

Schedule "A"

Background

An amendment to Zoning Bylaw No. 8000 relating to Retail Cannabis Sales Establishments received third reading by Council on September 18, 2018. It is anticipated that the City of Kelowna may receive more rezoning applications than can initially be processed for Retail Cannabis Sales Establishments. As such, Staff are proposing the use of an evaluation matrix for scoring and prioritizing applications. Complete applications would be evaluated by a multi-departmental committee against a scoring matrix and Zoning Bylaw No. 8000. Staff are looking for Council to endorse this revised process for evaluating and prioritizing rezoning applications for retail cannabis sales establishments.

Application Requirements

In accordance with City of Kelowna's Development Application Procedures Bylaw No. 10540 (Schedule '2', Section 1.1) the following items are required as part of a rezoning application:

- (a) Application fee (established in Development Application Fees Bylaw No. 10560)
- (b) Application Form, indicating proposed location
- (c) State of Title Certificate
- (d) Owners Authorization form (if applicable)
- (e) Site Profile or Site Profile Waiver (if applicable)
- (f) Zoning Analysis Table
- (g) Project Rationale
- (h) Photographs of the existing site
- (i) Site plan (*including showing how security and all bylaw requirements are being met*)
- (j) Floor Plan
- (k) Elevation Drawings (*including showing existing and/or proposed signage*)

Schedule '2', Section 1.2 of the Development Application Procedures Bylaw gives the Department Manager, Community Planning to require additional development approval information, to adequately evaluate an amendment application, in accordance with Section 2.4 of this bylaw. As such, Staff are looking for the following additional information to be provided as part of a rezoning application for a retail cannabis sales subzone:

1. Description of how the proposed location is in compliance with all applicable City Bylaws
2. Security Requirements shown on a site plan and/or floor plan
3. Neighbourhood Strategy
 - a. Clearly describes how any potential neighbourhood impacts will be minimized. Examples *may* include:
 - i. Proposed hours of operation, noise, and nuisances such as odours and consumption directly outside of the store
4. Business Overview
 - a. Clearly describes how the retail cannabis sales establishment will operate. Components of this overview *may* include:
 - i. Business description, market analysis, funding requirements, financial projections
 - ii. Number of staff required to operate
 - iii. How the business will operate and be in compliance with all provincial and federal regulations
 - iv. How minors will be prevented from entering stores and/or purchasing cannabis, and how provincial identification requirements will be met
5. Details of signage to demonstrate conformance with the Sign Bylaw (to be shown on Elevation Drawings)
6. Details of any previous compliance history in the City of Kelowna specific to cannabis
 - a. All proponents should clearly demonstrate that they do not have a history of infractions relating to previous City regulations specific to cannabis

Additional information may also be required, at the discretion of the Department Manager, Community Planning.

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<ul style="list-style-type: none"> ▪ The business overview clearly describes how the cannabis retail sales establishment will operate. Components of this overview <i>may</i> include: <ul style="list-style-type: none"> • Business description, market analysis, funding requirements, financial projections • Number of staff required to operate • How the business will operate and be in compliance with all provincial and federal regulations • How minors will be prevented from entering stores and/or purchasing cannabis, and how provincial identification requirements will be met 			
Site Plan and Signage <ul style="list-style-type: none"> - The site plan conforms to Zoning Bylaw Regulations and no variances are being requested (add + 20 points. If any variances are being requested, no points will be awarded) <ul style="list-style-type: none"> o Applicable Zoning Bylaw considerations are site specific and <i>may</i> include parking and loading, building setbacks and landscape buffers - Proposed signage is consistent with the Sign Bylaw and no variances are being requested (add + 5 points. If any variances are being requested, or if no details about signage are included in the application, no points will be awarded) 	Maximum + 25		25 %
Compliance History <ul style="list-style-type: none"> - The Applicant(s) and/or Owners failed to comply with previous City regulations specific to cannabis, which may include; (deduct – 20 points for any past history of non-compliance) <ul style="list-style-type: none"> o The applicant and/or owners owned a property that allowed cannabis retail sales in the past o The applicant and/or owners conducted or owned a cannabis business, cannabis-related business or cannabis related non-profit contrary to City regulations 	Maximum - 20		(20) %
Application Score			

Evaluation Committee

An evaluation committee is proposed to be composed of one member from each of the following:

- City Clerk
- Community Planning Department
- Bylaw Department
- Business Licensing Department
- Building and Permitting Department
- Royal Canadian Mounted Police
- Business and Entrepreneurial Development

Process

Staff are looking for Council endorsement of this revised process to evaluate and prioritize rezoning applications for retail cannabis sales subzones between October 1, 2018 and November 30, 2018.

All applications received prior to 4:00 PM on November 30, 2018 will be evaluated by the evaluation committee as part of the first round of evaluation and processing. After November 30, 2018, any applications that were submitted, but are incomplete or missing or any required items, will be notified and applicants will have two weeks to provide these items. All applications will then be evaluated by a committee. The Community Planning Department will hire an independent consultant to oversee the evaluation and prioritization process.

If members of an application evaluation committee score an application differently, a total average score would be calculated. If any application score within 5% of each other, and are located within 500 metres of each other, they will be considered materially equivalent and a lottery will be held to determine which application will be processed first. All affected applicants will have the opportunity to be present if a lottery occurs.

Applicants will be advised in writing of their application status, what their application score was, and if their application was selected to move forward at this time.

The applications that are ranked highest by the committee, without infringing on siting regulations established in the Zoning Bylaw, will be selected to move forward with a rezoning application. The applicant, at this time, should apply for a non-medical cannabis retail licence through the Government of British Columbia.

The number of applications selected will depend on the number of complete applications that are received, and the number that follow the regulations established in the Zoning Bylaw.

1. The highest ranking applications will be accepted and processed as per the Development Application Procedure Bylaw
 - a. Following a successful rezoning to a retail cannabis sales subzone, the City of Kelowna will provide a positive recommendation to the LCRB for license issuance.

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2. Applications that will not be accepted and processed right away have the option of:
 - Application package and materials being returned to them, as per the Development Application Procedures Bylaw.
 - Application accepted, but applicant will be advised it will likely go to Council with a non-support recommendation from Staff. A Zoning Bylaw Text Amendment application may be required if any required setback distances are not being met. The following are several examples of reasons for Staff recommending against Council providing support for a rezoning and/or text amendment application:
 - o The proposed location is not in a zone that includes Retail Cannabis Sales Establishments as a permitted use
 - o The proposed location is in an area identified in the Zoning Bylaw to be an exclusion zone
 - o The proposed location does not meet the siting requirements for Retail Cannabis Sales Establishments

The processing procedure will occur in accordance with the Development Application Procedures Bylaw. The rezoning process typically takes six to eight months from the time of submission of a complete application to receive 3rd reading. Additional development applications (Development Permits, Development Variance Permits) may be required depending on the location and scope of the proposal, which would add additional processing time.

Council retains the ability to approve or deny rezoning applications as it sees fit.