

RESORT MUNICIPALITY OF WHISTLER

4325 Blackcomb Way
Whistler, BC Canada V8E 0X5
Whistler, Canada V8E 0X5
TF 1 866 932 5535
Whistler, Ca
FAX 604 935 8109

STAFF REPORT TO COUNCIL

PRESENTED: August 2, 2022 REPORT: 22-116
FROM: Planning FILE: 7657.00

SUBJECT: CANNABIS RETAIL STRATEGY

RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

That the recommendation of the General Manager of Resort Experience be endorsed.

RECOMMENDATION(S)

That Council adopt the Cannabis Retail Policy G-27 attached as Appendix A to this Administrative Report 22-116;

That Council receive the public engagement summary on the proposed approach to administer and regulate cannabis retail through Temporary Use Permits in Whistler; and further

That Council direct staff to bring forward amendments to the following Resort Municipality of Whistler bylaws:

- Zoning and Parking Bylaw No. 303, 2015;
- Land Use Procedures and Fees Bylaw No. 2019, 2012;
- Liquor Licence Application Processing Fee Bylaw No. 2224, 2019;
- Business Licence and Regulation Bylaw No. 2253, 2019; and
- Bylaw Enforcement Notice Bylaw No. 2174, 2018;

for regulation of cannabis retail in Whistler consistent with the framework described in this Administrative Report 22-116.

PURPOSE OF REPORT

This report presents a cannabis retail policy (Cannabis Retail Policy or Policy) that outlines the proposed regulatory approach and specifies principles and evaluation criteria for consideration of future applications, as well as a summary of the recommended provisions of the proposed regulatory approach, including bylaw amendments. The report requests that Council adopt the Policy and direct staff to prepare the necessary associated bylaw amendments as outlined in the report. The report also presents the results of community and industry engagement completed in February and March of 2022.

| ☐ Information Report | oximes Administrative Report (Decision or Direction) |
|----------------------|--|
| | |

DISCUSSION

Background

On December 7, 2021, Council received <u>Administrative Report No.21-137</u> presenting a recommended approach to permitting and regulating cannabis retail in Whistler. Staff reviewed the different approaches taken by BC municipalities to regulate cannabis retail, and recommended an approach based on Temporary Use Permits (TUPs) to authorize cannabis retail in Whistler.

The proposed regulatory approach allows for a permitting system for cannabis retail that addresses the location and potential number of cannabis retail stores, and will serve to further identify community priorities such as health, safety, and community well-being, resort and community balance, climate action and sustainability, and reconciliation. Recognizing the Resort Municipality of Whistler's (RMOW's) limited land supply, growth management policies, and ongoing desire for a diverse and vibrant commercial sector, the Cannabis Retail Policy retains discretionary approval for each individual cannabis retail application, providing reasonable access while limiting proliferation. This approach will enable the RMOW to oversee approval and monitoring of cannabis retail, which will be thoughtfully integrated within existing land use patterns, consistent with community objectives and land use planning in Whistler, and supportive of the goals, objectives and policies of the Official Community Plan (OCP).

Staff carried out consultation during the winter and spring of 2022 to gather input from the community, key stakeholders, and the cannabis industry on the proposed approach to regulating cannabis retail in Whistler, how cannabis retail in Whistler can address the needs of the community, and how concerns and potential issues can be mitigated. Community and industry feedback was generally positive towards the proposed approach. Respondents indicated support for restricting cannabis retail to Whistler's commercial nodes, with some suggesting Rainbow as an additional or alternate location. Industry participants noted that the TUP approval system creates some uncertainty for businesses, however, the benefits of the quicker approvals timeline when comparted to a rezoning approach was seen as beneficial. Industry participants also showed a clear preference for an approvals system based on evaluation of clear criteria, rather than a lottery system.

A comprehensive summary of the community engagement that was conducted is attached as Appendix C.

Staff have now prepared the Cannabis Retail Policy, to guide the review and consideration of future TUP applications for cannabis retail, as well as the specifics of the proposed regulatory approach. These are presented in this report as follows.

Analysis

The Cannabis Retail Policy outlines objectives for consideration of future TUP applications and details recommended provisions of the proposed regulatory approach (attached as Appendix A). The Policy and regulatory provisions have taken into consideration input and feedback received from the community engagement. It includes guiding principles, location guidelines and evaluation criteria that are recommended to be used to evaluate and consider future applications. The Policy also presents the recommended application consideration procedures.

