

**D.1     Reconsideration of Council Motion on Rezoning Application for 1150 Douglas Street**

The Mayor advised that she has received information from the operator of the Bay Centre advising that this application would be a welcome addition to the Bay Centre and therefore put forward a reconsideration of the motion which was heard at the November 5, 2020 Council meeting.

*Council discussed:*

- *When the public hearing could take place*

**Moved By** Mayor Helps

**Seconded By** Councillor Isitt

That Council instruct staff to prepare the necessary zoning regulation bylaw amendment that would authorize the proposed development outlined in Rezoning Application No. 00748 for 1150 Douglas Street, that first and second reading of the zoning regulation bylaw amendment be considered by Council and a public hearing date be set.

**CARRIED UNANIMOUSLY**

**F.2     1150 Douglas Street - Rezoning Application No. 00748 (Downtown)**

Committee received a report dated October 8, 2020 from the Director of Sustainable Planning and Community Development regarding the proposed rezoning of the property located at 1150 Douglas Street to allow for a storefront cannabis retailer.

*Committee discussed:*

- *Concerns with having a cannabis location on every street*

**Moved By** Mayor Helps

**Seconded By** Councillor Alto

That Council decline Rezoning Application No. 00748 for the property location at 1150 Douglas Street.

FOR (5): Mayor Helps, Councillor Alto, Councillor Dubow, Councillor Potts, and Councillor Thornton-Joe

OPPOSED (2): Councillor Loveday, and Councillor Young

**CARRIED (5 to 2)**



## Committee of the Whole Report

### For the Meeting of October 22, 2020

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**To:** Committee of the Whole **Date:** October 8, 2020

**From:** Karen Hoese, Director, Sustainable Planning and Community Development

**Subject:** Rezoning Application No. 00748 for 1150 Douglas Street

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### RECOMMENDATION

That Council decline Rezoning Application No. 00748 for the property located at 1150 Douglas Street.

### LEGISLATIVE AUTHORITY

In accordance with Section 479 of the *Local Government Act*, Council may regulate within a zone the use of land, buildings and other structures, the density of the use of the land, building and other structures, the siting, size and dimensions of buildings and other structures as well as the uses that are permitted on the land and the location of uses on the land and within buildings and other structures.

### EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations for a rezoning application for the property located at 1150 Douglas Street. The proposal is to add the use of storefront cannabis retailer to the OTD-1 Zone, Old Town District-1 as a site-specific regulation for 1150 Douglas Street.

The following points were considered in assessing this application:

- the proposal is consistent with the Core Historic designation in the *Official Community Plan* and the Historic Commercial District designation in the *Downtown Core Area Plan*, both of which envision active commercial uses on the ground floor
- the proposal is inconsistent with the *Storefront Cannabis Retailer Rezoning Policy*, as there are three properties within 400m with storefront cannabis retailer as a permitted use and there is a school within 200m.

### BACKGROUND

#### Description of Proposal

This rezoning application is to permit the use of storefront cannabis retailer at 1150 Douglas Street. The following differences from the current OTD-1 Zone are being proposed:

- storefront cannabis retailer would be a permitted use

- only one storefront cannabis retailer would be permitted to operate on the property at a time
- storefront cannabis retailer would be restricted to a maximum floor area of 155m<sup>2</sup>.

## **Sustainability**

The applicant has not identified any sustainability features associated with this proposal.

## **Active Transportation**

The applicant has not identified any active transportation impacts associated with this Application.

## **Public Realm**

No public realm improvements beyond City standard requirements are proposed in association with this Rezoning Application.

## **Accessibility**

The British Columbia Building Code regulates accessibility as it pertains to buildings.

## **Land Use Context**

The area is characterized primarily by retail and restaurant uses at grade, with office uses on the upper storeys.

## **Existing Site Development and Development Potential**

The subject property is occupied by the shopping mall known as The Bay Centre, which features a variety of retail stores and restaurants. Under the current OTD-1 Zone, Old Town District-1, the property could be developed for commercial and mixed-use buildings up to a height of 15m and a density of up 3.0:1 floor space ratio.

## **Community Consultation**

Consistent with the *Storefront Cannabis Retailer Rezoning Policy*, the requirement to arrange and participate in a Community Association Land Use Committee (CALUC) Community Meeting is waived unless the application involves construction of a new building; however, the application was referred to the Downtown Residents Association. Also consistent with the policy, the application has been referred to School District No. 61 and the Victoria Police Department (VicPD). No responses have been received at the time of writing this report.

