



COUNCIL REPORT

Executive Committee

Report No. PDS 044-2019

Date: April 26, 2019

File No: 2210-20

To: Mayor and Council
From: Ryan Beaudry, Planner
Mark Neill, Director, Community Planning
Subject: Planning Process for Cannabis Retail Stores - Stage 3 Update

RECOMMENDATION

1. THAT Council endorse the guiding principles contained within report PDS 044-2019; and
2. THAT Council direct staff to proceed with community engagement on the draft regulatory framework for cannabis retail stores.

REPORT CONCURRENCE	
General Manager The General Manager concurs with the recommendation of this report.	City Manager The City Manager concurs with the recommendation of this report.

PURPOSE

This report provides an update on the City's planning process for cannabis retail stores in Abbotsford.

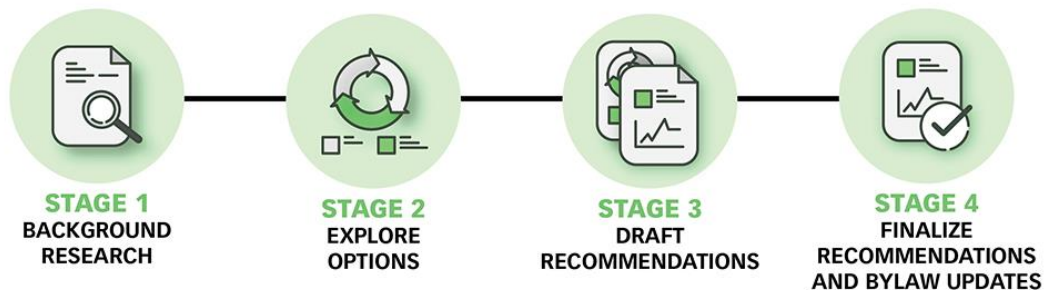
SUMMARY OF THE ISSUE

On August 27, 2018, staff presented a verbal report to Council on the results of the Non-Medical Cannabis Survey. The results indicated that there is community support for cannabis retail stores in Abbotsford, as well as limiting where stores can locate. Given these findings and other considerations, Council directed staff to explore developing a regulatory framework for cannabis retail stores in Abbotsford. This report provides a summary of work completed since August 27.

BACKGROUND

On June 21, 2018 the federal Cannabis Act (Bill C-45) received royal assent, making the consumption and retail sale of non-medical cannabis legal in Canada on October 17, 2018 subject to provincial and local government regulations. Currently, the City of Abbotsford Zoning

Bylaw does not permit cannabis retail stores. Staff are undertaking a planning process to establish a regulatory framework based on Council's direction; this process started in early 2018 and is being undertaken in four stages, detailed below.



Stage 1 – Background Research

Stage 1 consisted of preliminary research and project communications. Staff raised awareness about the federal legalization of cannabis and informed residents about upcoming City of Abbotsford engagement opportunities on related topics. This information was shared using local newspaper advertisements, handouts, social media and the City's web page.

Stage 2 – Explore Options

Stage 2 included an online survey and nine public engagement sessions. The survey was available from June 26 to July 20, 2018 and collected over 5,400 responses, approximately 4,650 (86%) of which were from within the City of Abbotsford. Nine public engagement sessions were held in July, in municipal and commercial venues and at community events across the city. The purpose of these sessions was to raise awareness about the federal legalization of cannabis, promote the online survey and help residents complete the survey using iPads.

The survey feedback indicates that the majority (73%) of respondents think the City should allow cannabis retail stores. Staff presented a verbal update on survey findings to Council on August 27, 2018. Council subsequently directed staff to explore developing a regulatory framework for cannabis retail stores in Abbotsford.

Stage 3 – Draft Recommendations (underway)

Stage 3 is currently underway and has consisted of preparation of guiding principles, research of approaches in other communities, and development of a draft regulatory framework for cannabis retail stores; details about this work are provided in the Discussion section below. Staff are proposing that community engagement on the draft framework be undertaken in spring/summer 2019 to complete Stage 3.

