

April 10, 2018

REPORT TO THE CHIEF ADMINISTRATIVE OFFICER  
FROM THE DEVELOPMENT, ENGINEERING, AND SUSTAINABILITY DEPARTMENT

ON

ZONING BYLAW AMENDMENT APPLICATION NO. ZBA00094  
ZONING CHANGES FOR SITING RETAIL CANNABIS SALES

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PURPOSE

To seek Council's authorization to amend Zoning Bylaw No. 5-1-2001 to specify the individual zones that will permit the retail sale of cannabis subject to specific regulations related to the siting of individual retail cannabis sales on commercial properties.

COUNCIL STRATEGIC PLAN

This report supports Council's goals and objectives regarding:

- **Economy** - diversify, strengthen, and fortify our economy through partnerships and effective land use planning by ensuring that cannabis businesses are appropriately located within the city
- **Livability** - ensure Kamloops maintains a high quality of life while meeting the challenge of a growing community by ensuring that the potential impacts of cannabis businesses and use, within the City's authority, are addressed
- **Governance** - be recognized for excellence in public service in local government by being proactive and innovative in establishing cannabis regulations

SUMMARY

On December 19, 2017, Council amended the Zoning Bylaw to create definitions for cannabis and retail cannabis sales in anticipation of the federal legalization of non-medical cannabis when Bill C-45 (the *Cannabis Act*) is adopted this summer. In preparation for the federal government's legalization of non-medical cannabis, the BC provincial government has made a number of decisions about how the provincial regulatory framework will work. Under these parameters, municipalities can now move forward on creating regulations for siting retail cannabis sales within their municipal authority.

The provincial government has indicated that the retail sale of cannabis will be managed in a similar manner as the retail sale of liquor. Accordingly, staff recommend a similar approach to allow retail cannabis sales in the same zones as retail liquor sales. The zones that currently allow retail liquor sales are CBD (Central Business District), C-1T (Tranquille Road Commercial), C-1 (General Commercial), and C-5 (Shopping Centre Commercial).

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The provincial government's approach to cannabis sales is to protect youth by ensuring consumption does not occur in areas frequented by children. This concern was expressed during preliminary discussions with the local RCMP; the Social Planning Council; and the Executive Directors of the North Shore Business Improvement Association (NSBIA), the Kamloops Central Business Improvement Association (KCBIA), and the Chamber of Commerce. As a result, staff recommend a 150 m buffer around all lands zoned P-3 (Schools).

In order to avoid any potential negative impacts that may be caused by the clustering of multiple retail cannabis stores, staff recommend that, in addition to the above-mentioned minimum setback from schools, a minimum distance of 150 m between retail cannabis stores be implemented.

### RECOMMENDATION:

That Council authorize:

- a) Zoning Bylaw Amendment No. 5-1-2878 (Attachment "A") to be introduced and read a first and second time
- b) a Public Hearing to consider Bylaw No. 5-1-2878

### COUNCIL POLICY

There is no applicable Council policy.

### DISCUSSION

On December 19, 2017, Council amended the Zoning Bylaw to create definitions for cannabis and retail cannabis sales in anticipation of the federal legalization of non-medical cannabis when Bill C-45 (the *Cannabis Act*) is adopted this summer. In preparation for the federal government's legalization of non-medical cannabis, the BC provincial government has made a number of decisions about how the provincial regulatory framework will work. Under these parameters, municipalities can now move forward on creating regulations for siting retail cannabis sales within their municipal authority.

To date, the provincial government has made the following regulatory decisions:

- The minimum age to legally possess (up to 30 g), purchase, and/or consume non-medical cannabis is 19 years old. This is consistent with BC's minimum age for alcohol and tobacco purchase and consumption.
- Purchase of non-medical cannabis will be through privately run retail stores, government-operated retail stores, and online sales. The BC Liquor Distribution Branch (LDB) will operate the public retail stores, and the Liquor Control and Licensing Branch (LCLB) will be responsible for licensing private stores and monitoring the retail sector. The operating rules governing public and private retail stores will be similar to those currently in place for liquor. In urban areas, licensed retailers will not be able to sell cannabis in the same stores as liquor or tobacco (in other words, co-sales will not be permitted). Rural

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areas will require a different approach, and the provincial government will establish exceptions for rural non-medical cannabis retail stores, similar to the exceptions that are in place for rural liquor stores.