## **ANALYSIS**

### **Official Community Plan**

The *Official Community Plan, 2012* (OCP) lists this property within the Core Historic urban place designation, within which retail is an envisioned use. The property is also included in Development Permit Area 1 (HC): Core Historic which among other things contains design guidelines that aim to create animated and welcoming streetscapes. Provincial regulations prohibit cannabis products from being visible from the street. While staff would encourage the applicant to maintain a positive street relationship, it should be noted that interior improvements



that restrict visibility into the storefront, such as blinds or curtains, are not subject to staff approval. However, extensive use of non-transparent glass or screening films applied to glass would be considered contrary to the design guidelines and would require Council consideration and approval.

### Downtown Core Area Plan

The *Downtown Core Area Plan* designates this property as Historic Commercial District. The application is consistent with the neighbourhood plan, in which zoning accommodates a diverse range of active commercial uses.

### Tree Preservation Bylaw and Urban Forest Master Plan

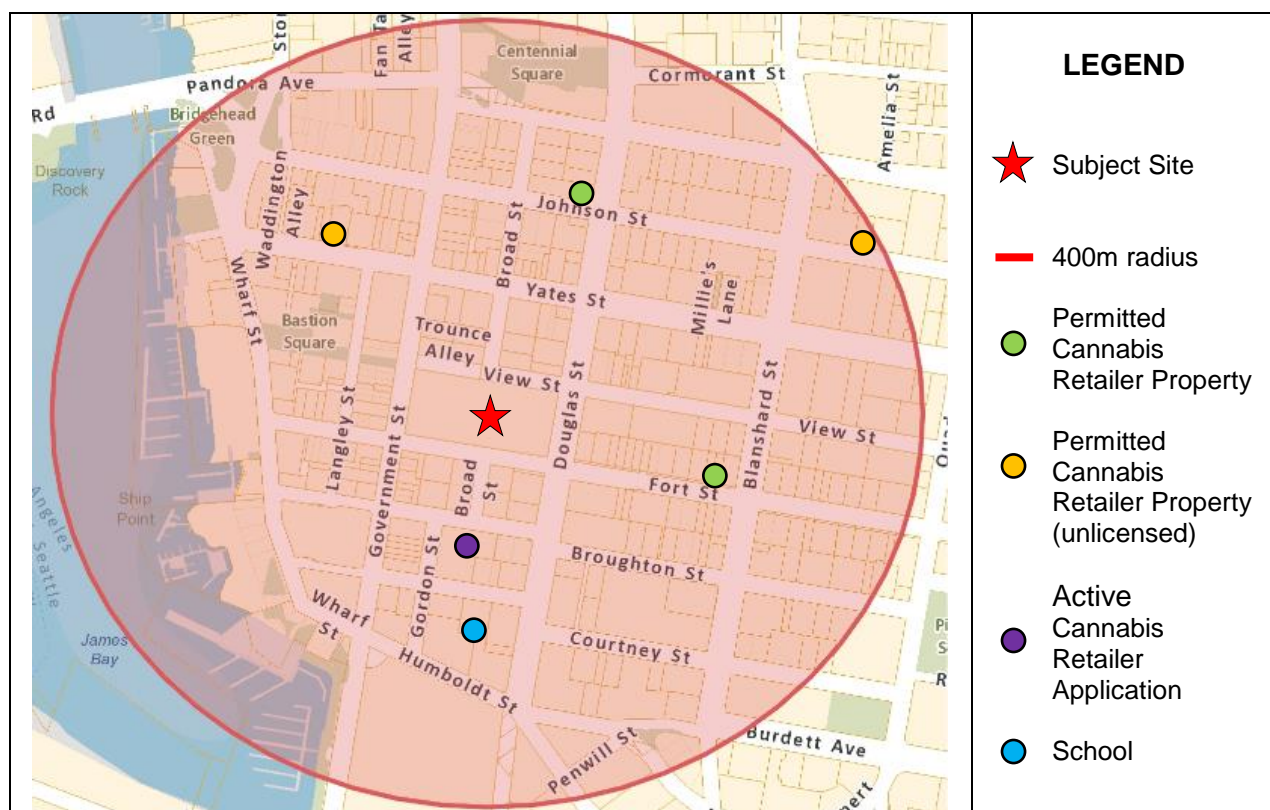
There are no Tree Preservation Bylaw impacts and no impacts to public trees with this Application.

### Storefront Cannabis Retailer Rezoning Policy

The proposal is inconsistent with the *Storefront Cannabis Retailer Rezoning Policy* as there are four properties within 400m of the subject property that have storefront cannabis retailer as a permitted use:

- 778 Fort Street is 177m away and is provincially licensed
- 1402 Douglas Street is 216m away and is provincially licensed
- 546 Yates Street is 160m away and non-operational and not provincially licensed
- 826 Johnson Street is 370m away and is operational but is not provincially licensed.

