

# City of Surrey PLANNING & DEVELOPMENT REPORT Application No.: 7925-0015-00

Planning Report Date: March 10, 2025

#### **PROPOSAL:**

- Rezoning from C-8 to CD
- Liquor and Cannabis Regulation Branch Recommendation

to permit a cannabis retail store in an existing commercial retail unit.

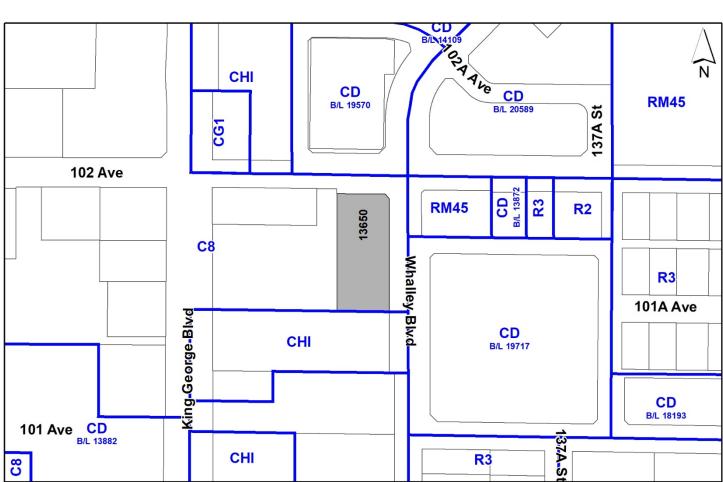
LOCATION: 13650 - 102 Avenue

ZONING: C-8

**OCP DESIGNATION:** Downtown

**CCP DESIGNATION:** Mid to High Rise Residential and

Mid to High Rise Mixed-Use



#### RECOMMENDATION SUMMARY

• By-law Introduction and set date for Public Hearing for Rezoning and Liquor and Cannabis Regulation Branch (LCRB) recommendation on the proposed cannabis retail store license

#### **DEVIATION FROM PLANS, POLICIES OR REGULATIONS**

None.

#### RATIONALE OF RECOMMENDATION

- The proposal complies with the Downtown designation in the Official Community Plan (OCP).
- The proposed CD Bylaw will allow for a cannabis retail store in an existing commercial retail unit.
- The proposed cannabis retail store and location was supported by Council at the November 4, 2024, Council meeting under Corporate Report No. 216, as one of the twelve successful applicants to proceed with an application. This selection was based on alignment with the City's Policy Framework and evaluation criteria for consideration of cannabis retail in the City (as outlined under Corporate Reports No. R216 and R055).
- The proposal would be one of two in the City Centre under consideration. Another application is anticipated for a location at 10449 King George Boulevard. The proposal meets evaluation criteria in: locating on a property that is designated "Downtown" under the Official Community Plan (OCP) and is zoned for commercial uses; meeting minimum distance requirements (200 metres) from Public schools and provincially funded independent schools, City community and recreation centres, and other proposed cannabis retail or production locations within the City; demonstrating operator experience; demonstrating conformance with parking requirements after addition of the retail use; and satisfying visibility, design, and Crime Prevention Through Environmental Design (CPTED) considerations through preparation of security and lighting plans.
- The applicant has applied for license under the Provincial Liquor and Cannabis Regulation Branch (LCRB) and is currently under consideration for a Suitability Letter (Applicant Security Screening and Financial Integrity Check) from the LCRB.
- The applicant has submitted letters of support from the subject property managers and the Downtown Surrey Business Improvement Association.

#### RECOMMENDATION

The Planning & Development Department recommends that:

- 1. A By-law be introduced to rezone the subject site from "Community Commercial Zone (C-8)" to "Comprehensive Development Zone (CD)" and a date be set for Public Hearing.
- 2. A public input opportunity is provided along with the Public Hearing to solicit feedback from area residents and business owners regarding the proposed cannabis retail store license.
- 3. Council instruct staff to resolve the following issues prior to final adoption:
  - (a) submission of finalized signage drawings to the satisfaction of the Planning and Development Department;
  - (b) execution of a Good Neighbour Agreement (GNA) between the applicant and the City to assist in mitigating any nuisance impacts the store may have on the surrounding area; and
  - (c) receipt of a Suitability Letter from the Provincial Liquor and Cannabis Regulation Branch (LCRB).
- 4. If supported after the Public Hearing, it is recommended that Council pass a resolution expressing support for the subject license to the Liquor and Cannabis Regulation Branch (LCRB).

#### **SITE CONTEXT & BACKGROUND**

Direction	Existing Use	CCP Designation	<b>Existing Zone</b>
Subject Site	Multi-tenant commercial building (1 storey)	Mid to High Rise Residential and Mid to High Rise Mixed-Use	C-8
North (Across 102 Avenue):	30-storey high-rise with commercial on the ground floor	Mid to High Rise Mixed-Use	CD (By-law No. 19570)
East (Across Whalley Boulevard):	2-storey apartment building, and 4- storey apartment building (under application for redevelopment Development Application No. 7918- 0289-00 for a high-rise apartment building with ground floor commercial)	Mid to High Rise Mixed-Use and High Rise Mixed Use Type I	RM-45 and CD (By-law No. 19717)
South:	Staples	Mid to High Rise Residential	СНІ
West:	Multi-tenant commercial building (1 storey)	Mid to High Rise Mixed-Use	C-8

#### **Context & Background**

• The subject site is currently a one-storey commercial building with several units, housing offices, and a restaurant currently. The property is 3,272 square metres, at the southwest corner of 102 Avenue and Whalley Boulevard.

