



Committee of the Whole Report

For the Meeting of March 14th, 2019

To: Committee of the Whole **Date:** March 12th, 2019
From: Chris Coates, City Clerk
Subject: Local Government Recommendation for The Original FARM at 1402 Douglas Street

RECOMMENDATION

That Council direct staff to provide the following response to the Liquor and Cannabis Regulation Branch:

1. Council supports the application of The Original FARM located at 1402 Douglas Street to receive a provincial cannabis retail store license providing the following comments on the prescribed considerations:
 - a. The Council recommends that the LCRB issue a license to The Original FARM located at 1402 Douglas Street, subject to the condition that this license not be issued until after The Original FARM obtains a Heritage Alteration Permit for any proposed alterations to the building exterior that are required to operate the business.
 - b. The application has been reviewed by the Victoria Police Department, Bylaw Services Division, and Sustainable Planning and Community Development Branch and there are no site-specific comments in terms of impacts on the community.
 - c. The views of residents were solicited through a mail-out to neighbouring property owners and occupiers within 100 meters of this address and to the relevant neighbourhood association. The City sent 334 letters and received 1 letter. The letter supports the application. The City did not receive correspondence from the neighbourhood association.

A Heritage Alteration Permit is required for properties listed on the Victoria Heritage Register that are either heritage-registered, heritage-designated, or subject to a heritage conservation Covenant to conserve and enhance the heritage value, special character and the significant historic buildings, features, and characteristics of the Core Historic Development Permit Area.

EXECUTIVE SUMMARY

Since the Government of Canada legalized cannabis on October 17, 2018, the Province of British Columbia (The Province) is responsible for cannabis retail store licensing. The Province established a framework that sends referrals to the City for a positive or negative recommendation, which must include residents' views. The City adopted the *Cannabis Retail Store Licensing Consultation Policy and Fee Bylaw* to set the public consultation process and fees to manage these referrals.

The City plays a role in the provincial licensing scheme by providing a positive or negative recommendation on referrals from the Liquor and Cannabis Regulation Branch (LCRB). Provincial

licences must comply with both the federal and provincial rules, as well as any municipal rules that may be in effect. The City's *Cannabis-Related Business Regulation Bylaw* contains rules for cannabis storefront retailers, pursuant to the City's business regulation and licensing powers.

The Original FARM at 1402 Douglas Street obtained a business licence on May 25, 2018 and has complied with municipal rules to date. They have never been issued a ticket, do not have any outstanding monies owed to the City, and have been a compliant operator. They have suspended operations. In undertaking internal referrals to the Victoria Police Department, Bylaw Services Division, and Sustainable Planning and Community Development Branch, staff did not raise any issues with previous operations under the past municipal rules.

The required public notification process enabled residents to share their views by providing written comments. The City sent 334 notices to owners and occupiers within 100 metres of the proposed location for the cannabis retail store licence and received 1 letter. The letter supports the application. The correspondence is attached as Appendix C. The City did not receive correspondence from the neighbourhood association.

Staff recommend that Council support the application by The Original FARM to obtain a provincial cannabis retail store license at 1402 Douglas Street, subject to obtaining a Heritage Alteration Permit for alterations to the building exterior.

PURPOSE

The purpose of this report is to seek a Council resolution, in accordance with the requirements of the *Cannabis Control and Licensing Act*, regarding an application by The Original FARM to obtain a provincial cannabis retail store license at 1402 Douglas Street.

BACKGROUND

The LCRB issues cannabis retail store licences under the authority of the *Cannabis Control and Licensing Act* (the Act) and regulations. LCRB refers an application to the City for a recommendation about whether or not to issue a licence. The LCRB will not consider issuing a licence unless it receives a positive recommendation from the City.

Under the Act, a local government must take into account the location of the proposed retail store in considering the recommendation, provide comments about community impact, and include the views of residents. The City adopted the *Cannabis Retail Store Licensing Consultation Policy and Fee Bylaw* establishing a public consultation method and fees (Appendix A). A public notification letter is sent to owners and occupiers of parcels within 100 metres of the proposed location, and the neighbourhood association for the area, initiating an opportunity to provide written comment about the application. The public has two weeks to provide a response to the application.

The City's internal review may include comments from staff in Victoria Police Department, Bylaw Services Division, and Sustainable Planning and Community Development Branch.

Provincial licensees must obtain a business licence. The *Business Licence Bylaw* and *Cannabis-Related Business Regulation Bylaw* set out licensing and operating conditions for storefront cannabis retailers.

The Applicant

The Original FARM at 1402 Douglas Street obtained a business licence on May 25, 2018. They have suspended operations. A map of the property and the immediate 100 metre area is attached as Appendix B.

Public Comments

A public consultation process for this application concluded on February 21st, 2019. The City distributed 334 public notification letters and received 1 letter. The letter supports this application. The City did not receive correspondence from the neighbourhood association. The correspondence is attached as Appendix C.

On their own initiative, an advocacy group provided approximately 1500 letters in support of five applications currently awaiting a Council decision. These are available for viewing on request but are excluded from the City process established in the *Cannabis Retail Store Licensing Consultation Policy and Fee Bylaw*.

ISSUES AND ANALYSIS

The following sections will identify the key issues and provide analysis for Council's consideration.

Previous Operations

The Original FARM at 1402 Douglas Street has never been issued a ticket, does not have any outstanding monies owed to the City, and has been a compliant operator.

Community Impact

The Victoria Police Department, Bylaw Services Division, and Sustainable Planning and Community Development Branch have no site-specific comments. VPD comments are attached as Appendix D.

Residents' Views

The City received 1 letter. The letter supports this application. The public consultation process did not raise any concerns about negative community impact.

Municipal Requirements for Building Exteriors

The Act requires a licensed cannabis retail store to have non-transparent walls, which would require the applicant to alter the building exterior. The subject property is located within Development Permit Area 1 (HC). As this building is Heritage Designated, alterations to exterior materials, including windows, require a Heritage Alteration Permit.

OPTIONS AND IMPACTS

Option 1 – Refer application with a positive local government recommendation, subject to obtaining a Heritage Alteration Permit (Recommended)

Option 2 – Refer application with a negative local government recommendation with a comment about the reason for the negative recommendation

Accessibility Impact Statement

The recommended option has no accessibility implications.

CONCLUSION

The Original FARM at 1402 Douglas Street has been a compliant licenced cannabis storefront retailer in the City since June 2018. Based on the feedback received for this application staff recommend providing supportive comments to the LCRB but that the issuance of the license be withheld until a Heritage Area Permit is issued. The proposed option would ensure that this operator continues to comply with municipal requirements and enable the LCRB to continue their consideration of the applicant for a cannabis retail store license.

Respectfully submitted,



Monika Fedyczkowska
Legislative and Policy Analyst



Chris Coates
City Clerk



Susanne Thompson
Deputy City Manager



Report accepted and recommended by the City Manager:

Date:

March 13, 2019

Attachments

- Appendix A: Cannabis Retail Store Licensing Consultation Policy and Fee Bylaw
- Appendix B: A map of the property and the immediate 100 metre area
- Appendix C: Residents' Views
- Appendix D: VPD Comments