Finally, there is one independent high school, the Pacific Institute for Innovation and Inquiry, 170m away from the subject property.



## CONCLUSIONS

The proposal to permit the storefront cannabis retailer use is consistent with the *Official Community Plan* and the *Downtown Core Area Plan*. However, the proposal is inconsistent with the *Storefront Cannabis Retailer Rezoning Policy* as there are four other properties within 400m that permit the use of storefront cannabis retailer and there is a school within 200m of the subject property. Staff therefore recommend that Council consider declining the application. However, an alternate motion has been provided for Council's consideration.


## ALTERNATE MOTION

That Council instruct staff to prepare the necessary zoning regulation bylaw amendment that would authorize the proposed development outlined in Rezoning Application No. 00748 for 1150 Douglas Street, that first and second reading of the zoning regulation bylaw amendment be considered by Council and a public hearing date be set.

Respectfully submitted,



Mike Angrove  
Senior Planner  
Development Services Division



Karen Hoes, Director  
Sustainable Planning and Community  
Development Department

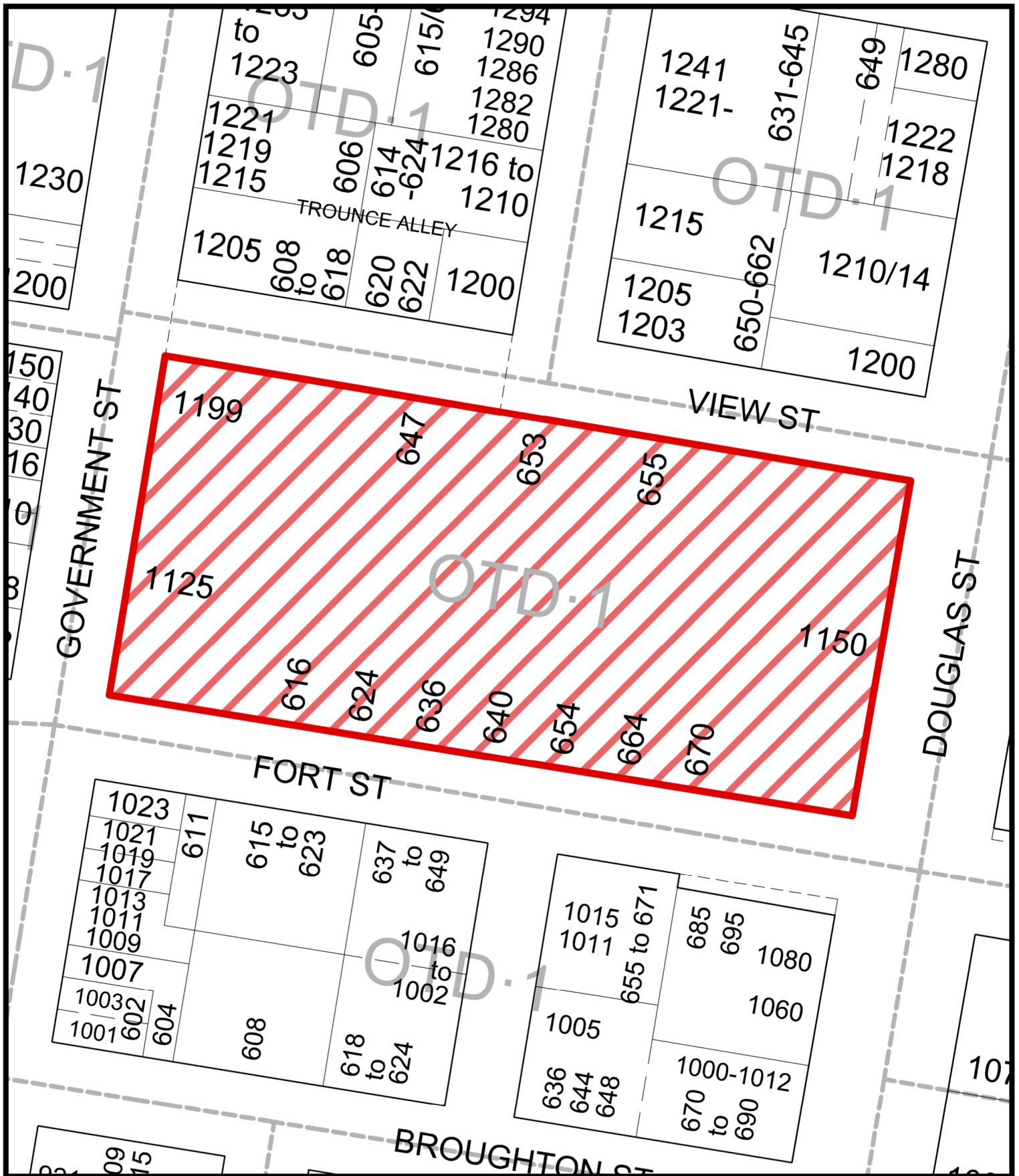
Report accepted and recommended by the City Manager:



Date: October 15, 2020

## List of Attachments

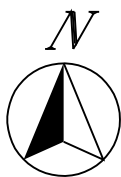
- Attachment A: Subject Map
- Attachment B: Aerial Map
- Attachment C: Plans dated/date stamped September 25, 2020
- Attachment D: Letter from applicant to Mayor and Council dated August 5, 2020.