#### DEVELOPMENT PROPOSAL

#### **Planning Considerations**

- The operator (Dutch Love Cannabis) proposes to open a cannabis retail store in an existing unit (Unit 201) of the subject property. Unit 201 is located on the northwest corner of the building, facing 102 Avenue. This building is currently occupied by offices and a Thai restaurant.
- The store would retail cannabis and cannabis accessory products in compliance with the Liquor and Cannabis Regulation Branch (LCRB) regulations. The proposal requires the following applications:
  - Rezoning of the site from "Community Commercial Zone (C-8)" to "Comprehensive Development Zone (CD)"; and
  - o Liquor and Cannabis Regulation Branch Recommendation.
- The proposed business would occupy a unit that is 120.3 square metres in area. The store is principally divided into a front retail area for patrons (53.74 square metres) and a secured rear storage and staff facility area. The storefront elevation is entirely glazed and provides visibility into the patron and front counter area, while portable banners and display cases are positioned to obscure products from outside the store. Operational hours would run from 10:00 am to 11:00 pm, seven days a week, as set out by the LCRB.
- The applicant intends to maintain the existing façade materials and appearance. New channel letter fascia signage for the store is proposed.

#### Referrals

Engineering: The Engineering Department has no objection to the project.

#### **POLICY & BY-LAW CONSIDERATIONS**

#### **Cannabis Retail License Approval Requirements**

- Cannabis retail stores are licensed and regulated by the Provincial Liquor and Cannabis Regulation Branch (LCRB) under the <u>Cannabis Control and Licensing Act</u>, as amended, and the Cannabis Licensing Regulation, as amended.
- Under Section 33(1) of the <u>Cannabis Control and Licensing Act</u>, the LCRB cannot issue a retail store license without receiving a positive recommendation regarding the application from the local government.

 After receipt of feedback on the subject proposal through a Public Hearing meeting, Mayor and Council may vote on forwarding a recommendation to the LCRB.

#### **Cannabis Retail Policy Framework Alignment**

- Under Corporate Report Ro55, a "Cannabis Retail in Surrey Policy Framework and Application Process" a framework was established for consideration of the first cannabis retail stores in the City. The purpose of this framework was to balance resident demand for cannabis retail within City boundaries while mitigating neighbourhood impacts, ensuring conformance with City bylaws, and maintaining an appropriate number of stores.
- Under this framework, criteria for ranking cannabis retail store proposals were developed. A
  Request for Expressions of Interest (RFEOI) process was conducted to solicit proposals from
  prospective cannabis retailers.
- Under Corporate Report No. R216, "Results of the Request for Expressions of Interest...Cannabis Retail", twelve high-ranking RFEOI applications were selected to proceed to a rezoning application under this process (two for each of the City's six town centres). The subject proposal is the only application in the City Centre area that has been received, with another upcoming application for a location at 10449 King George Blvd.
- The following is an evaluation of the application in relation to criteria under the Policy Framework.

#### **Policy Framework**

• Location: This criterion is intended to site a limited number of cannabis retail stores in centralized commercial areas on established multi-tenant properties. The policy allows for up to two retail stores per Surrey town centre areas: Whalley/City Centre, Guildford, Fleetwood, Newton, South Surrey, and Cloverdale. Stores should be permitted only in areas designated City Centre, Town Centre, or Commercial in the OCP and on lots zoned "Neighbourhood Commercial Zone (C-5)", "Community Commercial Zone (C-8)", "Town Centre Commercial Zone (C-15)", "Downtown Commercial Zone (C-35)", or "Highway Commercial Industrial Zone (CHI)".

The subject application is one of two proposed in the Whalley / City Centre area, with another location selected at 10449 King George Boulevard. The subject property is currently zoned Community Commercial Zone (C-8) and falls within the City Centre Plan.

• **Separation Distances**: This criterion is intended to discourage a concentration and proximity between cannabis retail stores and site stores away from areas where minors may be unaccompanied. Proposed locations must be a minimum of 200-metres from the following sensitive uses, as measured from the front door of the premises to the nearest property line of the sensitive use: Public or Provincially funded Independent Schools; City Community Centres and Recreation Centres; and Existing Cannabis Retail or Production Locations within Surrey.

The subject site falls outside of a 200 metre buffer from the described uses.

• **Related experience of the operator**: This criterion is intended to ensure that the initial cannabis retail operators in the City have experience in cannabis retail or similar operations, are familiar with licensing and regulatory requirements under the LCRB (or other provincial branches and provincial regulatory environments).

The operator (Dutch Love Cannabis) holds LCRB license at four other locations and is going through the application process at four other locations. Current operations are two in the City of Vancouver, one in the City of Kelowna, one in the City of Toronto, and three more applications in process at the City of Vancouver.

• Parking and access plan: This criterion is intended to ensure that the sites will have sufficient parking in conformance with the Zoning By-law after addition of the cannabis retail use and that egress from the parking lot is functional. This is to avoid scenarios where addition of the cannabis retail would exacerbate limited parking or result in impacts on local traffic.

The subject site currently permits retail and conforms to parking requirements under the Zoning By-law. The property derives access from Whalley Boulevard.

