



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 Clarity Cannabis at 603 Gorge East Street

RECOMMENDATION

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

1. Council supports the application of Clarity Cannabis located at 603 Gorge East Street to receive a provincial cannabis retail store license providing the following comments on the prescribed considerations:
 - a. The Council recommends that LCRB issue a cannabis retail store license to Clarity Cannabis located at 603 Gorge East Street.
 - 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 170 letters and received 7 letters. 7 letters support the application and one letter supports the application with some provisions. The City did not receive correspondence from the neighbourhood association.

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.

Clarity Cannabis at 603 Gorge East Street obtained a business licence on June 15, 2018 and has complied with municipal rules to date. After obtaining the business license, the current applicant became the new director of this cannabis storefront retailer on the same day. They have never been

issued a ticket, do not have outstanding monies owed to the City, and have been a compliant operator. They suspended operations on October 23, 2018 in order to comply with the new provincial requirements. 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 170 notices to owners and occupiers within 100 metres of the proposed location for the cannabis retail store license and received 7 letters. 6 letters support the application and one letter supports the application with some provisions. The correspondence is attached as Appendix C. The neighbourhood association did not provide a response.

Staff recommend that Council support the application by Clarity Cannabis at 603 Gorge East Street to obtain a provincial cannabis retail store license.

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 Clarity Cannabis to obtain a provincial cannabis retail store license at 603 Gorge East 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 cannabis retail store, 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 cannabis retail stores.

The Applicant

Clarity Cannabis at 603 Gorge East Street obtained a business licence on June 15, 2018. After obtaining a business license, the current applicant became the new director of this cannabis storefront retailer on the same day. They suspended operations on October 23, 2018. 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 14th, 2019. The City distributed 485 public notification letters and received 7 letters. 6 letters support the application and

a letter supports the application with some provisions. The neighbourhood association for the area did not provide a response. 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

Clarity Cannabis at 603 Gorge East Street has never been issued a ticket, does not have 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 7 letters. 6 letters support the application and one letter supports the application with some provisions. The correspondence is attached as Appendix C.

A nearby place of worship supports the application, however has concerns about cannabis consumption in the area on Sunday between 9:30 a.m. and 12:00 p.m. and within 300 metres of the place of worship on all days. The respondent proposes to restrict the hours of operation to be closed on Sunday from 9:30 a.m. to 12:00 p.m.

Applicant Response

The applicant provided a response to the report which is attached as Appendix E.

OPTIONS AND IMPACTS

Option 1 – Refer application with a positive local government recommendation (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

Clarity Cannabis at 603 Gorge Street has been a compliant licensed cannabis storefront retailer in the City since June 2018. The proposed option would 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
- Appendix E: Applicant Response to Report