1150 Douglas Street  
Rezoning No.00748



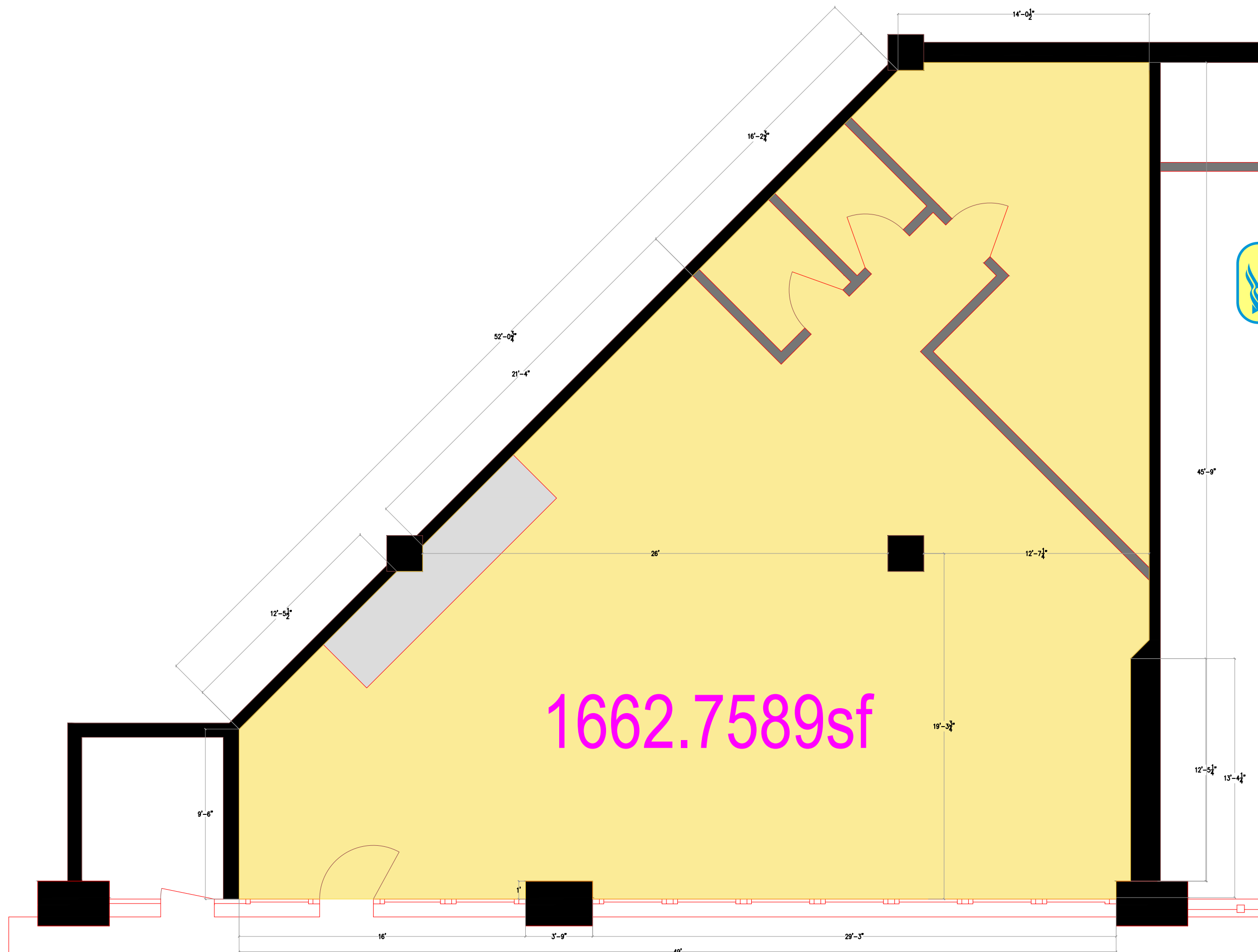





1150 Douglas Street  
Rezoning No.00748







bccs - victoria bay center



**Revisions**

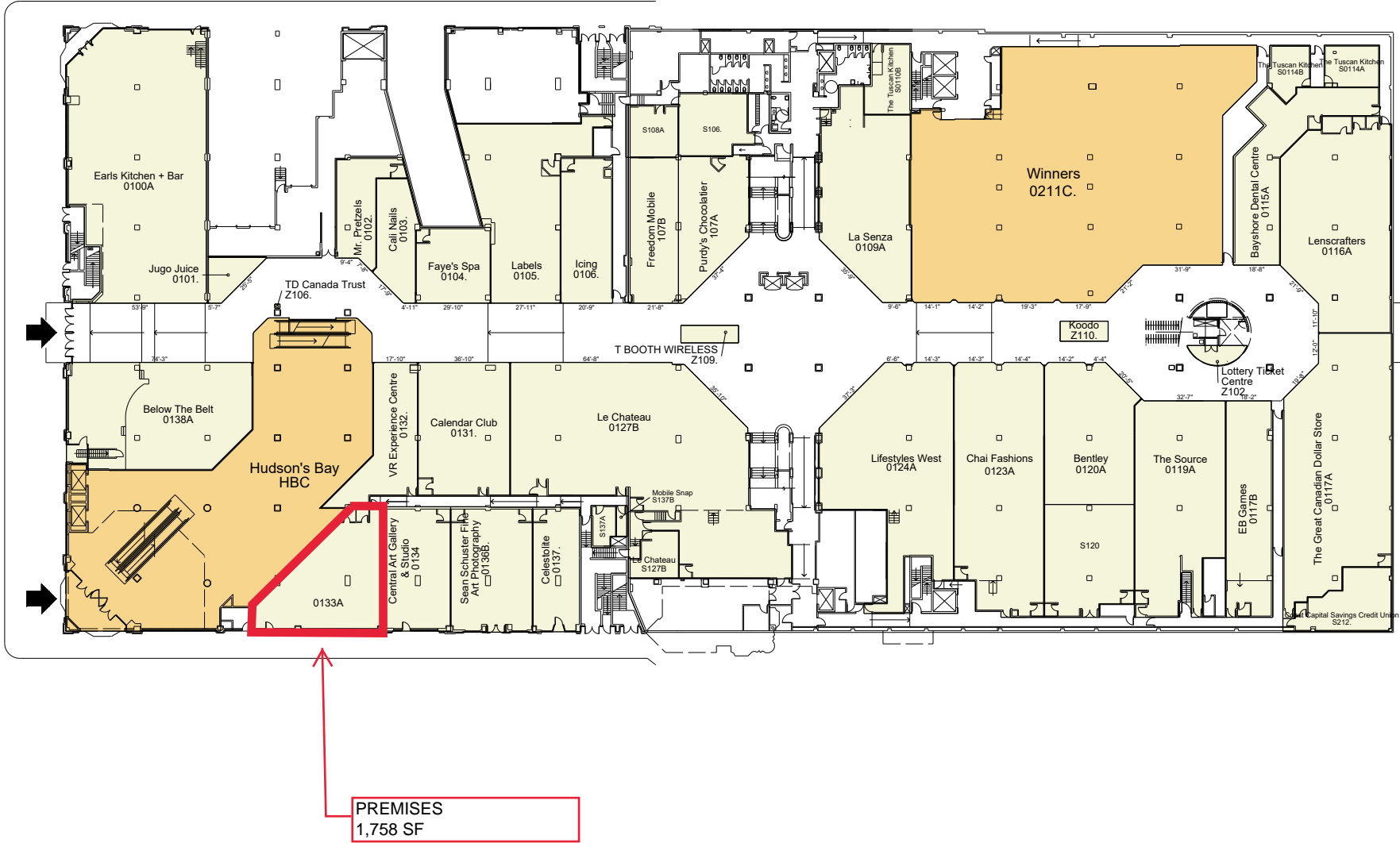
Received Date:  
September 25, 2020

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1987, 1991

# BAY CENTRE

## Floor 1













August 5th, 2020

City of Victoria  
1 Centennial Square  
Victoria, BC V8W 1P6

Dear City Staff, Mayor and Members of Council:

**Re: Non-medical cannabis retail store application**

Please accept the Liquor Distribution Branch's (LDB) application to locate a **Government operated** non-medical cannabis retail store at **The Bay Centre, located at 1150 Douglas St.** The LDB has received support from the property owner to proceed with this application (application form, fees and supporting materials attached).

**About the LDB**

The LDB is one of two branches of government responsible for the beverage alcohol industry in BC. The *Liquor Distribution Act* gives the LDB the sole right to purchase and distribute beverage alcohol for the province. The LDB is also the public liquor retailer in the province's mixed public-private model, operating 197 retail outlets under the brand 'BC Liquor Stores.'