• Visibility, lighting, design, and CPTED (crime prevention through environmental design) elements: This criterion is intended to ensure that plans are in-place for exterior and internal lighting, alarms, surveillance cameras, sightlines into the storefront, and design elements intended to discourage potential impacts such as loitering and odour.

The applicant notes that interior and exterior cameras will be installed. A clear line of sight will be established for a clear view of the retail sales floor inside and outside of the premises. Products will be stored within a secure vault. All cannabis products will be received and sold in smell-proof containers packaged by licensed producers. Customers are prohibited from opening products in and around the premises and from loitering or smoking on site.

#### CD By-law

- Under Part 4 General Provisions of the Zoning By-law, "Cannabis Dispensary or Cannabis Production Facility" is identified as a restricted use that cannot be permitted under any Zone that does not provide for the cannabis use specifically. Addition of the cannabis retail use will be conducted through amendment of the existing CD zone.
- The applicant is proposing to rezone the site from "Community Commercial Zone (C-8)" to a "Comprehensive Development Zone (CD)" based on C-8 to add cannabis retail as a permitted use. The Bylaw would permit "one cannabis retail store operating in-accordance with a cannabis retail store license issued under the <u>Cannabis Control and Licensing Act</u>, as amended". The retail store license is a category of license under the Act and the Cannabis Licensing Regulation, as amended, for the retail of commercial cannabis products and cannabis accessories for off-site use.
- The CD Bylaw would also include a provision to limit cannabis retail store area under the Zone to a maximum of 130 square metres (a moderate increase above the 120.3 square metres proposed for the subject store). This is intended to prevent concentration of cannabis retail uses on the subject site.

• No other changes to the uses under the C-8 zone are proposed through the CD By-law. No new building is proposed as part of the proposal.

#### PUBLIC ENGAGEMENT

• Pre-notification letters were sent on January 24, 2025, and the Development Proposal Signs were installed on January 29, 2025. Staff received no responses from neighbouring residents.

#### INFORMATION ATTACHED TO THIS REPORT

The following information is attached to this Report:

Appendix I. Architectural Drawings (Context, Site Plan, Floor Plan, Elevations, Signage)
Appendix II. Corporate Report No. R216 "Results of the Request for Expressions of Interest...Cannabis Retail" dated October 30, 2024

approved by Shawn Low

Ron Gill General Manager Planning and Development

JK/cb

PROPOSED REZONING OF EXISTING UNIT — UNIT 201 - 13650 102nd AVENUE, SURREY, BC

Appendix I

CHRISTOPHE VAISSADE

WWW.CVDESIGNS.CA



AVENUE 13650 BC SURREY, g 201  $\overline{Q}$ 

Ö

NOV 2024

1/32" = 1'-0" ROJECT No.

ADDRESS UNIT 201 - 13650 102nd AVENUE, SURREY, BC

LEGAL DESCRIPTION

ZONING

ZONING C-8 COMMUNITY COMMERCIAL

EXISTING USE SUPPLEMENT STORE (GROUP E) ( TABLE 3.1.2.1)

PROPOSED USE RETAIL (GROUP E) TABLE 3.1.2.1)

EXISTING FLOOR AREA : ADDITIONAL FLOOR AREA FAR 1,295 S.F. 0 S.F.

GROSS TOTAL FLOOR AREA: 1,295 S.F.

LOT I SECTION 26 BLOCK 5 NORTH RANGE 2 WEST NWD PLAN BCP39750

BCBC 3.1.3.1. - BCBC 3.1.3.1. ADJACENT SUITE GROUP A-2 ADJACENT SUITE GROUP D

#### CODE ANALYSIS

MEZZANINE

GROUP E, UP TO 2 STOREY, SRPINKLERED MAJOR OCCUPANCY DIVIDED BY BCBC 2018 BUILDING CLASSIFICATION

N/A

SUBJECT SUITE MAJOR OCCUPANCY - GROUP E

FR.R. & SEPARATION 3.2.2.69. BCBC 2018

CONSTRUCTION COMBUSTIBILITY COMB / NON-COMB

FLOOR N/A

COLUMNS / LOADBEARING WALL 45 MIN OR NON-COMB

ROOF N/A

SUITE TO SUITE FIRE SEPARATION 2 HR

OCCUPANT LOAD 25 PERSONS IN TOTAL

WASHROOM I UNISEX ACCESSIBLE W/C ARE PROVIDED

EXITING (1) EXIT AREA LIMIT = 2,152 S.F. (200 SM) - REF T 3.4.2.1.(A)

SUITE AREA 1,295 S.F. (120 SM), (1) EXIT IS REQUIRED \$ 1 PROVIDED

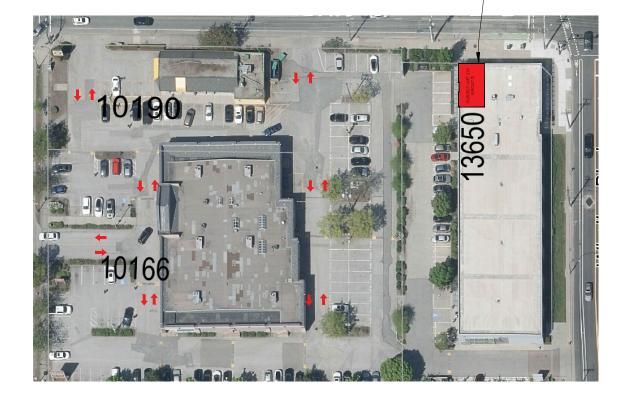
(1) EXIT TRAVEL DISTANCE LIMIT = 82.02' (25 M) - REF T 3.4.2.1.(A)

