



City of Port Moody

Report/Recommendation to Council

Date: September 30, 2019
Submitted by: Planning and Development Department – Policy Planning
Subject: Update on Cannabis Retail Use Rezoning Applications

Purpose

To update Council on the status of Cannabis Retail Use rezoning applications in the City and to request exempting Cannabis Retail Use rezoning applications from review by the Community Planning Advisory Committee.

Recommended Resolution

THAT Corporate Policy – 09-4300-2019-01 – Cannabis Retail Use be amended to allow for a second round of concurrent review for rezoning applications accepted between October 1 and December 31, 2019 as recommended in the report dated September 30, 2019 from the Planning and Development Department – Policy Planning regarding Update on Cannabis Retail Use Rezoning Applications;

AND THAT the requirement to refer Cannabis Retail Use rezoning applications to the Community Planning Advisory Committee (CPAC) be waived as recommended in the report dated September 30, 2019 from the Planning and Development Department – Policy Planning regarding Update on Cannabis Retail Use Rezoning Applications.

Background

On May 14, 2019, Council adopted Zoning Bylaw Amendments that define Cannabis Retail Use and exclude this as a permitted use in the City. This requires that any proposed Cannabis Retail Use be considered through a site specific rezoning.

On April 9, 2019 Council Approved Corporate Policy – 09-4300-2019-01 – Cannabis Retail Use (**Attachment 1**). The Corporate Policy provides guidelines for a site-specific rezoning consideration by Council to consider Cannabis Retail Uses in the City, including locational criteria and additional business licence requirements. As per the Corporate Policy, Council will consider up to a maximum of five (5) Cannabis Retail Use locations in Port Moody within the first 12 months following the adoption of the Zoning Bylaw Amendment.

The Corporate Policy provides a deadline of September 30, 2019 for the City to accept a Cannabis Retail Use rezoning application in order to be considered in the first batch of rezoning applications that will be considered by Council concurrently. The Corporate Policy also includes a process for considering rezoning applications submitted after October 1, 2019 which will be accepted and processed after December 31, 2019.

Community Planning Advisory Committee (CPAC) Review of Rezoning Applications

According to the City's Development Approval Procedures Bylaw, No. 2918 all rezoning applications are referred to CPAC for review prior to Council consideration. As such, this bylaw provision would apply to Cannabis Retail Use rezoning applications.

Discussion

To date, the City has received notification from the Provincial Liquor and Cannabis Regulation Branch (LCRB) that 11 provincial cannabis retail licenses have been applied for in the City of Port Moody. As of the date of this report, three of these licence applications have received a "fit and proper assessment" from the Province, which includes a positive security screening and financial integrity check required for consideration of a provincial cannabis retail licence. As per the Corporate Policy, the City is only accepting rezoning applications for Cannabis Retail Use that have been referred by the Province once they have met provincial licensing requirements.

The following are the locations of the Cannabis Retail Use rezoning applications that have been accepted by the City:

- 3030 St. Johns Street (City Cannabis Corporation);
- 3034 St. Johns Street (New Elite Investment Inc.); and
- Unit 1 - 101 Morrisey Road (Burb Cannabis).

The remaining in-stream provincial cannabis retail license applications have not been accepted for a rezoning application by the City as they are still awaiting determination of a fit and proper assessment. As such, information on the applicant and store location of the remaining locations are not public information at this time.

According to the LCRB, the typical approval/response time for a conditional Provincial cannabis retail licence is typically between 3-6 months. However, this time frame can vary based on corporate ownership structure and other factors. In addition, the fit and proper assessment is conducted by a separate Ministry from the LCRB. As such, the LCRB is unable to provide in-stream applicants with an expected timeframe for the fit and proper assessment.

Table 1 outlines the dates when the City received notification from the Province of the nine in-stream applications for a provincial cannabis retail license and when the fit and proper assessment was completed. Once the fit and proper assessment is completed and satisfactory, the City may intake a rezoning application for Cannabis Retail Use.

Table 1: Dates the City has received notice from the LCRB for each provincial cannabis retail licence application in Port Moody

Notification of Provincial License	Notification of Fit and Proper Assessment
April 10, 2019	-
April 23, 2019	June 3, 2019 (3030 St. Johns Street)
May 1, 2019	-
June 12, 2019	August 15, 2019 (3034 St. Johns Street)
July 5, 2019	-
August 15, 2019	-
August 17, 2019	-
September 19, 2019	-
September 20, 2019	-
September 25, 2019	-
September 25, 2019	September 30, 2019 (Unit 1 - 101 Morrissey Road)

City staff have been available to advise applicants regarding the preparation of a Cannabis Retail Use rezoning application during the provincial review period. In addition to the three applicants that have submitted a rezoning application, seven applicants have prepared rezoning applications which are ready for submission to the City pending a positive fit and proper assessment from the province.

