

# M E M O R A N D U M

**TO:** Mayor Helps & Members of Council

**FROM:** Deane Strongitharm

**DATE:** November 19, 2018

**RE:** Retail Cannabis Rezoning Application for 1402 Douglas Street

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**An application to expand the area of cannabis retail within the existing zoned lot at 1402 Douglas Street is to be considered by Council at the November 22, 2018 Committee of the Whole Meeting.**

## BACKGROUND

- Cannabis retail zoning was approved for the property in September 2017. The applicant (The Original FARM) was the first to actually apply for and receive rezoning and business licence approval of the site prior to the store's opening in Spring 2018. During the rezoning application process, the applicant communicated with its surrounding neighbours, and received their support.
- The original application included agreement by the owner to designate the building as "heritage" as part of the new zoning designation. The applicant also invested about \$1 million in tenant improvements to complement the building's heritage designation status.
- The Original FARM has more than 100 staff, and operates an education centre in a separate commercial space adjacent to its other retail location at 3055A Scott Street. Both stores are currently closed to comply with the Province's new licensing requirements (unlike many other stores), and is currently awaiting confirmation on the City of Victoria's approval requirements with respect to feedback on Provincial licence applications.

## CURRENT APPLICATION

- The adjacent storefront in the 1402 Douglas Street building has become available, and would greatly assist the owner with additional space for product presentation, customer convenience and queuing, and educational displays.
- The entire lot at 1402 Douglas Street is zoned for cannabis retail, but the zone restricts the size of the retail area to 200 m<sup>2</sup>, which is what the owner requested at the time of rezoning. In hindsight, more basement storage space should have been included.
- The new application before Council approximately doubles the gross floor area. However, this is because, with the exception of the electrical room, the entire basement will be included in the allowable floor space for the purpose of storage, product packaging, basement hallways, and other

common areas. It simply makes sense to zone the entire basement to ensure compliance in every way in terms of activities accessory to the upstairs storefront retail space. **The actual “additional retail space” on the main floor is only 95 m<sup>2</sup>.**

- **The City staff report recommends the application be declined because there are other stores within 400 m. The 1402 Douglas Street property is zoned for cannabis retail, and the store already exists. It is only the size of the area within the building that is the subject of the rezoning. The application is NOT setting a precedent with respect to proximity of other retail stores.**
- Council’s updated policy regarding the distance between cannabis retail locations (October 27, 2017) states that:  
  
*“This policy is intended to guide applicants and City staff as part of the application process, but it is not intended to fetter Council’s discretion when dealing with individual applications, each of which will be evaluated on its own merits.”*
- The applicant has demonstrated the highest level of responsibility, integrity, and professionalism in working with the City and the Province on the zoning and licensing of its retail stores. We believe the 400 m separation from other cannabis retailers is inappropriate in this instance, and that this application merits consideration at a Public Hearing.

**We respectfully request that Council forward the rezoning application for 1402 Douglas Street to Public Hearing.**