PROVIDED MAXIMUM TRAVEL DISTANCE = TO EXIT O1 = 70.23' (21.41m) (1) EXITS ARE PROVIDED

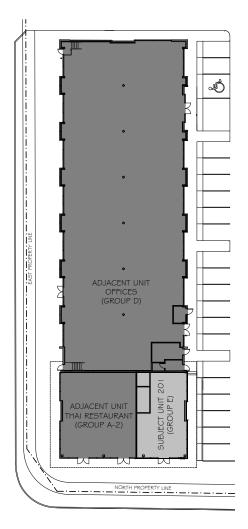
(1) MEANS OF EGRESS EXIT LIMIT = 2,152 S.F. (200 SM) (1) MEANS OF EGRESS DISTANCE LIMIT = 82.02' (25 M) MEANS OF EGRESS

(I) MEANS OF EGRESS IS REQUIRED PER ROOM \$ I PROVIDED

ACCESSIBILITY ACCESSIBILITY IS REQUIRED \$ PROVIDED







GENERAL NOTES UPDATED DEC 2018

- THESE DRAWINGS HAVE BEEN PREPARED IN ACCORDANCE WITH THE B.C. BUILDING CODE 2018.
- 3. ALL WORK SHALL CONFORM TO THE B.C. BUILDING CODE (2018) AND ALL LOCAL MUNICIPAL CODES AND BY-LAWS.
- CONTRACTOR OR BUILDER TO VERIFY ROUGH OPENINGS OF ALL DOORS, WINDOWS, FITTINGS, APPLIANCES, AND BUILT-IN EQUIPMENT PRIOR TO CONSTRUCTION.
- SLOPE FINISHED GRADE AWAY FROM THE BUILDING MINIMUM 1/4" / 1"-0" TO PROVIDE ADEQUATE DRAINAGE.
- CONCRETE STRENGTH SHALL CONFORM TO 9.3.1.G. B.C. BUILDING CODE 2018 CONFIRM WITH STRUCTURAL ENGINEER.
- ARCHITECTURAL CONCRETE TO BE WELL VENTILATED, CLEAR OF ANY HONEYCOMB AND TO HAVE A SMOOTH EVEN TEXTURED FINISH
- CONGRETE SLABS TO BE SEALED IN ACCORDANCE WITH SUBSECTION 9.13.4.7 OF THE B.C. BUILDING CODE (2016 EDITION).
- ROOF TRUSS MANUFACTURER TO PROVIDE SHOP DRAWINGS SEALED BY A REGISTERED PROFESSIONAL ENGINEER PRIOR TO INSTALLATION.
- 10. ROOF VENTING SHALL BE 1/300 OF INSULATED CEILING SPACE. VENTS SHALL BE UNIFORMLY DISTRIBUTED.
- FASTEN ALL GYPSUM WALL BOARD (G.W.B.) IN CONFORMANCE WITH SUB SECTION 9.29.5 OF THE B.C. BUILDING CODE (2018 EDITION).
- 18. 9. 29.5.6 (L) 19. C. B. C. 2016 FOR SINGLE-LAYER OFFSUM BOARD AFFLICATION, MAILS SHALL BE USED AND NOT MORE THAN 200 mm APART ALONG VERTICAL WALL SUPPORTS, EXCEPT THAT HALLS MAY BE SPACED SUCH WALL OR CELLING SUPPORTS, SUCH WALL OR CELLING SUPPORTS, 200 mm APART AND MORE THAN SUPPORTS.
- 19. 9.29.5.9 B.C.B.C. 2018 WHERE SINGLE-LAYER
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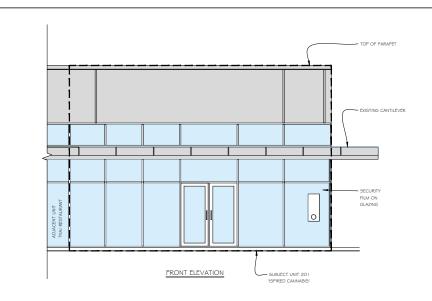
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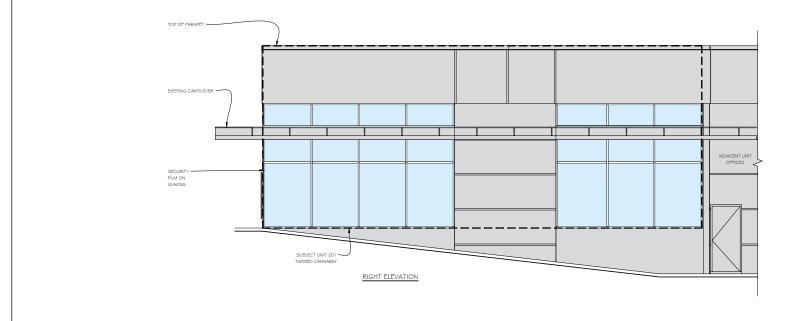
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ITENT :			
TE PLAN			

NOV 2024 1/10" = 150"

PROJECT NO





THESE DRAWINGS HAVE BEEN PREPARED IN ACCORDANCE WITH THE BCBC 2024



BUILDING DESIGNER
T: 604 614.6527
E: chris@cvdesigns.ca
WWW.CVDESIGNS.CA



201 - 13650 102nd AVENUE SURREY, BC.

