, such consumption outside the store, odors from ventilations, etc. is to be mitigated;
11. A security plan as outlined in Section 6 of the Cannabis Retail Rezoning Application Policy prepared by trained security professional who is either:
 - a. a Certified Protection Professional (CPP); or
 - b. Physical Security Professional (PSP);
12. A Crime Prevention Through Environmental Design (CPTED) analysis prepared by a qualified practitioner.
13. Evidence of the applicant's ability to obtain bonding and insurance coverage.

Plans and Drawings

14. Architectural drawings, renderings or some other graphical representation of the proposed form, character and design of the proposed retail store. These materials will be required to demonstrate that the business would meet requirements regarding the visibility of cannabis products as well as compliance with City design guidelines and bylaws.

15. Site plan of proposed building, prepared by a qualified professional which includes the following information:
 - a. The location of the building and where it is located on the property
 - b. The location of all entrances to the store;
 - c. The locations of other buildings and businesses nearby, the entrances to those buildings, and their names or a description of what they are (e.g. gas station, office building);
 - d. Relevant street names nearby; and
 - e. Road access to the property, including the locations of any driveways and parking spots;
16. Floor plans of proposed unit, prepared by a qualified professional which includes the following information:
 - a. All doors leading into/out of the sales area;
 - b. All entrances to the store (including back doors);
 - c. The locations of all fixed shelving or display cases;
 - d. The locations of all cash registers;
 - e. Areas open to the public and those designated for staff only; and
 - f. The locations of all storage areas;

Government Agency Applications

17. Where the applicant is a public government agency, only information from the following sections are required:
 - a. Applicant Information: only the name of the applicant is required;
 - b. Property Information: all the information (items 7-9) is required
 - c. Business Operation Detailed: only the information from items 10(a), 10(b) and 10(d) are required.
 - d. Plans and Drawings: all the information (items 14-16) is required

Additional Information

18. Any other information which may be necessary for reviewing the application as determined by the Director of Development Services;

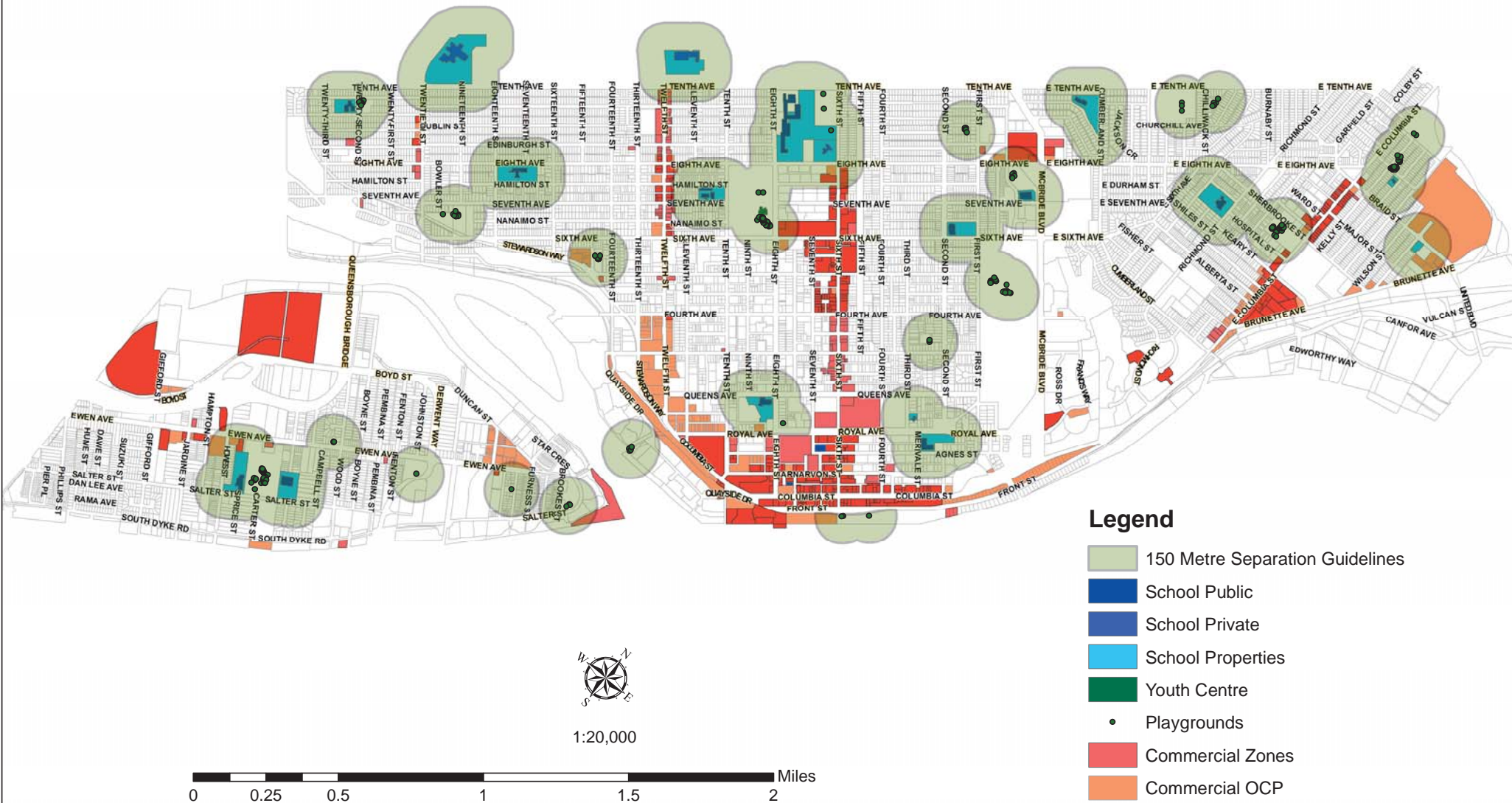
Appendix B: Security Plan Requirements

The security plan shall:

1. be based on the results of a Security Threat Risk Assessment that includes:
 - identification of assets;
 - specification of loss events;
 - assessment of frequency of loss events;
 - assessment of impact of loss events;
 - identification of mitigation options;
 - consideration of feasibility of options; and
 - implementation of risk mitigation strategies.
2. provide written guidance on the operational security strategies (i.e. policies, procedures) and physical security strategies (i.e. cameras, access control, safes and storage systems) in place at the business, both during and after operating hours, and must include the following:
 - opening and closing procedures;
 - the location and viewing angles of cameras that monitor all entrances and exits of the business premises;
 - the location and viewing angles of cameras that monitor operational areas inside the business premises;
 - the operating procedures for the security (e.g. after hours and duress alarms) and fire alarm system;
 - the procedures for retrieving video images and the identification of video retention periods, with a minimum of 30 days;
 - the operational procedures for securing valuables and other assets;
 - descriptions of access control systems and associated procedures;
 - the operational procedures for responding to security related incidents (i.e. robbery, theft, vandalism);
 - security incident response procedures (i.e. theft, robbery, unruly patron, threats) with respect to people, property; and
 - Implementation of risk mitigation strategies.

Appendix C: Cannabis Retail Use Separation Distance Guidelines Map

Cannabis Retail Use Separation Distance Guidelines



While best efforts have been made, the City accepts no responsibility for the accuracy and completeness of information on this map.

Date: 08/07/2018