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To: "Direct to Mayor and Council - DL" <CCDTMACDL@vancouver.ca>

Date: 2/1/2016 11:53:01 AM

Subject: Memo - Permits and Licensing for Medical Marijuana-related Uses

Attachments: [CMO - Mayor & Council P&L - Medical Marijuana -related Uses - 2016.02.01.pdf](#)

Dear Mayor and Council,

Please see attached Memo on Permits and Licensing for Medical Marijuana-related Uses. A short summary of the memo is as follows:

Staff have implemented Council approved bylaws for zoning and development and business licensing. Key points to highlight:

1. Industry is responding to our regulations
2. A total of 14 zoning-compliant applications under review for DE approval
3. A total of 7 clusters currently under evaluation
4. Board of Variance appeals to start February 17th
5. Enforcement ongoing and closures have occurred

Should you have any questions, please contact Andreea Toma @ 604.873.7545 or email Andreea.toma@vancouver.ca.

Best,
Sadhu Johnston
Acting City Manager

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OFFICE OF THE CITY MANAGER
Sadhu Johnston, Acting City Manager

MEMORANDUM

February 1, 2016

TO: Mayor and Council

CC: Paul Mochrie, Acting Deputy City Manager
Janice MacKenzie, City Clerk
Lynda Graves, Manager, Administrative Services, City Manager's Office
Rena Kendall-Craden, Director, Communications
Mike Magee, Chief of Staff, Mayor's Office
Kevin Quinlan, Deputy Chief of Staff, Mayor's Office
Braeden Caley, Director, Policy and Communications, Mayor's Office
Kathleen Llewellyn-Thomas, General Manager, Community Services
Teresa Hartman, Acting General Manager, Community Services
Andreea Toma, Director, Licensing, Property Use Inspections & Animal Services
John Greer, Assistant Director, Development
Iain Dixon, Assistant Director, Legal Services

FROM: Sadhu A. Johnston, Acting City Manager

SUBJECT: Permits And Licensing For Medical Marijuana-related Uses

This memorandum provides an update on the implementation of the zoning and licensing regulations for medical marijuana-related uses (MMRUs) that Council enacted in June 2015.

1. Preliminary Development Permit Applications - First Intake

Preliminary Development Permit applications under the new medical marijuana-related use (MMRU) regulations were accepted for 60 days following bylaw enactment. The City received 176 applications by the August 21, 2016 application deadline. Of these, 113 were for locations already occupied by an active MMRU.

Two known MMRUs operating at the application deadline did not apply. The City issued orders to cease operations; one MMRU closed and the other changed to a non-marijuana retail use.

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2. Zoning Evaluation of Preliminary Development Permit Applications

In September and October 2015 all preliminary Development Permit applications were reviewed against Zoning and Development By-law requirements for MMRUs. Key requirements include:

- Location in a zone that permits the use.
- At least 300 metres away from schools, community centres, neighbourhood houses and youth facilities.
- At least 300 metres away from another MMRU.

Of the 176 preliminary applications:

- 11 are zoning-compliant (i.e. they met all zoning requirements) and are moving ahead in the Development Permit process.
- 30 are 'clustered' (i.e. failed to meet distancing requirements from another MMRU) and require further evaluation.
- 135 failed to meet the zoning criteria and have been refused.

3. Zoning-Compliant Applications

In September 2015 the City invited the 11 applicants with zoning-compliant sites to submit a full Development Permit application. Neighbouring Communities have been engaged through posted site signs and notification letters within a two block radius of each site. Staff anticipate that the first MMRU Development Permit will be issued in February 2016. Once a Permit is issued, the applicant can apply for Business Licence to operate as either a Compassion Club or Retail Dealer.

The location and application information for each of the Development Permit Application is posted on the City's Development Applications page.

4. Clustered Applications

In October 2015 the 30 applicants that were otherwise zoning-compliant but within 300 metres of another application were notified that they were 'clustered', and invited to submit information to inform further evaluation.

The number of clustered applicants has fallen from 30 to 19, due to applicant withdrawals and missed submission deadlines. The remaining 19 applications in seven clusters have been evaluated against the four declustering criteria defined in the Business License Bylaw:

- Proof of Compassion Club status.
- Work done without a Building Permit.
- History of poor business practices (e.g. criminal activity, bylaw infractions).
- Complaints.

Declustering evaluations are nearly complete. In February 2016 all clustered applicants will be notified of the declustering results. The prevailing applicant in each cluster will be invited to submit a full Development Permit application for that location; the other applicants will be refused a Permit, and if currently operating, must close within six months.

5. Refused Applications and Board of Variance Appeals

In October 2015, the 135 preliminary Development Permit applications that did not meet zoning requirements were refused. The City advised applicants that were already operating a business to close within six months. Applicants not open by the date of their decision letter were directed not to open without a business licence, in order to curb the continued growth of unlicensed MMRUs.

Applicants interested in continuing in the permits and licensing process have been invited to find an alternate location that does comply with zoning requirements, and to apply for a Development Permit there instead. Three applicants have already done so, and their Development Permit applications are currently under review- bringing the total to 14 zoning-compliant applications.

Sixty-two of the 135 refusals have appealed their Development Permit refusal to the Board of Variance. The Board will begin hearing MMRU appeals on February 17, 2016. With numerous appeals and only four appeal hearings per meeting, MMRU appeals are currently scheduled into November 2016. A list of appeal dates is posted online, and the Board will mail hearing notifications to addresses within a one block radius of each site. Board of Variance meetings are open to the public.

If the Board grants an appeal, the applicant can submit a full Development Permit application for that location. This may result in businesses operating non-compliant to our zoning and development bylaws.

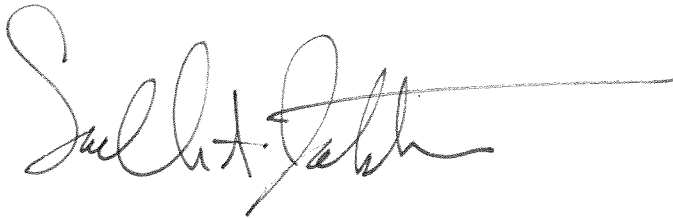
6. Enforcement Measures

The City's bylaw enforcement team will continue to monitor each location for continued compliance to our bylaws and take enforcement action as required.

7. Accepting New Applications

New applications for MMRUs will not be accepted until all active applications in the first intake have been processed. Interested parties are invited to sign up to be notified before the next round of applications begins, likely late 2016 or early 2017. To date 166 people have expressed interest in making a future application.

More information about permits and licensing for MMRUs is available online at vancouver.ca/medical-marijuana-business



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