Cannabis Retail Policy

The Cannabis Retail Policy outlines Whistler's proposed approach to regulating cannabis retail. It

reflects a thoughtful regulatory approach consistent with the community's values and policies expressed in the OCP including upholding the resort experience and balancing community and guest demand with community safety and a family-friendly environment. The Policy sets clear expectations and establishes a transparent process for application intake, review and approvals for new cannabis retail stores.

Applicants will be expected to address each principle and the evaluation criteria in their application package. Evaluation criteria provide a framework to evaluate all TUP applications for their community benefit and impacts related to achieving the vision, goals, and community priorities in the OCP. Applications will also be assessed for compliance with applicable design guidelines and bylaws.

Guiding Principles:

The Cannabis Retail Policy establishes six guiding principles, drawn from existing RMOW policies and regulations:

- Support a thriving and diverse economy;
- · Reinforce Whistler's mountain community character;
- Promote community and social well-being;
- Establish a transparent and efficient process;
- Balance community and visitor demand with community safety and Whistler's family-friendly environment; and
- Şupport and advance reconciliation and economic opportunities with the Skwxwú7mesh and Lilwat7úl people.

Location guidelines

• The Cannabis Retail Policy and associated proposed bylaw amendments recommend support for up to five cannabis retail locations. TUP areas are proposed to be designated in the Zoning and Parking Bylaw No. 303, 2015 (Zoning Bylaw) to permit a cannabis retail store use in each of Creekside, Function Junction, the Nesters plaza, the Village, and Village North. Retail stores are proposed to be located a minimum of 750 metres apart (150 metres in the Village), and at least 300 metres from schools and from Meadow Park Recreation Centre. Village and Village North locations should also be located off the Village Stroll.

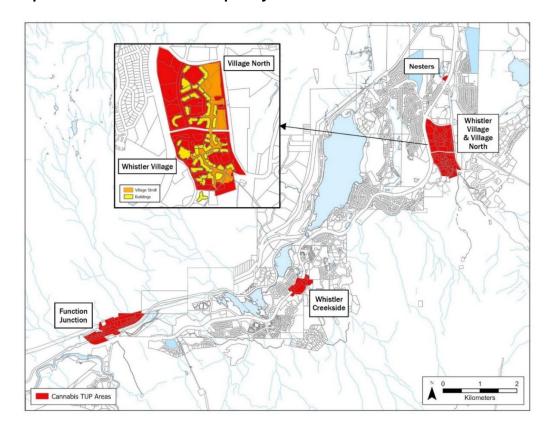


Figure 1: Proposed Cannabis Retail Temporary Use Permit areas:

Evaluation Criteria

It is proposed that applicants be required to submit a Community Impact Statement, addressing the guiding principles, location guidelines and evaluation criteria in the Cannabis Retail Policy.

The evaluation criteria, also drawn from the goals, objectives and policies of the OCP, are:

- Balancing resort and community needs;
- Provisions for employee housing;
- Commitment to a Living Wage;
- Relationships with or support for community organizations;
- Leadership on sustainability and climate action, with additional reference to Whistler's *Climate Action Big Moves Strategy*, and *Zero Waste Action Plan*;
- Contributions to local economic development and overall character that promote a four-season family-friendly resort destination;
- Commitment to Whistler's community health and social strategy goals; and
- Commitments to reconciliation and providing economic opportunities for the Lil'wat Nation and Squamish Nation.

Security and nuisance mitigation plans will be reviewed and assessed. The application will also be assessed for compliance with applicable bylaws, plans, and policies, including Development Permit Area form and character guidelines.

Proposed Bylaw Amendments

Several bylaws are required to be amended including Zoning Bylaw to designate the TUP areas for cannabis retail and minimum buffer distances between cannabis retail stores and from schools. Other proposed bylaw amendments include the Land Use Procedures and Fees Bylaw No. 2019, 2012 (Land Use Procedures and Fees Bylaw); Liquor Licence Application Processing Fee Bylaw No. 2224, 2019 (Liquor Licence Application Processing Fees Bylaw); the Business Licence and Regulation Bylaw No. 2253, 2019, (Business Licence Bylaw); and the Bylaw Notice Enforcement Bylaw 2174, 2018 (Bylaw Notice Enforcement Bylaw), as necessary.