Stage 4 – Finalize Recommendations and Bylaw Updates

In Stage 4, staff will report back on the engagement results and prepare a final regulatory framework for cannabis retail stores. Staff are targeting completion of Stage 4 by fall 2019.

DISCUSSION

As per Council's direction on August 27, 2018, staff have prepared a draft regulatory framework

for cannabis retail stores in Abbotsford. The framework was influenced by Guiding Principles and research of approaches in other municipalities; see Sections 1 and 2 below for more details. A summary of the draft framework is included in Section 3 and next steps are outlined in Section 4.

1. Guiding Principles

Staff have prepared the following Guiding Principles to structure the draft regulatory framework and guide the planning process outlined for Stages 3 and 4.

- *Holistic:* Allow cannabis retail stores across the city, including west, central and east Abbotsford.
- *Measured:* Take a gradual approach and start with a small number of stores.
- *Incremental:* Review the framework in the future and make adjustments, if and when needed, to improve the City's approach to regulating cannabis retail stores.

2. Approaches in other municipalities

Staff have completed a review of different approaches to regulating cannabis retail stores across the province, looking at a total of 60 municipalities. The City of Abbotsford is one of ten municipalities with a regulatory framework underway as of March 2019.

The proposed draft regulatory framework for Abbotsford incorporates elements from various municipalities across the province. For example, some of the municipalities have adopted policy stipulating where stores can locate, which is used to assess rezoning applications for cannabis retail stores on a case-by-case basis. Other municipalities have initiated Zoning Bylaw Amendments to permit cannabis retail stores subject to conditions.

3. Draft framework

Staff have prepared a draft regulatory framework for cannabis retail stores, consisting of three components: Pre-zoning, Cannabis Retail Policy, and a Cannabis Retail License Application Process. Details about each component are provided below.

a. Pre-zoning

The draft regulatory framework proposes to take a streamlined approach to determine potential locations of cannabis retail stores. Rather than considering a number of individual rezoning applications, staff are proposing to pre-zone select sites through an analysis of the Official Community Plan (OCP), zoning, and parcel size, including:

- City Centre, Urban Centres and Neighbourhood Centres in the OCP;
- Existing Commercial (C) zoning; and
- Parcels that are 15,000 m² or larger.

This analysis identified 13 potential sites located across the city to be pre-zoned to allow for cannabis retail stores. This approach provides benefits to Council and the broader community, including transparency, certainty and efficiency. Staff are proposing to engage on this approach of pre-zoning and the 13 potential sites specifically (see Appendix A for a map of the 13 sites).

Staff note that pre-zoning a property does not automatically grant permission for a cannabis retail store. A Cannabis Retail License would still be required for each store, subject to Council's approval.

b. Cannabis Retail Policy

Staff are proposing that a Cannabis Retail Policy be established to help guide Council's decisions on Cannabis Retail License Applications. This Policy would consist of criteria including:

- Located on a pre-zoned site;
- No more than 4 stores within the city;
- Geographic equity of proposed stores;
- Consideration of impacts on adjacent land uses; and
- Crime considerations.