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nterprises Ltd.	NOV 14, 2024	REMSIONS FOR PERMITS
650 102nd AVENUE, SURREY, BC		
9		

NOV 2024 E: NTS



9 8337 Eastlake Dr. Unit 120

info@influencesigns.com

influencesigns.com

604.565.7446

PROOF VERSION: # 2

Client: Lightbox Enterprises Ltd.

Date: 01/17/2025

Colours:

Address:
Unit 201, 13650
102nd Ave
Surrey, BC
Design By: INFLUENCE

## FRONT Mock-up





9 8337 Eastlake Dr. Unit 120

info@influencesigns.com

influencesigns.com

604 . 565 . 7446

PROOF VERSION: # 2

Client: Lightbox Enterprises Ltd.

Date: 01/17/2025

Colours:

Address:
Unit 201, 13650
102nd Ave
Surrey, BC
Design By: INFLUENCE

## BACK Mock-up west side



Proofing is 100% the customer's responsibility. Any changes made after approval may result in additional charges



## INTER-OFFICE MEMO

Regular Council - Public Hearing Item G. CR216 Monday November 4, 2024

TO:

City Clerk

FROM:

Acting General Manager, Planning & Development

DATE:

November 4, 2024

FILE:

1220-050-2024-013

RE:

Administrative Error - Corporate Report No. R216; 2024

Results of the Request for Expressions of Interest No. 1220-050-2024-013

**Cannabis Retail** 

Council will consider Corporate Report No. R216 "Results of the Request for Expressions of Interest No. 1220-050-2024-013 Cannabis Retail" at the November 4, 2024, Regular Council – Public Hearing meeting.

After finalizing the report, staff have identified an administrative error in the selection process for the Cloverdale community. The application from 1371511 BC Ltd. "137 Brands" with a proposed location at 17608 56 Avenue has been confirmed ineligible due to its location within 200 metres of a publicly funded high school (Cloverdale Learning Centre at 5658 176 Street).

By virtue of its ineligibility, "137 Brands" will be replaced by the other eligible applicant in the Cloverdale community, which is the application by L & M Business Consulting Limited "UEM Cannabis", with a proposed location at #100 – 5828 176 Street.

Please update the table on Page 2 of the report by replacing 131511 BC Ltd. "137 Brands" at 17608 56 Avenue with L & M Business Consulting Limited "UEM Cannabis" at #100 - 5828 176 Street.

Ron Gill, MA, MCIP, RPP Acting General Manager, Planning & Development

Cc

City Manager General Manager, Corporate Services Manager, Procurement & Payables

#### **DISCUSSION**

The administrative screening eliminated six applications on the basis of an incomplete submission submitted within the RFEOI period (two applications), zoning or *Surrey Official Community Plan Bylaw, No. 18020, 2013* ("OCP") designations not compliant with the RFEOI requirements (three applications), or locations that did not adhere to minimum separation distances from schools or community recreation centres as set out in the RFEOI (one application).

The remaining applications were deemed eligible for the second stage evaluation and were reviewed in detail by an evaluation team made up of three senior staff members: the Acting General Manager, Planning & Development, the General Manager, Corporate Services, and the Special Projects Manager (the "Evaluation Team"), with the process overseen by the Manager, Procurement Services. Consistent with Council's approved selection framework, the Evaluation Team selected up to two applications in each community that best met the intent and criteria set out in the RFEOI document.

The results of this selection process identified the following successful applications in each of the communities:

Community	Business	Proposed Location	
	Lightbox Enterprises Ltd. dba	#201-13650 102	
Whalley/City Centre	"Dutch Love Cannabis"	Avenue	
whalley/City Centre	Local Surrey Holdings Co.	10449 King George	
	"Local Cannabis"	Boulevard	
	1268236 BC Ltd. dba	#502-7380 King	
Newton	"Imagine Cannabis"	George Boulevard	
Newton	1181168 BC Ltd. dba	12 10 0 00 Avenue	
	"Surrey Cannabis Connection"	12499 88 Avenue	
	Burb Cannabis Corp.	#108-15775 Croydon	
Couth Curroy	"Burb Cannabis"	Drive	
South Surrey	Lightbox Enterprises Ltd. dba	#10 # 16 000 0 1 Avonus	
	"Dutch Love Cannabis"	#125-16030 24 Avenue	
	1486965 BC Ltd. dba	#100 001 1 To Ctroot	
Fleetwood	"Inspired Cannabis"	#103-9014 152 Street	
rieetwood	1181168 BC Ltd. dba	15148 Fraser Highway	
	"Surrey Cannabis Connection"	15140 Fraser Highway	
	L & M Business Consulting Limited	<u>#100-5828 176</u>	
	" <u>UEM Cannabis</u> "1371511 BC Ltd.	<u>Street</u> 17608 56	
Cloverdale	<del>"137 Brands"</del>	Avenue	
	Queensborough Cannabis Co. Ltd	19581 Fraser Highway	
	"Queensborough Cannabis"		
	1486965 BC Ltd. dba	10282 150 Stroot	
Guildford	"Inspired Cannabis"	10383 150 Street	
Gundioid	1268236 BC Ltd. dba	#5 10220 152 Stroot	
	"Imagine Cannabis"	#5-10330 152 Street	



### CORPORATE REPORT

NO: R216 COUNCIL DATE: November 4, 2024

#### **REGULAR COUNCIL**

TO: Mayor & Council DATE: October 30, 2024

FROM: Acting General Manager, Planning & Development FILE: 1220-050-2024-013

**General Manager, Corporate Services** 

SUBJECT: Results of the Request for Expressions of Interest No. 1220-050-2024-013

**Cannabis Retail** 

#### RECOMMENDATION

The Planning & Development Department and the Corporate Services Department recommend that Council:

- 1. Receive this report for information; and
- 2. Direct staff initiate rezoning applications on behalf of the eight successful applicants at twelve locations to permit Cannabis Retail on the proposed sites, for Council's consideration.

