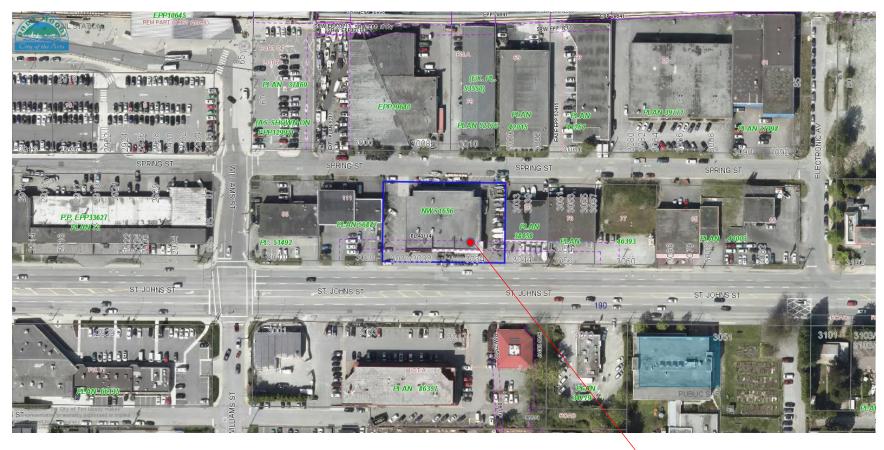
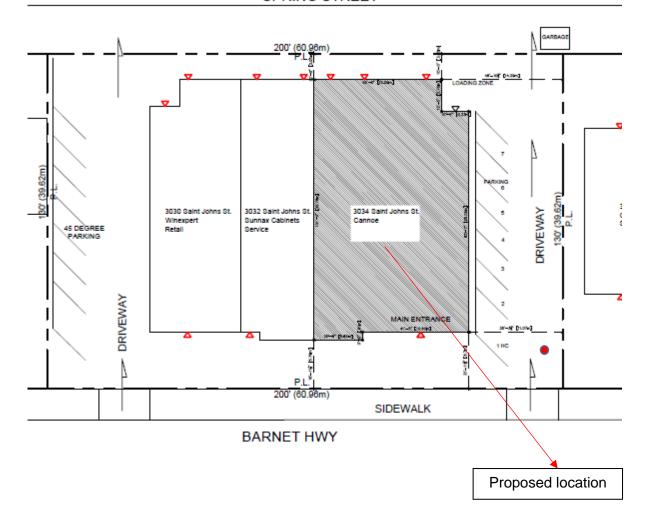
Summary and Location of 3034 St. Johns Street (Cannoe)



Proposed location







Location and Land Use		Staff Comments
Zoned for Commercial Retail Use	✓	
Located at least 75 metres from sensitive uses (elementary, middle, and high schools, community centres playgrounds	✓	
(public and strata)		
Business License Requirements		
Interior sign informing customers of City smoking restrictions	n/a	(Content of sign provided by City and to be displayed at a later date when in operation).
Proof of monitored security and fire alarm contract, including video surveillance	✓	
design elements to help prevent crime, such as clear sightlines, low walls, and landscaping	√	CPTED plan submitted including security measures to prevent crime and lighting details.
visually appealing storefronts, consistent with the character of nearby buildings	✓	Located in existing building. Refer to elevation.
adequate lighting within the retail space during and outside of operating hours.	✓	Street lighting at rear of building and both sides of Barnet highway.
Aesthetics	✓	Refer to elevation.
Meets applicable Development Permit Area Design Guidelines	✓	Located within an existing building.
Meets Sign Bylaw		Tbd
Business Proposal		
Name	\checkmark	Cannoe
Hours of operation	✓	9:30 am – 10:30 pm Monday to Sunday
Previous business/retail experience (general retail and Cannabis	✓	Operating in retail cannabis industry since 2016.
industry)		2 provincial retail cannabis licenses in Vancouver. 1 provincial retail cannabis licenses in New Westminster*.
Business structure (stand alone or franchise)	✓	Franchise - currently three other retail cannabis stores and 1 medic cannabis store.
Number of jobs created	✓	21 positions (12 full-time, 9 part-time): 1 store managers, 1 assistant managers, up to 19 sales staff *
Accessibility	✓	Will adhere to BC Building Code requirements, automatic door opener, and accessible parking spots.
Branding, Promotion, Marketing	✓	Interior signs, digital media*.
Identifies how nuisance behaviour will be managed	✓	Addressed by store staff, reported to local authorities*.
Sustainability practices	√	LED lighting, proximity to public transportation, external sensor lights, will explore solar panels, recycling program.