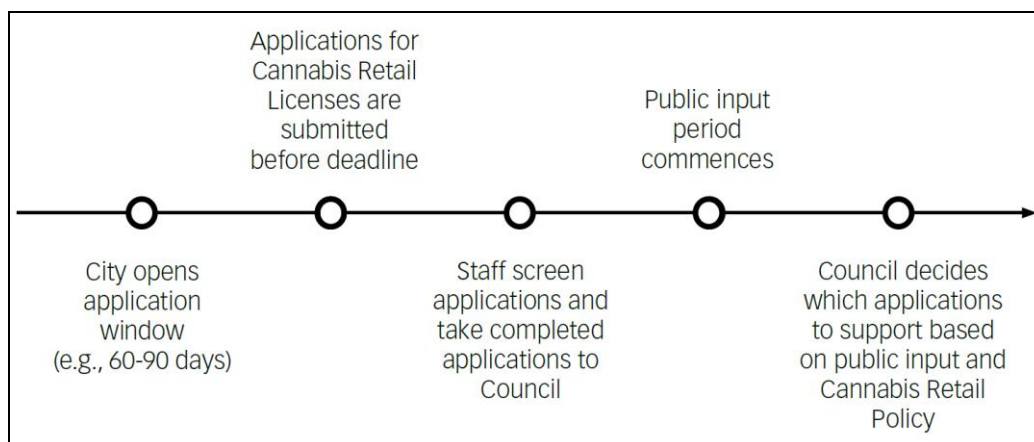
Staff are proposing to review these criteria through engagement in spring/summer 2019. The final Cannabis Retail Policy will accompany the City-initiated Zoning Bylaw Amendment for the selected pre-zoned sites in fall 2019.

c. Cannabis Retail License Application Process

The final component of the draft regulatory framework is to establish a process for Cannabis Retail License Applications. Staff is proposing a comprehensive approach whereby proponents are given the opportunity to submit an application, and those applications are considered by Council collectively with an opportunity for public input. The benefit of this approach is that Council is able to evaluate and compare the applications, and make a decision on preferred stores for the entire city instead of reviewing applications on a case-by-case basis.

A summary of the proposed Application Process is shown in Figure 1 below:

Figure 1 – Cannabis Retail License Application Process



4. Next Steps

The next step in this planning process is community engagement on the draft regulatory framework. This work would include open houses and online engagement via the City's new engagement portal.

The open houses are proposed to be drop-in format, with interactive story boards on display and City staff available to answer questions. The online engagement would be designed to provide a similar experience, asking the same questions as the open house boards.

Community feedback received through engagement would be summarized and presented to Council by late summer. Staff would present a final framework in fall 2019, consisting of a Zoning Bylaw Amendment for selected pre-zoned sites, the Cannabis Retail Policy, and the Cannabis Retail License Application Process. The Application Process could commence thereafter.

FINANCIAL PLAN IMPLICATION

Staff do not anticipate any financial plan implications associated with the planning process for cannabis retail stores, as the work is being completed with existing staff resources. Any cost implications for the City arising from a Cannabis Retail License Application Process will be addressed through an application fee, the amount of which will be determined in Stage 4 of the planning process.

Rajat Sharma

Rajat Sharma
General Manager, Finance and Corporate Services
Signed 4/24/2019 4:16 PM

IMPACTS ON COUNCIL POLICIES, STRATEGIC PLAN AND/OR COUNCIL DIRECTION

The proposal meets the goals and objectives identified in the 2016 Official Community Plan and Council's 2019-2022 Strategic Plan which identifies four cornerstones: vibrant economy, complete community, fiscal discipline and organizational alignment. The proposal is consistent with the four cornerstones of Council's Strategic Plan.

SUBSTANTIATION OF RECOMMENDATION

Staff are recommending that Council endorse the guiding principles, as they are intended to structure the draft regulatory framework for cannabis retail stores and guide the planning process outlined for Stages 3 and 4. Staff are also recommending to proceed with engagement on the draft regulatory framework to complete Stage 3. In Stage 4, staff will report back on the engagement results and prepare a final regulatory framework for cannabis retail stores.