- BC will have a government-run wholesale distribution model. The LDB will be the wholesale distributor of non-medical cannabis.
- BC will generally allow adults to use non-medical cannabis in public spaces where tobacco smoking and vaping are permitted. However, to minimize the exposure to children and youth, smoking and vaping of non-medical cannabis will be banned in areas frequented by children, including community beaches, parks, and playgrounds. The use of cannabis in any form will also be banned for all occupants in vehicles.
- BC will align with the proposed federal legislation and allow adults to grow up to four cannabis plants per household, but the plants must not be visible from public spaces off of the property. Home cultivation of non-medical cannabis will be banned in dwellings used as daycares. In addition, landlords and strata councils will be able to restrict or prohibit cultivation.

Administration recommends the following amendments to the Zoning Bylaw to establish parameters on the siting of retail cannabis businesses within the municipal boundaries.

- The provincial government has indicated that the retail sale of cannabis will be managed in a similar manner as the retail sale of liquor. Accordingly, staff recommend a similar approach to allow retail cannabis sales in the same zones as retail liquor sales. The zones that currently allow retail liquor sales are CBD, C-1T, C-1, C-5, and C-8 (Neighbourhood Pub Commercial). As the provincial government has indicated that co-sales of cannabis and liquor will not be permitted in the same store, staff recommend not permitting cannabis sales in the C-8 zone. The C-8 zone specifically serves properties with neighbourhood pubs and accessory retail liquor sale businesses; therefore, staff believe this to be in direct conflict of the provincial government's co-sale policy. Accordingly, it is recommended that retail cannabis sales be permitted in the CBD, C-1T, C-1, and C-5 zones. If a retail cannabis business wishes to locate outside of the permitted zones, a site-specific zoning amendment application would be required to determine if its location is acceptable through a Public Hearing process.

It should be noted that there are currently a number of illegal cannabis dispensaries operating in areas of town that will not be within the zones that are proposed to permit the use, as listed above. Staff do not recommend that the areas proposed to permit the use be expanded until the legal stores have been operating for a sufficient period and their impact has been assessed.

- The provincial government's approach to cannabis sales is to protect youth by ensuring consumption does not occur in areas frequented by children. This concern was expressed during preliminary discussions with the local RCMP, the Social Planning Council, the NSBIA, the KCBIA, and the Chamber of Commerce. As a result, staff recommend a 150 m buffer around all lands zoned P-3. This buffer distance is the length of a standard city block and is consistent with the buffer distance currently in the Zoning Bylaw for the siting of Medical Marijuana Growing Operations (MMGOs). A 150 m buffer from the P-3 zone

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measured from the parcel's property lines in a radius will help reduce the potential impact of retail cannabis sales on schools (see Attachment "B" for example maps that illustrate a 150 m buffer around the P-3 zone in the City Centre and Tranquille Market areas).

Also attached to this report is an example map that illustrates a 300 m buffer around the P-3 zone. With this larger buffer, it would be challenging to locate any retail cannabis stores within the Tranquille Market area and would further restrict shopping centre districts of other areas such as Sahali and Valleyview (see Attachment "C" example maps that illustrate a 300 m buffer around the P-3 zone). Further, the RCMP has indicated that overly strict requirements would allow the criminal element to continue with illegal sales to meet the market's demand. Therefore, staff recommend the 150 m buffer around the P-3 zone, which would potentially allow three or four cannabis stores to locate in the Tranquille Market area, three to four cannabis stores to locate in the City Centre neighbourhood, and one to two cannabis stores to locate within shopping centre districts such as Valleyview and Sahali. It should be noted that at the April 9, 2018, Social Planning Council meeting, its members supported staff's recommendations of the proposed zoning amendments, including the 150 m buffer around schools.

