

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "De Genova, Melissa" <Melissa.DeGenova@vancouver.ca>
CC: "Direct to Mayor and Council - DL"
"City Manager's Correspondence Group - DL"
"Kelley, Gil" <Gil.Kelley@vancouver.ca>
"Singh, Sandra" <Sandra.Singh@vancouver.ca>
"Holm, Kathryn" <Kathryn.Holm@vancouver.ca>
Date: 11/4/2019 5:21:12 PM
Subject: RE: Memo: Request for Information on Medical Marijuana Related Uses (MMRU) Framework

Good afternoon Councillor,

I have incorporated our response to your questions into your message below.

Best,
Paul

From: De Genova, Melissa
Sent: Thursday, October 17, 2019 9:48 PM
To: Mochrie, Paul
Cc: Direct to Mayor and Council - DL; City Manager's Correspondence Group - DL; Kelley, Gil; Singh, Sandra; Holm, Kathryn
Subject: Re: Memo: Request for Information on Medical Marijuana Related Uses (MMRU) Framework

Paul,

Thank you for this memo. It's great information and background for Council, especially the lessons learned area.

The conversation in Council at the time this memo was to come back, also included questions surrounding suppliers for the dispensaries- and possible links to organized crime and money laundering.

The request from Council was for staff to provide a memo summarizing the Medical-Marijuana Related Uses (MMRU) framework adopted by the City of Vancouver in 2015, including lessons learned from this work.

The MMRU framework approved by Council included the following operational regulations to discourage criminality/gang involvement:

- Police information check for applicant and all staff on an annual basis**
- Limit of one business licence per person and no corporate ownership allowed**
- No transfer of licenses to another party**
- Business licence applications must be made by the property owner or lease holder**
- No sharing of space with other land use (e.g. cheque cashing, massage, liquor, ATM)**

The City did not require applicants to go through a financial integrity check as the Province is doing now before they issue a Provincial Retail Licence.

Also, I understood there were significant costs to the city, and staff were not able to issue the number of fines at \$250 and then \$1000, to reach the equivalent per dispensary to the \$30,000 fee MMRU (fines and legal action) against dispensaries who did not comply with policy and licensing. Could you please share this information in a follow-up? I also understand the approx. 22 staff with the ability to issue fines were also working on STR policy and issuing fine as well as EHT- can you please confirm if these areas suffered from a lack of staff resources?

The City does not set monetary targets through its enforcement work and strives to achieve compliance before escalating up the enforcement scale.

Of the following enforcement options available for non-compliance of City regulations, staff found that issuing MTIs (tickets) was not an effective tool to gain compliance.

- PUI site visits
- Warning letters
- Licence orders
- MTIs
- Injunctions
- Bylaw violation notices
- Long-form prosecutions
- Meeting with operators to gain compliance
- Licence hearings to revoke/suspend licences

In 2015, Council approved dedicated staff resources to complete the land use approval, licensing and enforcement work related to the MMRU framework. This included one-time and ongoing funding. The table below represents the dedicated resourcing budget and spend figures only. Indirect resourcing by various other staff is not included and represents an unmeasured workload.

Year	Approved funding	Actual spent
2015	\$256,700	\$126,093
2016	\$690,033	\$629,650
2017	\$415,700	\$489,416
2018	\$474,861	\$197,573 (YTD as of June 22)
TOTAL	\$1,837,294	\$1,442,732

The range of dedicated staff working on the MMRU framework included property-use inspectors, project coordinators, clerks, project managers and building inspectors. The table below provides a breakdown by year.

Year	Regular full time	Temporary full time	Total
2015	2	3	5
2016	8	1	9
2017	6	2	8
2018	3	2	5

The City's enforcement of MMRU regulations did not overlap with enforcement of short-term rental regulations. In June 2018, Council approved an amendment to the Zoning and Development By-law to replace the MMRU designation with "Cannabis store" to align with federal and provincial regulations. The City's short-term rental (STR) regulations did not take full effect until September 2018. As a result, staff resourcing for STR enforcement was not affected by enforcement of the MMRU regulations.

Empty Homes Tax audits are done by the Finance department.

The memo also mentioned psilocybin mushrooms and confirmed there is not a dispensary storefront currently open. Does this confirm that the Medicinal Mushroom Dispensary is not mailing/ operating out of a location in the City of Vancouver?

We understand VPD is aware of the medicinal mushrooms online website but not aware of any mushroom sales from any store fronts in Vancouver at this time. They are presently reviewing the matter.

Also, at the meeting- a speaker said they know know of a retail heroin dispensary that would likely open a storefront soon (not safe supply) - How would this matter be approached by staff if this is confirmed? Do staff or VPD have any further comment on this?

We have no information to corroborate this allegation and do not believe it to be accurate.

I recognize this information is not proven- however, neither was a recent claim made by a speaker at public hearing, regarding alterations made to additional suites added without permits in a home seeking an HRA. Staff confirmed publicly that they would look into these allegations. Will staff also look into the allegations made regarding other dispensaries/storefronts in Vancouver?

When complaints are received regarding a specific property, Property Use will create a casefile, assign an inspector to conduct a site visit and issue orders, if necessary.

Again, thanks for this very helpful information.

Sincerely,

Melissa

Melissa De Genova
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On Oct 17, 2019, at 5:55 PM, Mochrie, Paul <Paul.Mochrie@vancouver.ca> wrote:

Greetings Mayor and Council,

The attached memo is provided in response to Council's request for a summary of the Medical Marijuana Related Uses (MMRU) framework adopted by the City of Vancouver in 2015, including lessons learned from this work. This direction was received by staff on September 11, 2019.

Should you have any further questions regarding this topic, please let me know.

Best,
Paul

Paul Mochrie | Deputy City Manager
Office of the City Manager | City of Vancouver
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604.873.7666

<image001.png>

The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the Musqueam, Squamish, and Tsleil-Waututh peoples.

<CMO - Memo - DCM - Mayor Council - Medical Marijuana Related Uses Framew....pdf>