Under the [Cannabis Distribution Act](#), the LDB is also the sole wholesale distributor of non-medical cannabis in British Columbia and operates standalone, public retail stores and provides online sales. Since legalization, the LDB has opened BC Cannabis Store retail locations in twenty communities and we are actively working to roll out more stores across the Province to cater to the BC market.

Revenue generated through the LDB's wholesale and retail operations is remitted to the Provincial Government and contributes to supporting vital public services such as health care and education.

Committed to maintaining a level playing field between private and public retailers, the LDB ensures a fair and ethical supply and distribution of non-medical cannabis by applying a common set of rules for both:

- As the wholesaler of non-medical cannabis, it applies a 15% wholesale mark-up on the landed cost of cannabis distributed throughout the province to private and public BC Cannabis Stores
- Purchasing cannabis at a common wholesale price, both private and public retailers are required to pay the cost of shipping product from the LDB warehouse to their retail outlet. E-commerce customers currently pay a flat shipping fee of \$8 on each order purchased via [www.bccannabiswholesale.com](http://www.bccannabiswholesale.com).
- All private and public retail stores are required to comply with the municipal, provincial and federal regulations that govern the purchase, sale, and distribution of non-medical cannabis

- For both private and public retail stores, the minimum retail price for selling non-medical cannabis is either the wholesale price they paid to the LDB or the current LDB wholesale price, whichever is lower.

### **Location of proposed BC Cannabis Store**

The LDB is proposing to open a BC Cannabis Store at **The Bay Centre** for a number of reasons, including that the site is:

- Located in an existing retail centre with strong anchor tenants;
- Easily accessible to customers with ample parking;
- Not expected to adversely impact traffic in the surrounding area, given its location in an already established complex, and;
- Located outside any sensitive use buffers established under the current City Policy.

The size of the proposed non-medical cannabis retail store is approximately 1,758 square feet of which we envision roughly half being dedicated to retail, with the remainder being utilized for office and administrative space for store staff.

### **Our commitment to community engagement and social responsibility**

The LDB works closely with the Liquor and Cannabis Regulation Branch (LCRB), the Ministry of Public Safety and Solicitor General, and the Ministry of Attorney General to encourage the safe and responsible consumption of alcohol and non-medical cannabis in BC.

We are committed to working in partnership with local governments to ensure a smooth introduction of non-medical cannabis to the retail market in BC communities. While government-operated BC Cannabis Stores do not require a licence from the LCRB<sup>[1]</sup>, we are committed to following all municipal zoning processes and meeting all bylaw requirements, as well as working with local law enforcement agencies to maintain public safety.

Social responsibility is integral to the LDB and has been part of our corporate culture for decades. BC Liquor Stores have a well-established history of both undertaking initiatives encouraging the responsible use of our products and fundraising campaigns to give back to the local community.

Since 2010, we have raised nearly one hundred thousand dollars from staff and customers at our Victoria BC Liquor Stores locations, with most of the funds being allocated to programs within the District.

Our current BC *Liquor* Stores social responsibility programs will serve as examples as we move forward on developing our BC *Cannabis* Stores social responsibility endeavours. Our current efforts in the cannabis field include:

- Delivering products that meet strict safety and quality requirements. All cannabis products purchased through the LDB's wholesale channel and sold through BC Cannabis Stores are purchased from federally licensed producers.

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<sup>[1]</sup> As a branch of the Ministry of Attorney General, the LDB does not require a formal license from the LCRB to operate a retail cannabis store - written confirmation from the LCRB is attached.

- Promoting the safe and responsible use of non-medical cannabis through social responsibility campaigns aimed at keeping cannabis out of the hands of minors, preventing driving under the influence, and informing the public about potential associated health risks of consuming cannabis.
- Actively discouraging customers from engaging in high-risk behavior such as driving under the influence, consuming cannabis during pregnancy and participating in sporting activities while under the influence of cannabis;
- Increasing awareness of the dangers associated with over-consumption or risky behavior through various [in-store campaigns](#) with strategically placed messaging, and;
- Incorporating environmental sustainability into all facets of our business with a goal of reducing our environmental footprint and being a leader in sustainable retailing.

### **Keeping cannabis out of the hands of minors.**

Unlike liquor stores, minors will not be permitted inside BC Cannabis Stores, even if they are accompanied by a parent or guardian. Our ID-check policy at store entrances prevents minors from entering our stores. All our staff receive comprehensive training in verifying ID, and will request age verification from all customers appearing under the age of 30.

### **Odour Mitigation**

Product must be packaged and sold in accordance with Health Canada's packaging requirements, in a child-proof container. Since the product is prepackaged at the point of cultivation, there is little-to-no noticeable odor emitted from the store.