Staff Analysis

Although the Cannabis Retail Use Corporate Policy allows for up to a maximum of five Cannabis Retail Use locations to be considered within the first 12 months following adoption of the related zoning bylaw amendment, there are presently only three rezoning applications received before the September 30, 2019 deadline that are ready for Council consideration. As per the Corporate Policy, the remaining eight applications will be considered by Council after December 31, 2019, assuming a positive fit and proper assessment by the Province. It is also possible that additional applications may be submitted to the Province based on recent inquiries received by staff.

Taking into account the many inquiries from prospective cannabis retail business operators since mid-2018, as well as the typical provincial timeline of 3-6 months to receive a conditional provincial cannabis retail license, staff anticipated that more Cannabis Retail Use rezoning applications would have received a complete referral from the Province prior to the September 30, 2019 submission deadline. As a result of unanticipated longer provincial review timelines, a number of prospective cannabis retail operators that have not received a fit and proper assessment have submitted concerns to staff regarding their inability to meet the City's deadline.

Given these delays, Council may wish to consider extending the September 30, 2019 deadline. The intent of processing applications concurrently as per the Corporate Policy was to assess a batch of applications together in order for Council to determine the most suitable land use and business options for the community. However, without a clear time frame for receiving the fit and proper assessments from the Province for the in-stream remaining applications, it may be challenging to determine a suitable deadline that would allow for more applications to be considered concurrently.

The Corporate Policy does allow for rezoning applications received after September 30, 2019 to be accepted and processed after December 31, 2019. The intent of the Corporate Policy is that applications accepted after December 31, 2019 are presented to Council as they are received (i.e. one by one) which would be after Council's consideration of an anticipated larger pool of applicants received prior to September 30, 2019. It is possible that the remaining applications may all have received fit and proper assessments by December 31, 2019. Considering this, Council may wish to apply a second concurrent review process to those applications being accepted between October 1st and December 31, 2019. The concurrent review of this second batch of applications would then take place early 2020. This would require clarification in the Corporate Policy.

CPAC Consideration of Cannabis Retail Use Rezoning Applications

As noted earlier, all rezonings, including those related to cannabis retail use, are referred to CPAC for review. Given that all of the in-stream cannabis retail use applications are located within existing buildings on properties already zoned for retail use, and that this use is subject to its own set of locational criteria and business licence requirements, referring these applications for CPAC review may not be necessary. As such, staff recommend exempting cannabis retail use rezoning applications from this requirement.

Staff Recommendations

In summary, staff propose the following next steps:

1. Follow the established process outlined in the Corporate Policy which results in Council consideration of the three Cannabis Retail Use rezoning applications that have met the September 30, 2019 deadline. These would be brought forward to Council in fall 2019.
2. Pursue a concurrent review process for those remaining in-stream applications accepted by the Province and with applications submitted by December 31, 2019. This may allow enough time for all in-stream applicants to receive a fit and proper assessment from the Province while still allowing Council to consider a group of applications concurrently through a second round of concurrent review early 2020.
3. Waive the requirement to refer Cannabis Retail Use rezoning applications to the Community Planning Advisory Committee (CPAC) as currently required by the City's Development Approval Procedures Bylaw, No. 2918.

Other Options

THAT Council amend Corporate Policy – 09-4300-2019-01 – Cannabis Retail Use to extend the September 30, 2019 deadline to December 31, 2019 to concurrently consider any and all 2019 rezoning applications for Cannabis Retail Use.

Financial Implications

There are minimal costs associated with the staff time required to amend the Corporate Policy if required.

Communications and Civic Engagement Initiatives

A public consultation for cannabis retail use was conducted in the fall of 2018. The results of the public consultation were presented to Council for their consideration in determining policy directives related to cannabis retail use in the City.

Council Strategic Plan Objectives

The information and recommendations contained in this report align with the Council 2019-2022 Strategic Plan Objectives of exceptional service and health city.

Attachment

1. Corporate Policy – 09-4300-2019-01 – Cannabis Retail Use.

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Report Approval Details

Document Title:	Update on Cannabis Retail Use Rezoning Applications.docx
Attachments:	- CRU-CP.pdf
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This report and all of its attachments were approved and signed as outlined below:

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