From: "Johnston, Sadhu" <Sadhu.Johnston@vancouver.ca>

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

Date: 4/26/2016 10:41:28 AM

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

Attachments: CMO - Mayor & Council - Permits and Licensing for medical marijuana-related uses

- 2016.04.25.pdf

Dear Mayor and Council,

Please see attached Memo updating you on the status of the Permits and Licensing for Medical Marijuana-related Uses.

Please note that on Saturday, April 30, 2016, the City will start enforcement actions on Medical Marijuana-related businesses that do not meet our regulations. Concurrently, staff continue to monitor the federal government work around legalization and regulation of marijuana. Even with quick Federal regulation of marijuana it will likely be several years before new procedures are in place, so the City's regulation and enforcement is critical to ensure that we don't see a continuation of the rapid growth in retail establishments that we saw before Council's steps to regulate the industry...

An Information Bulletin will go out to Media today.

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

Best Sadhu Johnston

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COMMUNITY SERVICES General Manager's Office

MEMORANDUM

April 25, 2016

TO:

Mayor and Council

CC:

Sadhu Johnston, City Manager Paul Mochrie, Deputy City Manager

Janice MacKenzie, City Clerk

Lynda Graves, Manager, Administration 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 Emma Lee, Director Community Relations, Mayor's Office Katie Robb, Director of Communications, Mayor's Office

FROM:

Kathleen Llewellyn-Thomas

General 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), including enforcement action to start April 30, 2016 against stores that do not meet City requirements.

To date, the City has issued 20 Municipal Ticket Information (MTI) violations at a value of \$250 each for three locations that are not part of the City's processes.

1. Development Permits And Business Licenses

Seven development permits have been issued under the zoning regulations adopted in June 2015, and another 13 full development permit applications are under review. All 20 proposals are located in permitted commercial zones and at least 300 metres away from schools, community centres, neighbourhood houses, and other zoning-compliant medical marijuana applications.

Once a development permit is approved, the application moves to the final stage of City approval: obtaining a business licence. The City is currently processing three business licence applications: two for compassion clubs and one for a retail dealer.

CMo - Mayor & Council - Implementation - Communications - Council Memo - 2016.04.25

City of Vancouver, Community Services General Manager's Office 453 West 12th Avenue Vancouver, British Columbia V5Y 1V4 Canada tel: 604.873.7408 fax: 604.873.7898 website: vancouver.ca



The locations of issued permits and licences are shown on a map at <u>vancouver.ca/medical-marijuana-business</u>

2. Declustering

Nineteen applications that were received in the first intake meet all zoning requirements except for minimum distancing to other medical marijuana-related retail uses. All of the applications in the seven "clusters" have been evaluated using four criteria defined in the City's License Bylaw. Two of the seven clusters have been decided based on points scores. In each, the applicant with the fewest demerits has been invited to submit a full development permit application and the other must close by July, 2016. The remaining five clusters are tied, and will be decided by random draw in May.

3. Stores In Non-Compliant Locations Must Close

In October 2015, 140 preliminary development permit applications were refused because they were not in permitted zones or did not meet distancing regulations. Stores already open at the time of refusal have been allowed to operate for six months while they search for new sites. However these stores must now close as of April 29, 2016. Any business in a non-compliant location that continues to operate without a business licence after that date will be subject to enforcement action by the City. Enforcement action will include ticketing and appropriate legal action.

4. Board of Variance Appeals

Sixty-two applicants have appealed their preliminary development permit refusals to the Board of Variance. To date, the Board has heard 18 of 62 medical marijuana-related use appeals. Eleven appeals have been refused, two have been deferred to a future meeting and one was withdrawn by the applicant. Four of the unsuccessful appellants have launched judicial reviews of the Board of Variance's denial of their appeals.

The Board has granted four appeals by waiving the 300 meter distancing requirement from sensitive uses, or by waiving distancing requirements to private community centres. The next step for applicants granted appeals is to submit a full development permit application. There is an opportunity for community input on each application before it moves forward.

The Board is scheduled to hear medical marijuana-related use appeals until November. Hearing dates do not affect store closure requirements; applicants waiting on later appeal dates must close by early May and may not re-open until they obtain a development permit and a business licence.

A list of refused preliminary applications, and appeal dates, is posted online at

http://vancouver.ca/files/cov/list-of-refused-applications-for-medical-marijuana-related-uses-preliminary-development-permits.pdf

5. 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 230 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

6. Relationship to Federal Policy Review

The number of medical marijuana-related retail uses in Vancouver has grown rapidly in recent years. Federal regulation of this industry may begin as early as next year, but little information is available on the new federal approach. In the absence of clear federal regulations, the City continues to implement the zoning and licencing regulations adopted by Council last year.

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KPLT/th