#### **INTENT**

The intent of this report is to inform Council of the successful applicants to the Request for Expressions of Interest No. 1220-050-2024-013 for Cannabis Retail.

#### **BACKGROUND**

At its Regular Council Public Hearing on April 8, 2024, Council approved the recommendations of Corporate Report No. Ro55; 2024 (attached as Appendix "I"), which set out a framework for approving a limited number of cannabis retail stores through a Request for Expressions of Interest ("RFEOI") process.

An RFEOI was issued on July 19, 2024, and closed on September 19, 2024. Thirty-one submissions were received over a two-month period. The Council-approved framework has set a limit of up to two cannabis retail stores in each of the City's six communities in the initial approval round.

As set out in Corporate Report No. Ro55; 2024 and the RFEOI document (attached as Appendix "II"), staff conducted a two-stage review and evaluation of the submissions received comprised of an initial administrative screening and a subsequent evaluation of the eligible applications that passed the initial administrative screening.

#### **DISCUSSION**

The administrative screening eliminated six applications on the basis of an incomplete submission submitted within the RFEOI period (two applications), zoning or *Surrey Official Community Plan Bylaw, No. 18020, 2013* ("OCP") designations not compliant with the RFEOI requirements (three applications), or locations that did not adhere to minimum separation distances from schools or community recreation centres as set out in the RFEOI (one application).

The remaining applications were deemed eligible for the second stage evaluation and were reviewed in detail by an evaluation team made up of three senior staff members: the Acting General Manager, Planning & Development, the General Manager, Corporate Services, and the Special Projects Manager (the "Evaluation Team"), with the process overseen by the Manager, Procurement Services. Consistent with Council's approved selection framework, the Evaluation Team selected up to two applications in each community that best met the intent and criteria set out in the RFEOI document.

The results of this selection process identified the following successful applications in each of the communities:

Community	Business	Proposed Location	
	Lightbox Enterprises Ltd. dba	#201-13650 102	
Whalley/City Centre	"Dutch Love Cannabis"	Avenue	
whalley/City Centre	Local Surrey Holdings Co.	10449 King George	
	"Local Cannabis"	Boulevard	
	1268236 BC Ltd. dba	#502-7380 King	
Newton	"Imagine Cannabis"	George Boulevard	
Newton	1181168 BC Ltd. dba	12 40 0 00 Avenue	
	"Surrey Cannabis Connection"	12499 88 Avenue	
	Burb Cannabis Corp.	#108-15775 Croydon	
South Surrey	"Burb Cannabis"	Drive	
South Surrey	Lightbox Enterprises Ltd. dba	#125 16020 24 Avenue	
	"Dutch Love Cannabis"	#125-16030 24 Avenue	
	1486965 BC Ltd. dba	#102 0014 152 Stroot	
Fleetwood	"Inspired Cannabis"	#103-9014 152 Street	
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	"Surrey Cannabis Connection"	15140 Flaser Highway	
	1371511 BC Ltd.	17608 56 Avenue	
Cloverdale	"137 Brands"	17000 50 Avenue	
Cloverdale	Queensborough Cannabis Co. Ltd	19581 Fraser Highway	
	"Queensborough Cannabis"		
	1486965 BC Ltd. dba	10282 150 Street	
Guildford	"Inspired Cannabis"	10383 150 Street	
Gunuloru	1268236 BC Ltd. dba	#5-10330 152 Street	
	"Imagine Cannabis"	π5-10330 152 3t1eet	

In summary, the selection committee has identified eight reputable companies as the successful applicants for 12 retail locations. The Council-approved framework allowed for an inclusive, robust, and fair selection process that provided applicants of varied experiences and backgrounds an opportunity to be considered.

If Council approves the recommendations in this report, staff intends to initiate a site-specific rezoning application on behalf of each of the selected applicants to permit the cannabis retail use at their proposed location, for Council's consideration; the selected RFEOI applicants will still be required to pay applicable fees. The rezoning process will take the form of a text amendment to *Surrey Zoning By-law, No. 12000, 1993* (the "Zoning By-law"), and will include a public hearing on each proposed location. Final approval of rezoning is conditional on receiving provincial licensing approval and confirmation from the Liquor and Cannabis Regulation Branch ("LCRB") that the proponent is in good standing.

If rezoning of a property to permit a cannabis retail use is approved, proponents would need to obtain a business license from the City, along with any other permits that may be required for a specific location to operate the intended use (sign permit, tenant improvement building permit, development permit).

#### **Legal Services Review**

This report has been reviewed by Legal Services.

#### **CONCLUSION**

The RFEOI seeking qualified proponents to operate a limited number of cannabis retail stores within each community in Surrey resulted in two applications in each of the six Surrey communities that have been identified by the Evaluation Team as most successful in meeting the objectives of the City, as set out in the RFEOI.