- The Zoning Bylaw is proposed to be amended to add a definition of cannabis retail, and to remove or revise the RMOW-wide prohibition on cannabis retail that is currently included in Part 4 (General Prohibitions) to allow cannabis retail through a TUP, and to designate five Cannabis Retail TUP areas.
- The Land Use Procedures and Fees Bylaw is proposed to be amended to include, as
 necessary, procedures for applications related to cannabis retail TUPs, to confirm that the
 authority to issue cannabis retail TUPs will not be delegated, and to include a cannabis retail
 TUP fee and a TUP renewal fee.
- The Liquor Licence Application Processing Fees Bylaw is proposed to be amended to include a
 fee category for Cannabis Retail Store licence referrals to cover the costs incurred in assessing
 a provincial Cannabis Retail Store licence application.
- The Business Licence Bylaw is proposed to be amended to include a requirement that Cannabis Retail business licence applications include confirmation of issuance of a provincial Cannabis Retail Store licence, an RMOW Cannabis Retail Good Neighbour Agreement, and proof of a security plan that meets or exceeds the provincial requirements. The Cannabis Retail Business Licence Fee is proposed to be the standard annual licence fee (currently \$190).
- The Bylaw Notice Enforcement Bylaw is proposed to be amended to add a penalty for unauthorized use of land or building for cannabis retail use.

An OCP amendment is not required to designate TUP areas in the Zoning Bylaw for a cannabis retail use in the proposed locations. Section 4.1.4.2 of the OCP is clear that the land use designations do not exclude temporary uses.

The legislative framework of the Province of British Columbia, including the *Community Charter*, *Local Government Act* (LGA), and the *Cannabis Control and Licensing Act* (CCLA), provides the basis upon which the RMOW may regulate certain locational and other aspects of cannabis retail stores, as well as procedures for assessing and approving business proposals.

Cannabis Retail Application Process

Subject to adoption of the proposed bylaw amendments, a defined intake period will be established to consider complete Cannabis Retail TUP applications in a batch application process. Applications will be reviewed by staff for completeness, assessed for compliance with the Cannabis Retail Policy, and advanced to Council with recommendations for Council consideration.

Public notification procedures will be followed per bylaw and statutory requirements. The provincial Cannabis Retail Store referral process includes additional notification requirements, which will take place concurrently with the TUP review.

Cannabis retail businesses will also need to apply for and obtain an RMOW business licence if a TUP and provincial Cannabis Retail Store licence have been issued.

Additional permits may be required, including a Development Permit, Building Permit, and Sign Permit.

POLICY CONSIDERATIONS

Relevant Council Authority/Previous Decisions

<u>December 7, 2021</u>, <u>Administrative Report No. 21-137</u> presented an overview of the recommended approach to permitting and regulating cannabis retail in Whistler, and to seek endorsement of a work program and engagement strategy to bring forward an OCP-based framework outlining community goals, objectives, and policies to guide consistent decision-making, and related bylaw amendments for regulation of cannabis retail in Whistler.

January 9, 2018: Administrative Report No. 18-004 (pages 11-16) Zoning Amendment Bylaw (Cannabis Retail, Production and Distribution) No. 2159, 2017 first and second readings to clarify and update zoning regulations for cannabis production, distribution and retail in Whistler in anticipation of the federal legalization of "recreational" by replacing the definitions of "marihuana production" and "marihuana distribution" with a definition of "cannabis" mirroring the definition in the *Cannabis Act*. The amendment expanded the existing general prohibition on cannabis production and distribution to also prohibit retailing cannabis anywhere in the RMOW. Bylaw 2159, 2017 was adopted on February 6, 2018.

Corporate Plan

The RMOW Corporate Plan is updated annually and articulates strategic direction for the organization. This section identifies how this report links to the plan.

Council Focus Areas

| ⊠ Commun | ity Balance |
|-------------|---|
| Effe | ctively balance resort and community needs through deliberate planning, partnerships |
| and | investment |
| ☐ Climate A | action |
| Prov | ride leadership to accelerate climate action and environmental performance across the |
| com | munity |
| ☐ Housing | |
| Adva | ance strategic and innovative initiatives to enable and deliver additional employee |
| hou | sing |
| □ Pandemi | c Recovery |
| | dership and support for community and tourism recovery and sustainability – priority ses are where recovery needs intersect with other Council focus areas |
| □ Not Appli | cable |
| | |

Corporate Goals

| □ Community character and mountain culture is reflected in municipal initiatives |
|---|
| \square Municipal decision-making supports the effective stewardship of natural assets and ecological |
| function |
| ☐ Corporate policies and operations ensure continuous excellence in infrastructure, facility and |
| program management |
| ☑ A high level of accountability, transparency and community engagement is maintained |
| ☐ Corporate financial health is optimized to ensure long-term community success |
| ☑ A vibrant local economy and safe, resilient resort community is effectively reinforced by |
| organizational activities |
| □ Pandemic recovery |

Community Vision and Official Community Plan

The OCP is the RMOW's most important guiding document that sets the community vision and long-term community direction. This section identifies how this report applies to the OCP.