- The Province has indicated that it will not control the proximity between individual retail outlets. In order to avoid any potential negative impacts that may be caused by the clustering of multiple retail cannabis stores, staff recommend that, in addition to the minimum setback from schools noted above, a minimum 150 m distance between retail cannabis stores be implemented. The 150 m separation will ensure that there will not be more than one store per block and result in sufficient separation between locations. This will avoid creating an environment that may impact neighbourhood character. Staff estimate that this would likely only permit a maximum of three to four cannabis retail outlets in the CBD zone. Similarly, the C-1T zone on the North Shore could potentially accommodate three to four stores, depending on where they are sited. Staff believe this buffer will still allow enough cannabis retail locations to service the market while protecting neighbourhood character (see Attachment "B" maps for examples of 150 m buffer distances in the City Centre and Tranquille commercial areas).

These proposed Zoning Bylaw amendments provide the basic parameters to allow applicants to pick an appropriate location to begin the Province's application process. It will prevent applicants from applying for a location that doesn't comply with the Zoning Bylaw's regulations. Prior to issuing any licences, the Province will require the municipality to provide a Council Resolution in support of each application. Applicants will be required to make an application to the municipality to receive a Council Resolution in support of their provincial application. This process will be similar to obtaining a Liquor Licence. The Cannabis Licence application process with the City has not been developed yet, as the Province has not provided complete information regarding all of the parameters to be addressed with the required Council Resolution. The City will not accept any applications from the public for cannabis retail locations until it has received referrals from the Province.

In addition to the Provincial Licence, a Kamloops Business Licence for a business located on a property that meets all City bylaws, including the above noted criteria, will be required. Once a Business Licence is issued for a particular location, the benchmark will be set for where the next retail cannabis business can locate.

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Staff will be providing an additional report in the next couple of months that will outline the procedure to obtain the required Council Resolution, the Business Licence process (including fees), and any other required bylaw amendments to address new regulations.

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Approved for Council

Reviewed by: R. J. Martin, MCIP, RPP, Planning and  
Development Manger/Approving Officer

EB/lm

Attachments

CITY OF KAMLOOPS

BYLAW NO. 5-1-2878

A BYLAW TO AMEND THE ZONING BYLAW  
OF THE CITY OF KAMLOOPS

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The Municipal Council of the City of Kamloops, in open meeting assembled, enacts as follows:

1. This bylaw may be cited as "Zoning Bylaw Amendment Bylaw No. 5-1-2878, 2018".
2. Bylaw No. 5-1-2001, as amended, is hereby further amended as follows:
  - a) Division Three, General Regulations, as amended, is hereby further amended by adding the following:

**"311C RETAIL CANNABIS SALES**

    1. No Retail Cannabis Sales shall be located within 150 m from any P-3 (Schools) zone (as measured in a radius from the P-3 parcels property lines to any portion of the retail cannabis store).
    2. No Retail Cannabis Sales may occur within 150 m of another Retail Cannabis Sales use (as measured in a radius from the business primary entrance)."
  - b) Division Thirty-Five, CBD (Central Business District), Section 3501, Permitted Uses; Division Thirty-Six, C-1T (Tranquille Road Commercial), Section 3601, Permitted Uses; Division Thirty-Seven, C-1 (General Commercial), Section 3701, Permitted Uses; and Division Forty-Two, C-5 (Shopping Centre Commercial), Section 4201, Permitted Uses; as amended, are hereby further amended by adding the following:

"- Retail Cannabis Sales"





**City Centre**  
150 meter Buffer

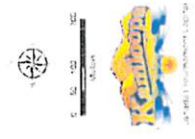
-  Property of Interest
  -  150 Bufferred Property
  -  P-3 Zone
  -  150 meter Buffer
  -  Retail Liquor
  -  Saliss Zone
- \*Zones included  
CBD, C-1T, C-1, C-5