Ryan Beaudry

Ryan Beaudry
Planner
Signed 4/24/2019 1:14 PM

Mark Neill

Mark Neill
Director, Community Planning
Signed 4/24/2019 4:41 PM

Darren Braun

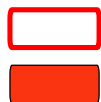
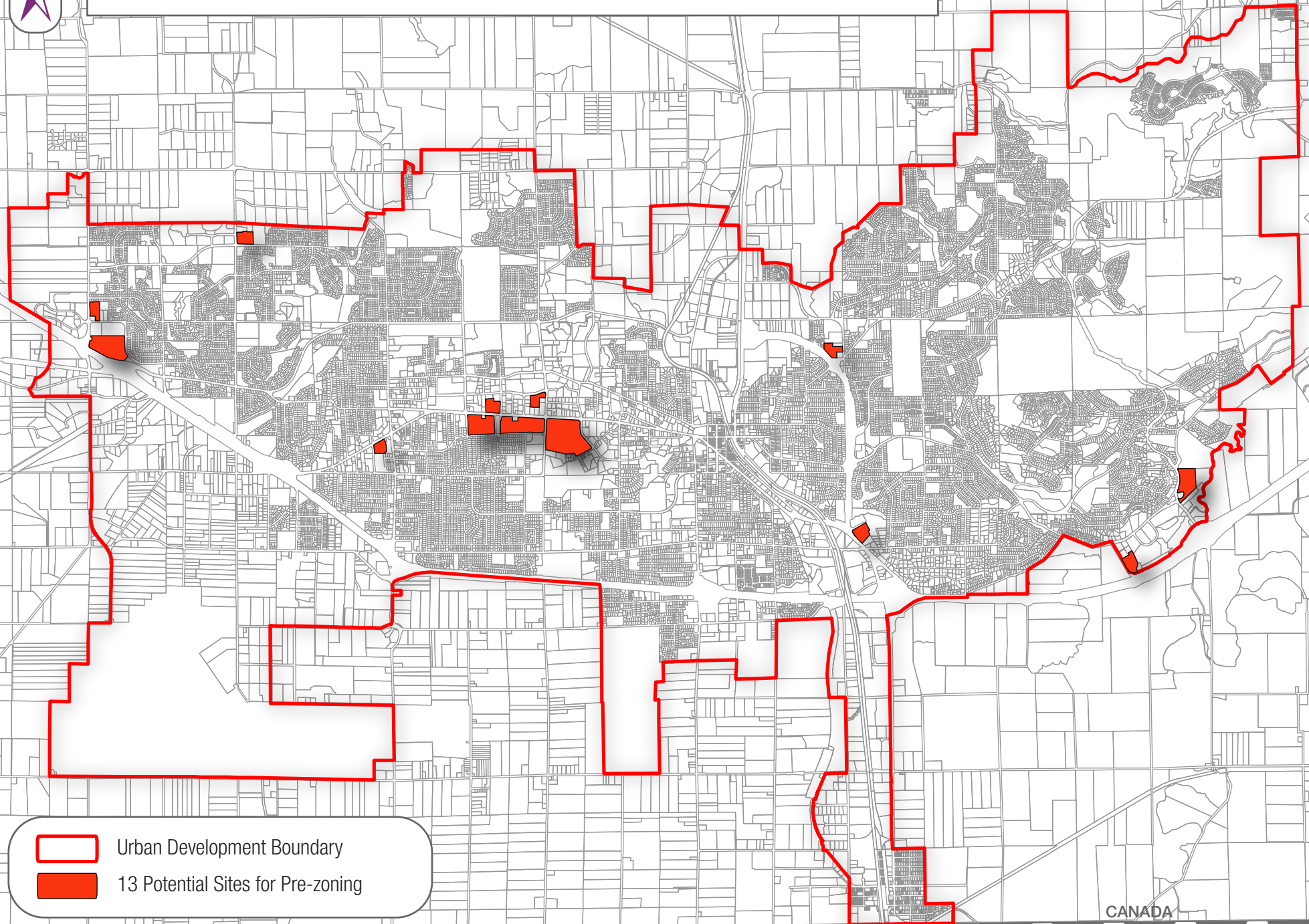
Darren Braun
Director, Development Planning
for Siri Bertelsen General Manager,
Planning and Development Services
Signed 4/24/2019 4:41 PM

ATTACHMENTS:

Appendix A



Appendix A - Potential Sites for Pre-zoning



Urban Development Boundary

13 Potential Sites for Pre-zoning

CANADA

UNITED STATES OF AMERICA