Community benefit/involvement	√	\$10,000 donation to Eagle Ridge Hospital Living wage to full-time employees plus health coverage In-store container recycling program donated location to SHARE Family & Community Services to support their Toy Program (Nov. 2019 – Jan. 2020)
Intent to engage with neighbouring businesses	✓	Engage with Tri-Cities Chamber of Commerce*
Opportunity to establish a head office in Port Moody	✓	Interest in establishing warehouse for accessories*
Timeline for establishing the proposed business	✓	3 months upon approval
Website	✓	n/a

^{*}Further details in business proposal

CANNOE

AMENDED BUSINESS PROPOSAL FOR THE CITY OF PORT MOODY

(Previously Submitted as "Westcanna")

APRIL 1, 2020 NEW ELITE INVESTMENT INC. 3034 St. Johns Street, Port Moody

- 1. Name of the Business and Expected Hours of Operation: Cannoe; 9:30am to 10:30pm (7 days a week)
- 2. Overview of Experience in the Cannabis Retail Industry: Ali ("Alex") Mazinani has been operating in the retail cannabis industry since 2016, when he opened his first legal medical cannabis store in the City of Vancouver (our medical licenses have been attached for reference). With over three years of experience, we have amassed significant cannabis product and customer service knowledge as well as built trust in the communities in which we operate Alex is the most seasoned legal cannabis operator in British Columbia. Since the beginning of recreational legalization, we have received approval for two stores in Vancouver (one license and one development permit) as well as a store license in New Westminster. Prior to starting a cannabis retail business, Alex Mazinani operated various dollar stores and gift & accessory stores since 2010.

Acting on Feedback from the Port Moody Community

We strongly believe that we are the right partner for Port Moody. We received feedback from Port Moody City Council during the public hearings for cannabis retail in late 2019 and early 2020 and we revisited our previous business proposal (submitted as "Westcanna"). In addition to investing in an entirely new store design with an award-winning architecture firm, we started a brand partnership with Cannoe Corp. ("Cannoe") to leverage Cannoe's modern brand as well as its highly complementary retail and cannabis expertise. Cannoe's partners and advisors include the founders of MedReleaf (one of the first licensed medicinal cannabis producers in Canada), Roots Canada and Aldo Group and its management team has deep bench strength including significant expertise gained from Hudson's Bay Company, Red Bull, RBC, Deloitte and Aldo (Cannoe team biographies included in the accompanying presentation). We believe that this new brand partnership will create a best-in-class cannabis operator offering a highly dynamic and engaging experience for all of Port Moody's stakeholders (customers, employees and community) by combining New Elite's leading retail cannabis knowledge with Cannoe's operating and branding acumen. Together, we seek to create a sustainable business with a net positive impact on the Port Moody community.

Description of Business / Retail Experience

We are passionate entrepreneurs, proud owners and proven operators with a track record of building great businesses. We will be your trusted local cannabis store, offering a curated assortment of unique, socially conscious cannabis in an engaging space. We seek to "Do Good" – we believe in doing what's right and putting people before profits. Our retail experience aims to differentiate itself in the following three areas:

- **a. Personal Service:** Our friendly and knowledgeable team is equipped to answer questions and they deepen our customers' knowledge wherever they are starting from
- **b. Quality Product:** We offer a variety of products from handpicked sources to help customers find the best possible product, specifically suited for them
- **c. A Responsible Partner:** We vet all of our partners, promote ethically-made products, and proudly champion the local community
- 3. Standalone Business or Part of a Franchise: All of our locations are operated by the same ownership group in order to maintain the highest levels of regulatory compliance and adherence to customer service standards. The Port Moody store will be our fourth location.
- 4. Staffing Roles, Responsibilities and Number of Jobs Created: The store requires 1 Store Manager, 1 Assistant Manager and up to 19 additional sales staff, for total potential job creation of 21 positions (of which 4 will be full-time and 17 will be part-time). All staff are required to clear the LCRB security verification checks and we expect that a minimum of 4 employees (including a Manager) will be working in the store at any given time to ensure adherence to our desired customer service levels. Employee wellbeing is a priority and, as such, all full-time employees are entitled to extended health coverage. Additionally, all stores are equipped with high definition security cameras, 24/7 live monitoring and an alarm system with multiple silent emergency buttons for employee safety. Lastly, to ensure maintenance of best practices and awareness of any changes in regulatory requirements, there will be monthly staff meetings to review staff performance, customer feedback, new products and any changes to the retail operating handbook published by the LCRB.

<u>Store Manager responsibilities include (but are not limited to):</u> Managing inventory (including provincial compliance reporting) and placing weekly orders, scheduling staff and assigning tasks, performing daily cash out, supervising customer service, maintaining adherence to Cannoe and LCRB operating standards, human resources including performance assessments and organizing monthly staff meetings.