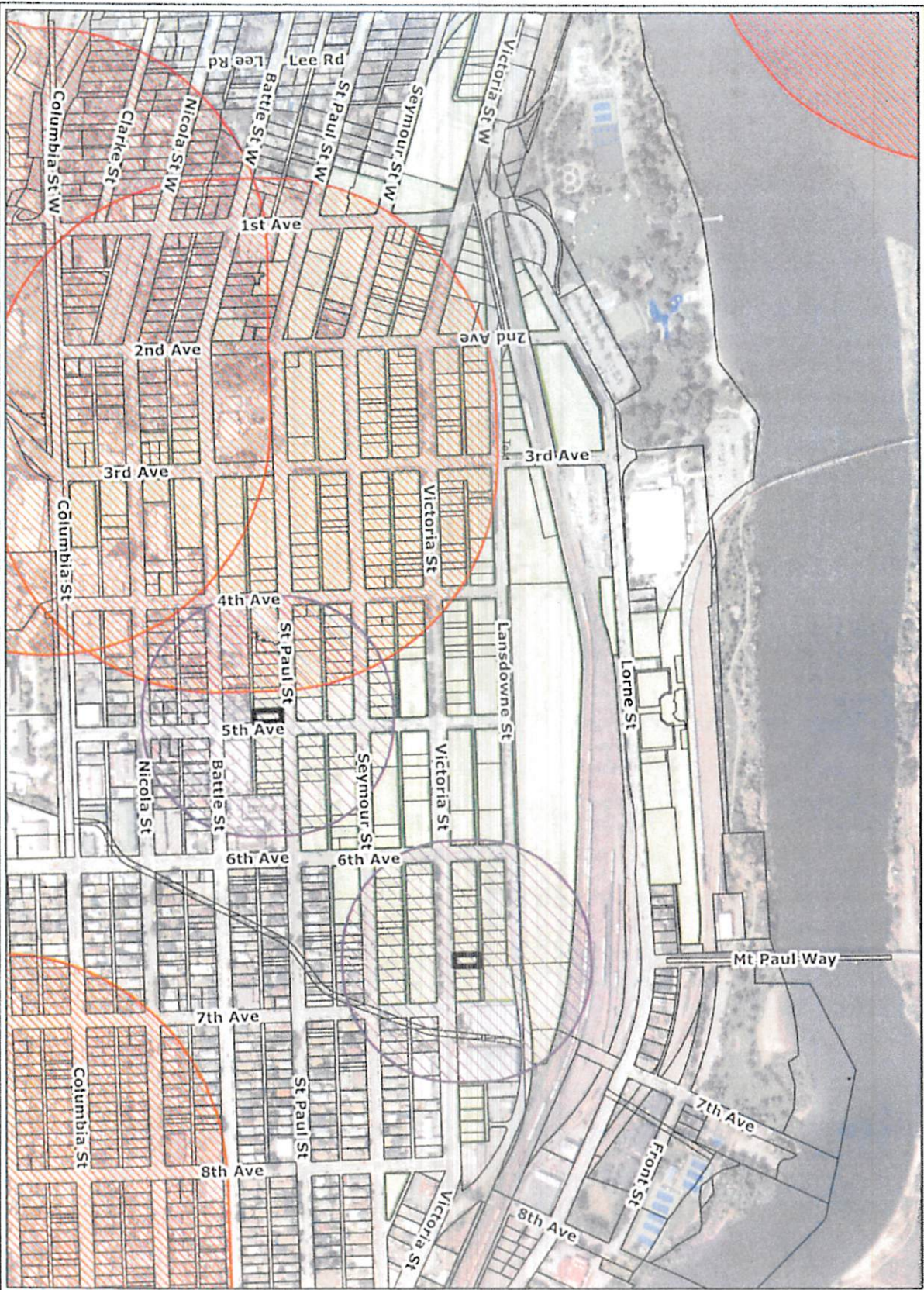


# Tranquille Market 150 meter Buffer

- Property of Interest
- 150 Metered Property
- P-3 Zone
- 150 meter Buffer
- Retail Liquor Sales Zone\*

\*Zones included  
CBD, C-11, C-1, C-5





**City Centre**  
300 meter Buffer

-  Property of Interest
  -  150 Buffered Property
  -  P-3 Zone
  -  300 meter Buffer
  -  Retail/Labor
  -  Sales Zone\*
- \*Zones included  
CBD, C-11, C-1, C-5



**Tranquille Market**  
300 meter Buffer

-  Property of Interest
  -  150 Metered Property
  -  P-3 Zone  
300 meter Buffer
  -  Retail/Labor  
Sales Zone
- Zones included  
CBD, C-1T, C-1, C-5