Chapter 5: Land Use and Development addresses residential and tourist accommodation, commercial and industrial space, and agricultural and extractive uses. In particular, Goal 5.6 seeks to maintain a complementary balance of commercial land use to reinforce Whistler's mountain resort character, the needs of the community, and the local tourism economy.

| 5.6.1 | Objective | Maintain a balanced supply of commercial and industrial space and associated land uses. |
|----------|-----------|---|
| 5.6.1.6 | Policy | Evaluate any proposed rezoning for additional space or changes in use for consistency with the intended purpose and roles of the location, compatibility of the surrounding area, the potential displacement of other essential uses, and potential impacts on the vitality and success of other existing developments. |
| 5.6.3.19 | Policy | Work to address potential impacts associated with federal legalization of cannabis. |

Further, report recommendations implement the objectives in Chapter 6: Economic Viability. Goal 6.6 supports a vibrant, growing and successful local business community with the objective to strengthen support for local business through using land use and supporting programs, including the following relevant policies:

| 6.6.1.3 | Policy | Support new and existing businesses that enhance the use of local Whistler |
|---------|--------|--|
| | | skills and expertise and support the authentic mountain culture. |
| 6.6.1.4 | Policy | Explore opportunities to incorporate Squamish Nation and Lil'wat Nation |
| | | owned and operated businesses into the local business economy. |

BUDGET CONSIDERATIONS

Staff time for this work is covered by the Planning Department budget. Once the proposed cannabis retail regulatory scheme has been created, and relevant bylaws amended, application fees will be imposed to offset staff time reviewing and administering cannabis retail temporary use permit and licence applications.

LIL'WAT NATION & SQUAMISH NATION CONSIDERATIONS

The RMOW is committed to working with the Lil'wat People, known in their language as *L'il'wat7úl* and the Squamish People, known in their language as the *Skwxwú7mesh Úxwumixw* to: create an enduring relationship; establish collaborative processes for Crown land planning; achieve mutual objectives; and enable participation in Whistler's resort economy. This section identifies areas where RMOW activities intersect with these relationships.

Report recommendations are consistent with the goals and objectives contained in OCP Chapter 3: and OCP Chapter 4: Growth Management. Relevant policies from OCP Chapter 3 pertain to participation in Whistler planning and development for the Squamish Nation and Lil'wat Nation, specifically:

| 3.3.3.1 | Policy | The Lil'wat Nation and Squamish Nation meaningfully participate in the |
|---------|-----------|--|
| | | future direction of Whistler and the surrounding region. |
| 3.6 | Goal | The Squamish Nation and Lil'wat Nation are successfully participating in |
| | | Whistler's resort economy and regional economic growth. |
| 3.6.1 | Objective | Strengthen cooperation and coordination to realize economic benefits. |

OCP Goal 4.1 is to effectively manage to maintain Whistler's unique sense of place, protect the environment, provide a high quality of life for residents and provide exceptional visitor experiences. The related policy from Chapter 4 pertaining to cooperative relationship building with Squamish Nation and Lii'wat Nation is:

4.1.2.3 Policy Work collaboratively towards both Whistler and the Lil'wat and Squamish Nations benefiting from the local tourism economy and complementary economic development and capacity building opportunities.

This approach will further the RMOW's commitment to creating an enduring relationship and enabling participation in Whistler's resort economy.

| COMMUNITY ENGAGEMENT | | | | |
|--|-----------|-----------|---------------|-----------|
| Level of community engagement commitment for this project: | | | | |
| ☐ Inform | □ Consult | ☐ Involve | □ Collaborate | ☐ Empower |
| Comment(s): | | | | |

During the winter and spring, staff engaged the community, prospective cannabis retailers, and stakeholder groups, to gather input and insight into cannabis retail in Whistler through a combination of

online forums with industry, in-person meetings with key stakeholders, a public input period, and information sharing via the RMOW's website, supported by social media.