There will also be a ventilation and filtration system in order to reduce or eliminate odors. In the event that neighbouring tenants or customers have any concerns in this regard, the LDB will respond to these requests immediately. To date we have received no complaints regarding odours from any of our four stores currently in operation

### **Cannabis store operations**

All BC Cannabis Stores employ unionized staff. This particular location will have approximately 8 employees, including a Store Manager, at least one Assistant Store Manager, and staff comprised of full and part-time Cannabis Consultants. Wages start at \$21.00 per hour with benefits and pension eligibility as Provincial employees. All prospective employees must undertake an Enhanced Security Screening (ESS) as mandated by Provincial law.

Store hours vary but locations are typically open from 10am to 9pm Monday to Saturday and 11am to 7pm on Sundays.

Our neighbourhood strategy includes:

- *Keep It Safe*, a mandatory full-day training program, for all staff. This program covers best practices for dealing with intoxicated customers, suspicious activities, and instances of violence, theft or nuisance. Additional topics covered include understanding cannabis related laws and strategies for maintaining a safe environment for employees and customers.

- Implementation of procedures on how to deal with unruly customers, store safety, loitering, and consumption outside the premises. Procedures are in place to ensure there are at least two employees in the store at all times and that stores are alarmed and locked outside business hours. For events that occur outside of the store, staff are trained to contact mall security, if applicable, or to call 911.
- Training staff on how to verify a customer's age and to identify signs of fraudulent I.D.
- Transporting expired or defective product off-premises for destruction. There will be no disposal of cannabis at any store, further reducing the risk that cannabis will fall into the hands of minors or the illicit market

## **Security**

Customer, employee, and community safety is paramount. The LDB brings over 40 years of experience working with local government, enforcement agencies, and security experts in establishing and operating secure retail stores in BC, and nearly 100 years of retailing regulated products. The LDB utilizes Crime Prevention through Environmental Design (CPTED) principles when designing our retail stores.

BC Cannabis Stores are supported by the LDB's Corporate Loss Prevention department and privately contracted security personnel are available to work in conjunction with store staff to ensure security practices and protocols are followed.

All BC Cannabis Stores have:

- Centrally-monitored province-wide intruder and fire monitoring systems;
- Interior and exterior camera surveillance;
- Locked and tempered glass display cases for cannabis accessories;
- A secure storage room for product storage;
- Durable and reliable commercial-grade doors and locks;
- Security shutters and smash-resistant windows.

Further details regarding BC Cannabis Stores and the LDB's social responsibility efforts are included in the attached presentation. If you require additional materials or have any questions we would be very happy to provide it. We thank you in advance for your consideration of our application.

Sincerely,

Ryan McKeown,  
Senior Business Analyst  
BC Liquor Distribution Branch

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# Rezoning Application for 1150 Douglas Street



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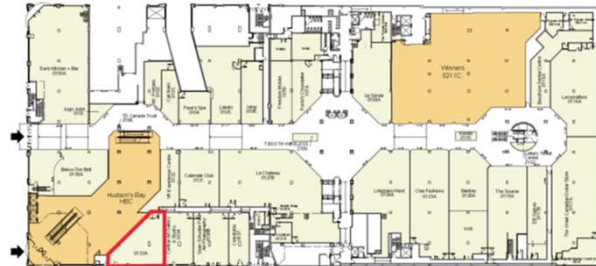
## Aerial View



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## Subject Site

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## Neighbouring Properties

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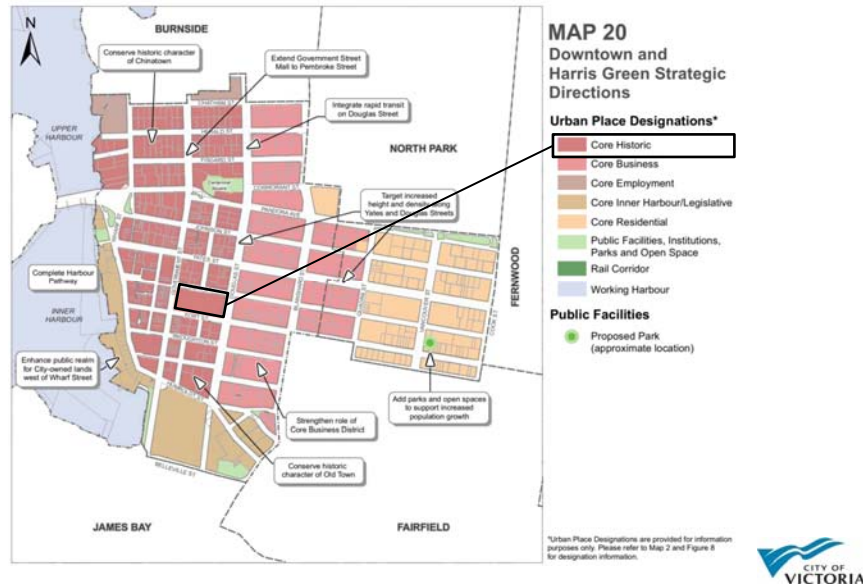