<u>Assistant Manager responsibilities include (but are not limited to):</u> Maintenance of daily cannabis stock levels, processing receipt of inventory, ensuring high levels of customer service, bud-tender training and supervision, maintaining a cash float, confirming bud-tender hours worked, and maintaining adherence to Cannoe and LCRB operating standards.

<u>Bud-tenders (sales staff) responsibilities include (but are not limited to):</u> Daily sales interactions with customers, customer age verification (two pieces of ID), maintaining the safety & cleanliness of the premises, maintaining an advanced knowledge of

- Cannoe product, greeting customers, operation of the Point-of-Sale system, order fulfilment, maintenance of a daily log of customer queries & feedback, and cash handling,
- 5. How Business Will be Accessible: The proposed location at 3034 St. Johns Street is a two floor location, with the main floor (at St Johns Street level) to be dedicated to the public facing sales area. The store will adhere to the requirements of the BC Building Code to ensure appropriate access for persons with disabilities; the main floor will have an entrance/exit door equipped with an automatic door opener. The property also has access to eleven dedicated parking spaces to minimize demand on street parking, disturbance to street traffic, and to provide safe and reliable access to those patrons requiring dedicated handicapped parking spots.
- 6. Branding, Promotion and Marketing Plan for the Retail Store: We will adhere to the marketing and promotion regulations as outlined by the LCRB and the Cannabis Act. We will be using our branding for interior design and store signage, and we will ensure that all digital materials are appropriately secured by age verification systems to ensure that access by minors is restricted. We will actively advocate for responsible use and consumption and will ensure that social awareness materials are posted in our location for review by our guests.
- 7. Mitigation of Potential Nuisance Behaviour: We seek to be a 'good neighbor' and will proactively address community concerns. While BC law permits the consumption of cannabis in public places where tobacco smoking and vaping are permitted, staff at the Port Moody location will remind patrons that smoking is prohibited within 7.5m of the doors and windows (and any air intakes) of the building. Signage will also be posted. Additionally, as part of our business' social responsibility policies, patrons will be reminded of responsible consumption [prohibited in areas frequented by children (i.e. parks and playgrounds) and not in vehicles]. Consumption and/or noise issues by patrons on the Cannoe property that does not respect local bylaws will be addressed by store staff and reported to the local authorities when appropriate. Lastly, given that our product is pre-packaged, residual smell is minimized in both the interior store environment and outside the building.
- 8. Sustainability Practices: We select our locations based on ample access to public transit, which reduces incremental local vehicle traffic demand. Our site is located 230m away from Moody Centre station (3 minutes by foot) and has 3 bus stops located within a 200m radius. In terms of store design, our stores our equipped with LED lights to maximize energy efficiency, and external lights are equipped with sensors to reduce energy waste during the day. We also intend to explore the use of solar panels to reduce demand on the local power grid. Lastly, our store operating policy requires participation in recycling programs to divert cannabis packaging from local landfills.
- 9. Enhanced Commitments to Community Benefit / Involvement: We are committed to building a business focused on providing a net benefit to society, while acknowledging the issues in our industry. We believe that convenient access to safe, legal cannabis via a trusted and regulated operator will discourage the use of illegal and untested black-market cannabis and creates sustainable economic opportunities in the local community. We will endeavor to hire all of the Port Moody store employees from the local area in order to maximize the economic benefit to the City of Port Moody and we will provide full time employees with additional health plan coverage. Our commitments include:
 - We will make a \$10,000 donation upon license approval to Eagle Ridge Hospital and will continue to support Eagle Ridge Hospital once operational
 - We are very excited about the opportunity to create 20+ new jobs in Port Moody
 We are prepared to pay a competitive 'living wage' to full-time employees, with access to additional health plan coverage
 - We are prepared to execute an in-store container recycling program
 - We donated our location to SHARE Family & Community Services to support their Toy Program (Nov. 2019 Jan. 2020)
- 10. Intent to Engage with Neighbouring Businesses: We intend to act as a good corporate citizen in the community and will engage with the Tri-Cities Chamber of Commerce in order to foster positive relationships with local businesses. We also intend to maintain a positive working relationship with local police services located at the Port Moody Police Department at 3051 St. Johns Street.
- 11. Opportunity To Establish a Head Office in Port Moody: The Port Moody site is the largest of the stores in our network we expect to use it not only as a retail store but also as a warehouse for non-cannabis merchandise (accessories) for the purpose of managing inventory across all of our locations in British Columbia. We believe that this will create additional jobs (i.e. inventory manager & warehouse employees) and ensure the highest level of productivity and sustainability for our Port Moody store. We will also have an administrative section in the non-public area of the store to enable head office employees to engage in training and oversight activities.
- 12. Timeline for Establishing a Proposed Business: We are prepared to execute on our store construction processes immediately after receiving approval of our proposal from the City of Port Moody and target opening within 3 months of such approval.