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Subject: Questions RE: By-law No. 10, referred to the Standing Committee on City Finance and Services meeting on July 11, 2018

Greetings Mayor and Council,

On June 26, 2018 at a public hearing Council approved changes to the *Licence Bylaw* and the *Zoning and Development Bylaw* to bring those bylaws into alignment with the new provincial *Cannabis Control and Licensing Act*. These bylaw amendments were presented for enactment at the July 10 Council meeting.

A question arose on the floor of Council on July 10 regarding the implementation date of these bylaw amendments. It is intended that these bylaw amendments will become effective immediately upon enactment in order to enable smooth progress with the provincial legalization implementation plan. The Province has indicated that they will be opening the online portal for applications for a provincial cannabis retail licence within the next several weeks with the intention of issuing provincial licences so that legal cannabis can be sold in retail locations on October 17. One of the first steps in the provincial licensing process is municipal approval. In order to proceed in an orderly manner toward legalization of cannabis retail in Vancouver, staff need to be able to provide feedback to the province in advance of the legalization date. Without the amendments to the bylaws, staff are unable to consider and inform the Province as to the acceptability of specific cannabis retail locations in Vancouver.

The amendments to the Bylaws do not need to wait for legalization as they do not, in themselves, authorize a retail store to sell cannabis. The amendments create a land use ("Cannabis Retail Store") in which a person authorized by the province to sell cannabis may operate. The fact that cannabis remains illegal until October 17 does not preclude the City from establishing a land use for its sale.

In the absence of a provincial licence, no one will be able to sell non-medical cannabis regardless of the land use. The Province has indicated that they will issue licenses prior to October 17, but licence holders cannot "activate" a provincial licence until there is legal product to be sold in the store, which won't be available until October 17.

I hope this helps address the questions raised by Council on this matter. Staff can be available to address additional questions at today's Standing Committee on City Finance and Services, if needed.

Best,
Sadhu

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