If Council endorses the recommendations of this report, staff will initiate rezoning applications on behalf of the successful proponents to permit a cannabis retail store in the proposed location; the selected RFEOI applicants will still need to pay applicable fees. The rezoning process will include a public hearing and conditions of approval that include licensing through the LCRB.

Original signed by Ron Gill, MA, MCIP, RPP Acting General Manager, Planning & Development Original signed by Joey Jatinder Singh Brar General Manager, Corporate Services

Appendix "I" Corporate Report No. Ro55; 2024 Appendix "II" Request for Expressions of Interest No. 1220-050-2024-013







### CORPORATE REPORT

NO: R055

COUNCIL DATE: April 8, 2024

#### REGULAR COUNCIL

TO:

**Mayor & Council** 

DATE: April 4, 2024

FROM:

General Manager, Planning & Development

FILE: 3900-20

General Manager, Corporate Services

SUBJECT:

Cannabis Retail in Surrey - Policy Framework and Application Process

#### RECOMMENDATION

The Planning & Development Department and the Corporate Services Department recommend that Council:

- Receive this report for information; and
- 2. Endorse the policy framework and application process for regulating cannabis retail stores, attached as Appendix "I" and as generally described in this report.

#### INTENT

The intent of this report is to seek Council's endorsement of the cannabis retail policy framework and application process in Surrey, following feedback from Council on Corporate Report No. R137; 2023 at the Regular Council Public Hearing meeting of July 24, 2023 and subsequent outreach with cannabis retail industry representatives and the public.

#### BACKGROUND

On July 24, 2023, through Corporate Report No. R137; 2023 (attached as Appendix "II"), staff proposed a framework that would initially limit the number of store locations to one in each of Surrey's six Town Centres (City Centre, Guildford, Fleetwood, Newton, Cloverdale, and Semiahmoo) as designated in Surrey Official Community Plan Bylaw, 2013, No. 18020 (the "OCP"), with a priority given to City-owned sites. The proposed process also contemplated that a competitive process would then be held to select a business operator, with the selected property and business owner being brought to Council for consideration. Additionally, it was proposed that in those Town Centres where a City-owned property is not found, a privately owned property would be determined through a competitive process and brought forward for Council consideration.

Council referred the report back to staff, specifically to review the location of stores and the use of City-owned property for the intended purpose, and to consult with the cannabis retail sector.

Staff subsequently reviewed and revised the proposed policy and have made revisions based on additional best practice review and feedback following community engagement.

#### Community and Stakeholder Engagement

Staff hosted a cannabis retail stakeholder workshop in October 2023 to gain insights from the retail industry and to better understand current best practices. Staff also undertook additional research into current cannabis retail approaches of regional municipalities. Findings from the stakeholder workshop and best practice research was used to refine the proposed policy framework.

In January 2024, the City launched a public engagement campaign to gather public feedback on the proposed cannabis retail policy framework. The campaign included a project website and public survey. In total, 4,169 surveys were completed with 96% of respondents from Surrey. The results were supportive of retail cannabis in Surrey with 68% of respondents supporting 12 or more stores City-wide. Additionally, 51% of respondents reported they would be likely to visit future cannabis retail stores in Surrey. A comprehensive engagement summary is attached as Appendix "III".

#### **DISCUSSION**

#### **Proposed Policy Framework**

#### <u>Locational Requirements</u>

The policy allows for up to two retail stores per Surrey community – Whalley/City Centre, Guildford, Fleetwood, Newton, South Surrey, and Cloverdale – to be permitted only in areas designated City Centre, Town Centre, or Commercial in the OCP and on lots zoned C-5 Neighbourhood Commercial Zone, C-8 Community Commercial Zone, C-15 Town Centre Commercial Zone, C-35 Downtown Commercial Zone, or CHI Highway Commercial Industrial Zone.

#### Separation Distances

Any proposed locations must be a minimum of 200-metres from the following sensitive uses, as measured from the front door of the store to the nearest property line of the sensitive use location:

- Public or Provincially funded Independent Schools;
- City Community Centres and Recreation Centres; and
- Existing Cannabis Retail or Production Locations within Surrey.

#### **Application Process**

The City will have a 60 day application window to receive applications in one or more community areas at a time. A Request for Expressions of Interest ("RFEOI") will be used to solicit applications which staff will review and evaluate based on established criteria.

#### Pre-screening

Complete applications will be pre-screened to ensure that they meet basic requirements around the OCP designation, current zoning, and separation requirements, as well as having valid

ownership or a lease agreement for the proposed location with a letter of permission from the owner/strata. Applicants will also be required to show proof of an application for a license from the Liquor and Cannabis Regulation Branch ("LCRB").

#### Evaluation

Applications that respond to the City's RFEOI and that pass the pre-screening will then be ranked, taking into consideration the following:

- General compliance with the submission requirements of the RFEOI
- Location
- Separation distances
- Related experience of the operator
- Parking and access plan
- Visibility, lighting, and Crime Prevention Through Environmental Design elements
- Signage and façade design

#### Selection

The RFEOI process will result in up to two applications per community advancing to Council for consideration of site-specific rezoning, including a public hearing. Various requirements may then be needed ahead of retail operations including, but not limited to, a suitability letter from the provincial licensing authority, a valid license from the LCRB, a valid license from the City, and any required building permits for tenant improvements, development permit and/or sign permit.

#### **Next Steps**

Pending approval by Council of this report, staff will prepare the RFEOI documents and seek to open the application window in Q2 of 2024.

