

ADMINISTRATIVE REPORT



TO: Board of Directors
FROM: B. Newell, Chief Administrative Officer
DATE: June 18, 2020
RE: Liquor and Cannabis Regulation Branch Referral – Electoral Area “D”

Administrative Recommendation:

THAT the RDOS Board of Directors direct staff to forward the following recommendation to the Liquor & Cannabis Regulation Branch (LCRB);

AND THAT in accordance with Section 33(1) of the *Cannabis Control and Licencing Act*, the RDOS Board of Directors recommends support of an application from Sticky Leaf for a proposed non-medical retail cannabis location at Unit 8A, 5350 Highway 97, Okanagan Falls (Lot A, Plan KAP60058, District Lot 2883s, SDYD), for a Non-medical Cannabis Retail Licence with operating hours from 9:00 am to 11:00 pm seven days a week;

AND FURTHER THAT the RDOS Board of Directors comments are as follows:

- i) The proposed store is located in the General Commercial (C1) and the use is permitted in the C1 zone.
 - ii) No significant negative impact on the community is anticipated if the application is approved.
 - iii) The Board provided opportunity for residents to provide their views on the licence application. Public notice indicating that the Board would accept written comments on the application until June 5, 2020 was published in the Penticton Western News on May 13, 2020 and May 20, 2020, published on Castanet from May 13 to May 15, 2020, posted on the municipal web site from May 1, 2020, were mailed to owners and tenants within 100 metres of the subject parcel on May 8, 2020. Further, a notification sign was posted on the store front at Unit 8A, 5350 Highway 97 from April 28, 2020 until the Board considered the application on June 18, 2020.
 - iv) The views of the residents were considered by the Board and attached to the agenda of June 18, 2020 Regular Board meeting or delivered as late items if correspondence was received after the agenda was published.
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Purpose: To obtain a Non-Medical Cannabis Retail Store licence

Owners: Mountain Enterprises Ltd. Applicant: Sticky Leaf Folio: D-00890.010

Civic: Unit 8A, 5350 Highway 97 Legal: Lot A, Plan KAP60058, District Lot 2883s, SDYD

OCP: Town Centre (TC) Zone: General Commercial (C1)/Okanagan Falls Town Centre (OFTC)

Proposed Development:

An application to the Liquor and Cannabis Regulation Branch (LCRB) for a Non-Medical Cannabis Retail Store (CRS) licence, whereby under Section 33(1) of the *Cannabis Control and Licencing Act* the

LCRB is prevented from issuing a CRS licence without a positive recommendation from the local government.

Specifically, the applicant is seeking LCRB approval to operate a 116 m² cannabis retail store within an existing commercial building, with operating hours from 9:00 a.m. to 11:00 p.m., seven days a week.

Site Context:

The subject property is approximately 1.2 ha in area and is situated on the north side of Highway 97 (9th Avenue) and currently contains a commercial shopping centre with multiple retail units. The surrounding pattern of development is characterised by commercial and multi-family dwelling properties along Highway 97.

Background:

The current boundaries of the subject property were created by a Plan of Subdivision deposited with the Land Titles Office in Kamloops on September 18, 1997, while available Regional District records indicate that a building permit(s) for a shopping centre commercial building (1997) and multiple tenant improvements and signage (1999, 2000, 2003, 2016).

Under the Electoral Area “D” Official Community Plan (OCP) Bylaw No. 2603, 2013, the subject property is currently designated Town Centre (TC), and is also situated within the Okanagan Falls Town Centre Commercial Development Permit Area.

Under the Electoral Area “D” Zoning Bylaw No. 2455, 2008, the property is split zoned Okanagan Falls Town Centre (OFTC) and General Commercial (C1). The proposed cannabis retail store is located entirely within the C1 zone, wherein general retail stores are permitted.

At its meeting of August 16, 2018, the Planning and Development (P&D) Committee of the Regional District Board resolved to “direct staff to consider the retail sales of cannabis as a retail use permitted in any zone where retail uses are listed.”