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## Official Community Plan

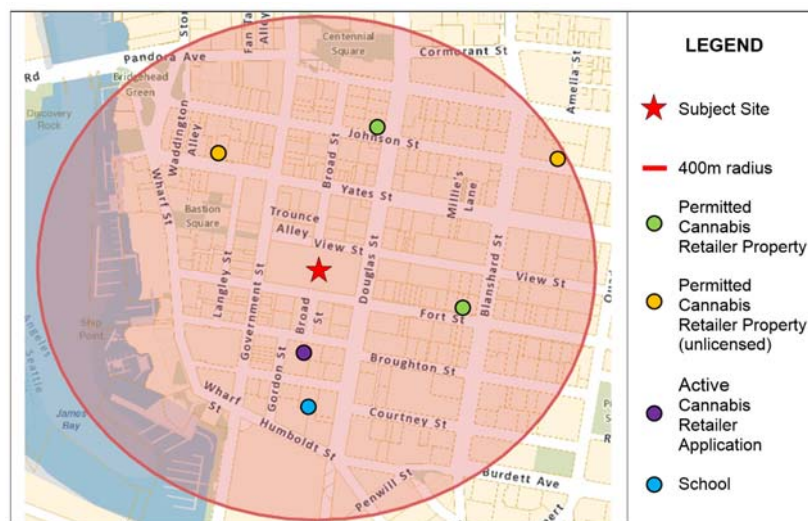
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## Distances from Other Retailers

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## Richard Elliott

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**From:** Ian Sutherland [REDACTED]  
**Sent:** October 19, 2020 6:17 PM  
**To:** Victoria Mayor and Council; Lisa Helps (Mayor); Charlayne Thornton-Joe (Councillor); Geoff Young (Councillor); Marianne Alto (Councillor); Ben Isitt (Councillor); Jeremy Loveday (Councillor); Sharmarke Dubow (Councillor); Sarah Potts (Councillor)  
**Cc:** Michael Angrove  
**Subject:** Rezoning Application No. 00748 for 1150 Douglas Street  
**Attachments:** 1150 Douglas St - Cannabis Retail .pdf

To Mayor and Council,

Please find attached the DRA LUC letter in response to the rezoning application to permit the use of a Storefront Cannabis Retailer at 1150 Douglas Street.

Regards,

Ian Sutherland



Mayor Helps and Council  
City of Victoria  
No.1 Centennial Square  
Victoria, BC, V8W 1P6

October 19<sup>th</sup>, 2020

**Re: Rezoning Application No. 00748 for 1150 Douglas Street**

Dear Mayor Helps and Council,

The DRA LUC would like to offer support for the Staff recommendation to decline the application to permit the use of a Storefront Cannabis Retailer. As observed by Staff, “the proposal is inconsistent with the *Storefront Cannabis Retailer Rezoning Policy*”.

There are four properties within 400m of the subject property that have storefront cannabis retailer as a permitted use:

- 778 Fort Street is 177m away, is provincially licensed and has been operating at that location since 2014;
- 1402 Douglas Street is 216m away, is provincially licensed and has been operating at that location since 2015;
- 546 Yates Street is 160m away, non-operational and not provincially licensed; and,
- 826 Johnson Street is 370m away, has been operating as the Cannabis Compassion Club for 19 years at that location but is not provincially licensed.

Additionally, Staff point out that there is one independent high school, the Pacific Institute for Innovation and Inquiry that, at 170m away from the subject property, is within the 200m proximity.

Proximity rules were established by Council to limit the number of Cannabis retailers to the point that the public is adequately served and operators do not need to sell to minors to make ends meet. There is a strong case that indicates a direct correlation between the viability of these businesses and compliance regarding sale to minors.

There is no shortage of ground floor retail properties for lease within the City and therefore no apparent impediment for the applicant to seek a location that complies with the current proximity rules. It is important that precedence is not set in relaxing these proximity rules without a compelling rationale. We strongly encourage Council to uphold its wise decision to adopt the 400m proximity rule for Cannabis retailers and the 200m proximity rule for schools.

Sincerely,

A handwritten signature in black ink, appearing to be 'Ian Sutherland', with a large loop at the start and a trailing flourish.

Ian Sutherland  
Chair Land Use Committee, Downtown Residents Association

cc COV Planning