In February and March, 2022, the project engagement process used three distinct engagement methods to collect input on the future of cannabis retail in Whistler outlined in the table below.

| Method | Purpose | Participation | |
|--|---|--|--|
| Community engagement portal and questionnaire | Provided opportunity for the community to share thoughts through a more detailed series of closed and open-ended questions | 274 unique visits to the community engagement page 87 surveys submitted | |
| Virtual cannabis industry workshop and engagement portal | Sought to provide more depth of each draft section of the document and explore community insights using an interactive Q&A format | 126 unique visits to the cannabis retail engagement page 84 participants in industry workshop | |
| Targeted stakeholder meetings | Staff hosted one-on-one meetings to provide an overview of the proposed framework and collect, input related to issue mitigation, community needs and policy context. | Meetings with community organizations, agencies, and service provides (see appendix C for details). | |

Engagement opportunities were communicated using a dedicated RMOW project webpage, direct invitations to key stakeholders, social media posts, and weekly newspaper advertisements in The Pique. A summary of the process and results has been presented in Appendix C this report.

The engagement process focused on gathering input on the proposed approach to regulating cannabis retail in Whistler and to highlight how the policy can be refined to best suit the needs of the community while addressing concerns or issues through mitigation strategies and working with community partners and industry agencies to leverage knowledge about best practice and implementation.

Input collected from the community, stakeholder and the cannabis industry was overall generally supportive of the proposed framework overall, including the number of stores, their locations and the proposed approach to regulating cannabis retail through Temporary Use Permits. The input highlighted a number of considerations for the policy framework that were identified:

- Location and distribution: Feedback indicated general support for the proposed locations of Function Junction, Creekside, Whistler Village, and the Nester's plaza. Some respondents suggested that Rainbow could be an additional location for a local-serving cannabis retail location.
- **Concerns over consumption impacts:** Concerns were raised about cannabis consumption in public places frequented by visitors and community members.
- Opportunities to coordinate on education: Feedback opportunities for collaboration and coordination on education and communications, particularly targeted to youth and stakeholders that work with youth and/or vulnerable populations.
- **Legal access provides a safe supply:** Feedback indicated strong support for cannabis retail in Whistler to provide a safe alternative to consumers.

- **Storefront design:** Feedback indicated desire that cannabis retail stores address Whistler's mountain community character and comply with applicable Development Permit Area design guidelines.
- **Business leasing challenges:** The cost and challenge of finding and securing a retail space before having certainty about approval was identified as a barrier. Participants suggested this could be ameliorated by pre-approving a short-list of applicants and then allowing them time to secure a location.
- **Timeline concerns:** Input from the cannabis industry noted preference for a quick application and approval process. The cost to hold a lease through a lengthy approval process is onerous on applicants.
- Application Evaluation: There was strong support from the cannabis industry to choose successful applications with a scoring/evaluation system with clear and transparent criteria and minimum requirements rather than a lottery system.
- Local ownership will drive community benefits: Comments noted support for local ownership to maximize community benefits, including local economic activity, giving back to the community, and alignment with Whistler's authentic community character.
- **Hours of operation:** Feedback was generally supportive of limiting cannabis retail hours to the provincially permitted operating hours of 9am until 11pm.
- Licence fee: Responses indicated that fees should be on par with those paid by liquor stores.

A comprehensive summary of the engagement is attached as Appendix C.

Proposed bylaw amendments will include opportunities for public input and comment as legislated by the Community Charter and *LGA*.

REFERENCES

Appendix A – draft Cannabis Retail Policy

Appendix B – proposed Bylaw amendments

Appendix C – Engagement Summary

SUMMARY

This report presents a Cannabis Retail Policy that outlines a proposed regulatory approach and specifies policies for consideration of future applications, as well as a summary of the recommended provisions of the proposed regulatory approach, including bylaw amendments. The report also presents a summary of the input and feedback received during community and industry engagement completed in February and March of 2022. The proposed policy and regulatory framework would support up to five locations within the community in existing commercial areas, and has been designed to further identify community priorities including health, safety, and community well-being, resort and community balance, climate action and sustainability, and reconciliation.

SIGN-OFFS

Written by:

Megan Mucignat, Planning Analyst – Projects

John Chapman, Manager of Planning – Projects

Reviewed by:

Mike Kirkegaard, Director of Planning

Jessie Gresley-Jones, General Manager, Resort Experience

Virginia Cullen, Chief Administrative Officer