In accordance with Schedule 9 of *Development Procedures Bylaw No. 2500, 2011*, when a Cannabis Retail Store Licence application is received and retail sales are permitted on the subject property, public consultation process is to be completed prior to Board consideration of the application. Based upon feedback received as part of this process, the Board decide that additional consultation is required and direct that a public hearing be scheduled.

BC Assessment has classified the property as Business and Other (06).

Public Process:

Public consultation, in accordance with Schedule 9 of *Development Procedures Bylaw No. 2500, 2011*, included a 28-day period for written comments to be received. Based upon feedback received as part of this process, the Board may decide that additional consultation is required and direct that a public hearing be scheduled.

In accordance with Section 5.5 of the Development Procedures Bylaw, referral to an Advisory Planning Commission requirements are waived during the provincial state of emergency declaration in relation to COVID-19.

As such, this application has not been reviewed by the Electoral Area “D” APC. However, Electoral Area “D” APC members were invited to comment individually on the application.

All comments received to date in relation to this application are included as a separate item on the Board agenda.

Analysis:

In considering this proposal, Administration notes that a cannabis retail store is a permitted use in the General Commercial (C1) zone as cannabis retail is considered a retail use. As such, the proposed location is consistent with Board direction to permit cannabis retail in any zone in which retail sales are listed as a permitted use.

Further, this application aligns with the objectives of the Town Centre in the Electoral Area “D” OCP Bylaw, which supports the creation of a resilient and diverse commercial base that provides a diversity of shopping, dining, entertainment and employment opportunities for local residents.

As the cannabis retail store is to be contained within an existing commercial building, there are no further zoning considerations for this proposal.

Administration acknowledges that Okanagan Falls is a small community where general retail services are limited and local retail services include two liquor stores and one retail cannabis store. The community has also been impacted by the closure of the local grocery store.

In response to comments regarding the need or appropriateness of a second cannabis retail store in Okanagan Falls, the Okanagan Falls Town Centre is intended to support a diverse commercial base, which can include multiple businesses of the same type as well as a wide variety of businesses. An additional store helps support the commercial base in the OFTC.

In response to the proposed cannabis retail store being adjacent to residential units, parks, and the library, and not fitting with the other existing commercial tenants, the C1 and OFTC zones are meant to allow for a broad range of commercial uses within this area.

Further, there are no separation regulations for cannabis retail stores to parks, schools, residences or any other uses, and the Okanagan Falls Town Centre has an approved cannabis retail store location less than 200 metres from the proposed location.

Conversely, cannabis retail stores in general may not be seen by some members of the community as the positive growth that Okanagan Falls is trying to encourage and could be a deterrent in attracting economic development or residents to the community if cannabis retailers are clustered within a small service area.

Given the above, it is Administration’s recommendation to support the application.

Alternatives:

1. THAT the RDOS Board of Directors recommends that the subject development application be deferred to allow for additional consultation in the form of a public hearing;
AND THAT a public hearing be scheduled for the Regional District Board meeting of July 16, 2020;
AND THAT staff give notice of the public hearing in accordance with Development Procedures Bylaw No. 2500, 2011.

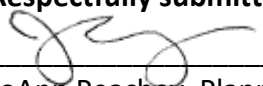
2. THAT the RDOS Board of Directors direct staff to forward the following recommendation to the Liquor & Cannabis Regulation Branch (LCRB);

AND THAT in accordance with Section 33(1) of the *Cannabis Control and Licencing Act*, the RDOS Board of Directors recommend denial of an application from Sticky Leaf for a proposed non-medical retail cannabis location at Unit 8A, 5350 Highway 97, Okanagan Falls (Lot A, Plan KAP60058, District Lot 2883s, SDYD), for a Non-medical Cannabis Retail Licence with operating hours from 9:00 am to 11:00 pm seven days a week;

AND FURTHER THAT the RDOS Board of Directors comments are as follows:

i) *TBD*

Respectfully submitted:



JoAnn Peachey, Planner I

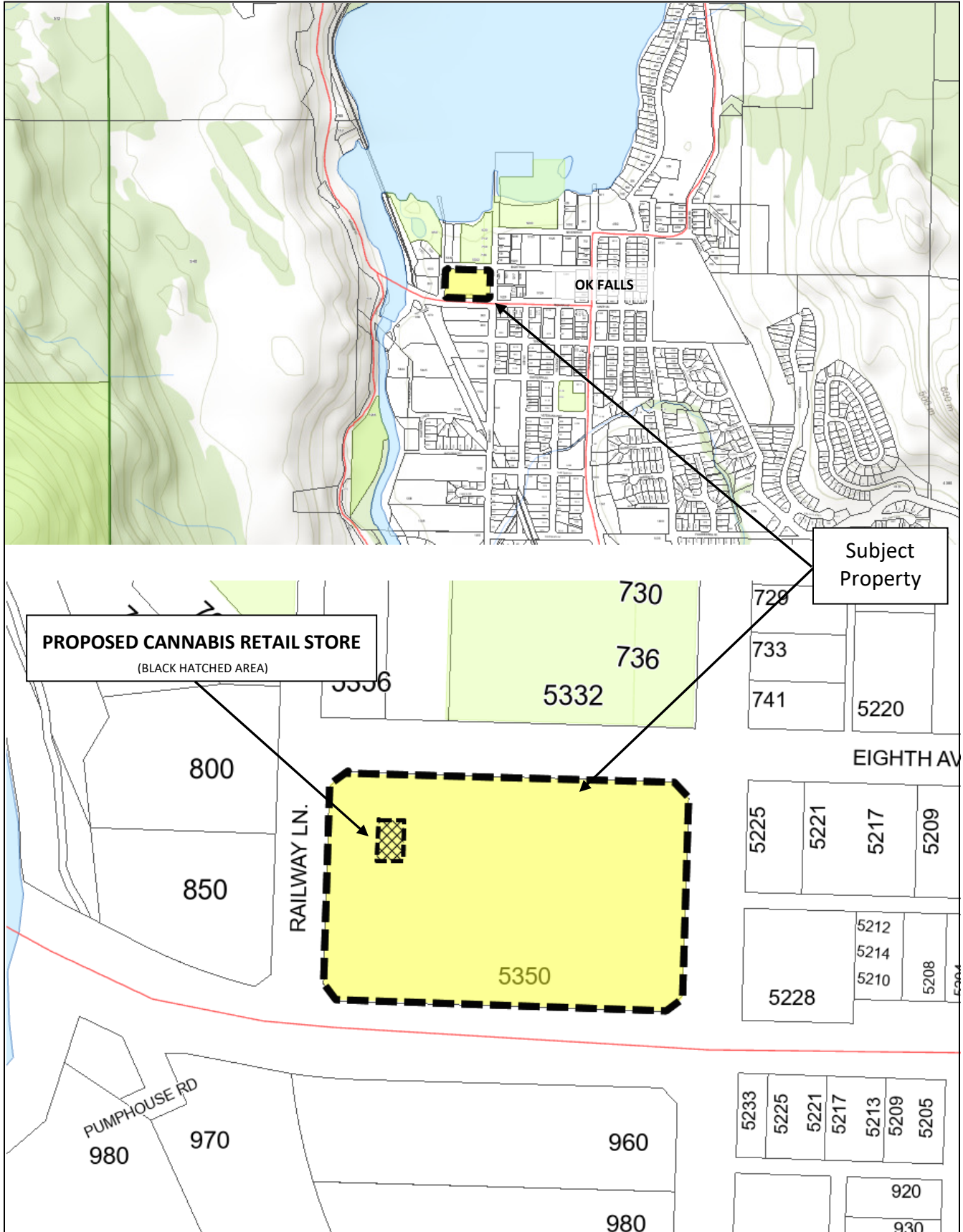
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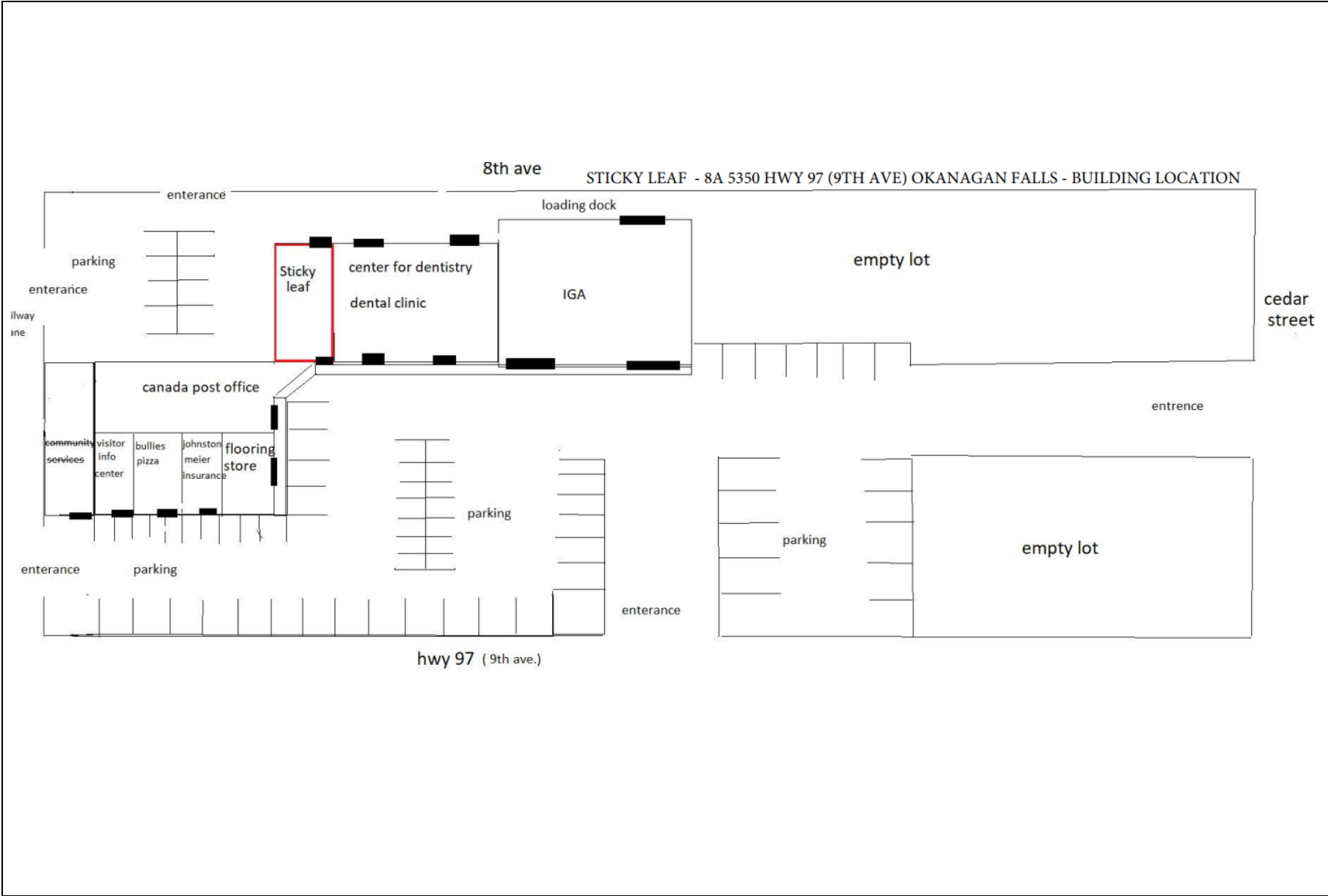
C. Garrish, Planning Manager

Attachments: No. 1 – Context Maps
No. 2 – Applicant’s Site Plan
3 – Site Photo (May 2020)

Attachment No. 1 – Context Maps



Attachment No. 2 – Applicant’s Site Plan



Attachment No. 3 – Site Photo (May 2020)

