

## Madison Heiser

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**From:** Steve W [REDACTED]  
**Sent:** Monday, January 11, 2021 9:50 AM  
**To:** Public Hearings  
**Subject:** Ammendment Bylaw (No. 8) No. 20-125

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

I don't think we need another cannabis retail store in Victoria...My vote is no thank you...

# BAY CENTRE

VICTORIA

## Bay Centre

Cushman & Wakefield Asset Services ULC  
#2 1150 Douglas Street  
Victoria, BC V8W 3M9

thebaycentre.ca

January 11, 2021

City of Victoria  
Legislative Services Department  
#1 Centennial Square  
Victoria, BC V8W 1P6  
Attention: Mayor Lisa Helps and City of Victoria Council

RE: Zoning Bylaw 2018, Amendment Bylaw (No.8) No. 20-125

Mayor Helps and City of Victoria Council,

Please accept this letter of support for the proposed cannabis retail shop to be located in unit 133A on the Fort Street exterior of Bay Centre. This application was initiated by the Government of British Columbia which has since assigned the application over to Seed and Stone, a company partnering with the Songhees Nation.

Downtown Victoria's economic development will be enhanced by leasing unit 133A, encouraging further tenancies in neighbouring units in an area that has been seen some long term vacancy in recent years.

The Bay Centre's exterior retail locations on Fort Street provide an ideal spot for a tenant such as Seed and Stone. Operationally, the shopping centre has 24 hour professional security service on site, 365 days a year. The property is managed by a global leader in property management and commercial real estate, Cushman & Wakefield Asset Services ULC, and the owner of the Bay Centre is a leading international real estate investor that is committed to excellence.

Yours truly,  
TBC Nominee Inc.  
by its agent and manager  
Cushman & Wakefield Asset Services ULC



Darlene J. Hollstein  
General Manager  
The Bay Centre

Dear Mayor and Council,

I am writing to you today in my capacity as Executive Director of Association of Canadian Cannabis Retailers (ACCRES) on behalf of our member business located in the city of Victoria.

I would like to commend the approach Victoria has taken to this point on the cannabis file; our members have praised your governments' leadership. On their behalf I would like to bring several newer factors relevant the cannabis sector to your attention. I would like to further submit a recommendation that Mayor and Council not re-hear the application of a publicly owned BC Cannabis store located at 1150 Douglas St, Victoria.

One of the challenges that has arisen for many of our members across the province is the issue of the effect the publicly owned BC Cannabis stores are having on private cannabis retailers. While ACCRES is obviously focused on and supportive of reasonable access to cannabis, I hope to illustrate for Mayor and Council some of the challenges that the arrival of the BC Cannabis Store presents to license holders and the community. We believe the refusal of the application at 1150 Douglas St. protects existing small businesses and should be upheld.

The reasoning for this recommendation is informed by several factors. First, under normal circumstances, market competition and consumer preference would dictate which of these businesses in the community will thrive and which fail. In the case of regulated cannabis, however, the factors that contribute to the normal success and failure of small business are largely absent. Cannabis retailers are currently unable to differentiate themselves in a meaningful way from one another based on product diversity, pricing, or marketing.

This is the case due to four main factors:

- Products available to private retailers are dictated by the provincially owned distributor. Currently, the variety of products available for sale in the regulated system means that private cannabis shops are carrying a nearly, identical selection of products in their stores. The BC Cannabis Store is no exception to this
- The provincial owned stores, both in their physical and online forms, have the capacity to maintain exceptionally low margins on products. These margins are exceptionally challenging for small businesses to match. While the province has unlimited access to funding due to their status as taxpayer funded to maintain stores that are unprofitable, small businesses don't have the same resources.
- The unregulated, or "black market", cannabis stores further contribute to margin pressures.
- The marketing options available to licensed cannabis retailers is hugely restricted at a federal level. There is some contention whether private retailers can advertise that their business exists under the current federal marketing regulations, let alone provide the public with compelling advertising that would drive traffic to their location.

As a result of these conditions, cannabis retailers find it extremely difficult to distinguish themselves at present. The public store represents a race to the bottom for private retailers rather than a meaningful exercise in customer attraction and retention. Adding a public store in a region does not meaningfully improve customer experience or price, but rather divides the already small pie of recreational cannabis customers further.

Due to the strict controls, lack of a true open market driven by standard competitive factors and the potential for community backlash, a high density of these shops only serves to drive the failure of new small businesses. These factors are redoubled when the impact COVID has had on this summer's tourism season is factored in. What should be an economic boon is devolving into an economic hardship for entrepreneurs across the province.

Our members believe that the original decision made by Mayor and Council was the best decision for the current regulated cannabis market in Victoria.

Our members are not opposed to competition, this recommendation is formulated to protect the citizens of Victoria from the foibles we have seen arise in other cities and towns across BC..

Thank you for considering this recommendation.

Best regards,

Jaclynn Pehota  
Executive Director  
Association of Canadian Cannabis Retailers (ACCRES)



## Amanda Ferguson

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**From:** Public Hearings  
**Subject:** FW: General - City of Victoria Feedback Form

**From:** [webforms@victoria.ca](mailto:webforms@victoria.ca) <[webforms@victoria.ca](mailto:webforms@victoria.ca)>  
**Sent:** January 13, 2021 11:10 AM  
**To:** Public Service Centre - Internet email <[publicservice@victoria.ca](mailto:publicservice@victoria.ca)>  
**Subject:** General - City of Victoria Feedback Form

You have received an email from Ms. Jerry-Lee Cerny via the City of Victoria website feedback form

Name: Ms. Jerry-Lee Cerny  
Email: [REDACTED]  
Topic: General  
Phone: [REDACTED]  
Address: 710 Fort St., #505, Victoria, BC.

Message: Re: public hearing and storefront cannabis retailer permit

Generally, I think that it is not a good idea to have another cannabis store of any sort present in the downtown area; there are already at least 3 other cannabis outlets downtown plus The Compassion Club on Johnson St. The presence of another cannabis outlet may attract more people who are living on the street (emotionally volatile and mentally unstable). Also, it may encourage more people, who may become stoned on cannabis after their purchase of it, to hang out in the downtown area. The quality of the downtown area is, and has been deteriorating quickly. The presence of another "drug" store is not a constructive choice. Here, in downtown Victoria, there needs to be more financial support for local, small businesses offering goods and services other than marijuana and related products.

Thank you. Ms. J. Cerny.

Date: Wednesday, January 13, 2021 11:10:16 AM