



Committee of the Whole Report For the Meeting of February 7, 2019

To: Committee of the Whole **Date:** January 25, 2018
From: Chris Coates, City Clerk
Subject: Cannabis Retail Store License Referrals

RECOMMENDATION

That Council receive this report for information.

EXECUTIVE SUMMARY

The Government of Canada legalized cannabis effective October 17, 2018. At the November 8, 2018 Committee of the Whole Meeting, Council received the staff report attached as Appendix A and:

- Directed staff to proceed with the Consultation Policy and Fee Bylaw, (*attached as Appendix B, which was subsequently adopted on November 22, 2018*), and;
- Directed staff to amend the Cannabis-Related Business Regulation Bylaw to align it with the new legislation. (*this is in process and will come back to Council in Q1.*)

At the January 22, 2018 Committee of the Whole meeting during discussions on a Cannabis Retail Rezoning application, there were enquiries made in connection with the provincial licensing process under the new legislation. The initial report to Council in November outlined the process in brief, and this report responds to the request for further clarity on the process going forward.

There are three distinct roles and processes the City is involved with:

1. Land Use Regulation (Zoning)

The provincial licensing framework does not impact a local government's authority to zone land and the City requires specific zoning for a Cannabis Retail Store.

2. Public Consultation on prospective Provincial Licensee's

The Provincial Legislation established a required local government community consultation process.

3. City Business Licensing Regulation

The City's Cannabis Related Business Regulation Bylaw has additional requirements for retail operators in the City.

The Province has begun processing applications for Cannabis retailers. To date 15 applications have had their initial referral by the Province to the City. The first three applications have very recently come back to the City after a receiving a positive Fit and Proper Assessment from the Liquor and Cannabis Regulation Branch (LCRB). These applications will come before Council after

required consultation has taken place in accordance with the City's Bylaw (step 8 in the Process Outline below). More applications will come forward when the City is advised of further positive Fit and Proper Assessments.

There is no incorrect approach in so far as whether a rezoning application should pre-date a Provincial License application, it can occur either way, however zoning is required to move forward with the Provincial process. The steps identified in the process outline below.

Process Outline

1. Application from Operator to Liquor and Cannabis Regulation Branch (LCRB).
2. Province refers application to Local Government for acceptance and Zoning confirmation
3. If zoning is required application is held pending zoning change.
4. If/when property is zoned appropriately the application proceeds to Provincial Fit and Proper Assessment.
5. Favourable Fit and Proper Assessment is required for the application to proceed further.
6. If/when a favourable Fit and Proper Assessment is achieved City is notified.
7. Applicant is contacted by the City to pay the fees to undertake the consultation.
8. City begins public consultation process to owners and residents within 100 metres of the proposed location, the Neighbourhood Association and internal referrals.
9. Public feedback and referral comments are brought forward in a staff report to Committee of the Whole for the purpose of making a recommendation on the application to the LCRB. In order for the application to proceed to the final stage with the Province a favourable recommendation from the local government must be received.
10. The LCRB approves or rejects issuance of a License.
11. If approved, the City can process the City Business License required to operate Cannabis Retail stores in the City, provided compliance with the City's requirements is met.

Council will be reviewing each of the applications that receive a positive Fit and Proper Assessment along with consultation results, over the coming weeks.

Respectfully submitted,



Chris Coates
City Clerk



Susanne Thompson
Deputy City Manager

Report accepted and recommended by the City Manager:

Date:


Jan 29, 2019

List of Attachments

Appendix A – November 8, 2018 Committee of the Whole Report

Appendix B – Cannabis Retail Store and Licensing Policy Bylaw