#### CONCLUSION

Following an initial review by Council and a consultation session with the cannabis retail industry and general public, staff seek Council's endorsement of the policy framework and application process as outlined in this report.

Don Luymes

General Manager, Planning & Development

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General Manager, Corporate Services

Appendix "I" Policy Framework and Application Process

Appendix "II" Corporate Report No. R137; 2023

Appendix "III" Public Engagement Summary

**APPENDIX "II"** 



## REQUEST FOR EXPRESSIONS OF INTEREST AND STATEMENTS OF QUALIFICATIONS

Title: RETAIL SALES OF CANNABIS AND CANNABIS RELATED

**PRODUCTS** 

**Reference No.**: 1220-050-2024-013

(General Services)

Issue Date: July 19, 2024

#### **TABLE OF CONTENTS**

1.	INT	FRODUCTION	3
	1.1	Purpose	3
	1.2	Eligibility	3
	1.3	Context and Background	3
	1.4	Objective and Purpose	3
	1.5	Definitions	
2.	INS	STRUCTIONS TO RESPONDENTS	5
	2.1	Address Submission Delivery	
	2.2	Date	
	2.3	Inquiries	5
	2.4	Addenda	
	2.5	Status Inquiries	
3.	SU	BMISSION FORM AND CONTENTS	6
	3.1	Relevant Experience	
	3.2	Qualifications and Experience	
	3.3	Form and Contents of Submission	
	3.4	Signature	9
4.	EV	ALUATION AND SELECTION	9
	4.1	Evaluation Team	9
	4.2	Evaluation and Scoring of Respondents	
	4.3	Evaluation Criteria	11
	4.4	Evaluation Process	12
	4.5	Litigation	13
5.	GE	NERAL CONDITIONS	13
	5.1	No City Obligation	13
	5.2	Respondent's Expenses	13
	5.3	No Agreement	
	5.4	Conflict of Interest	14
	5.5	Solicitation of Council Members and City Staff	
	5.6	Confidentiality	
6.	CIT	TY DISCLAIMER	14
7	Dic	SCI AIMED	15
,		N. I. Alivier	16

#### REQUEST FOR EXPRESSIONS OF INTEREST AND STATEMENTS OF QUALIFICATIONS

#### 1. INTRODUCTION

#### 1.1 Purpose

The purpose of this Request for Expressions of Interest / Statements of Qualifications (the "RFEOI/SOQ") is to invite submissions (the "Submission") from interested and qualified individuals and/or organizations (each a "Respondent") indicating their interest in and qualifications to undertake the retail sale of cannabis and cannabis related products within City boundaries.

The City may at any time and at its sole discretion decide to cancel this process for any reason

#### 1.2 Eligibility

The RFEOI/SOQ is open to any interested party, including teams composed of individuals and/or firms.

#### 1.3 Context and Background

The Government of Canada ("Canada") introduced and approved Bill C-45 legislation that legalized the production, processing, sale, and use of recreational cannabis in Canada.

The Province of British Columbia, through the Liquor and Cannabis Regulation Branch ("LCRB"), is responsible for the procurement and wholesale distribution of recreational cannabis to local retailers.

Canada and the Province of British Columbia, through the LCRB have established a regulatory framework (the "Regulatory Framework") authorizing the retail sales of cannabis and cannabis related products. This Regulatory Framework establishes a number of guiding principles. These guiding principles are available to view on the Province of British Columbia, LCRB website at <a href="https://www2.gov.bc.ca/gov/content/employment-business/business/liquor-regulation-licensing">https://www2.gov.bc.ca/gov/content/employment-business/business/liquor-regulation-licensing</a>

The City has established a framework for regulating cannabis retail stores that initially limits the number of store locations to up to two retail stores per Surrey community – Whalley/City Centre, Guildford, Fleetwood, Newton, South Surrey, and Cloverdale – to be permitted only in areas designated City Centre, Town Centre, or Commercial in the OCP and on lots zoned C-5 Neighborhood Commercial Zone, C-8 Community Commercial Zone, C-15 Town Centre Commercial Zone, C-35 Downtown Commercial Zone, or CHI Highway Commercial Industrial Zone in the Zoning By-law.

#### 1.4 Objective and Purpose

The City recognizes that there is a desire by some of the City's residents to be able to purchase cannabis and cannabis related products from local retail businesses.

The City also recognizes that there are other considerations to providing the retail sales of cannabis and cannabis related products for use within the City's boundaries. Those considerations include, but are not limited to the following:

- (a) Determining the number of locations, if any, where the retail sale of cannabis products should be permitted within City boundaries;
- (b) Determining the appropriate location(s), if any, where the retail sale of cannabis products should be permitted within the City boundaries;
- (c) Identifying and addressing the neighborhood impacts of permitting in a particular location with the City's boundaries the retail sale of cannabis and cannabis related products;
- (d) Bylaw enforcement and administrative costs associated with:
  - Ensuring that the retail sale of cannabis and cannabis related products are for sale in particular locations and in compliance with the Regulatory Framework and all applicable City bylaws; and
  - Addressing nuisance issues relating to public use of cannabis.

To address these challenges, the City has implemented a policy framework that must be applied in determining the location(s), where the retail sale of cannabis products can occur within the boundaries of the City (the "**Policy Framework**"). In this regard, the retail sale of cannabis products must not be located within:

A <u>minimum of 200-metres</u> from the following sensitive uses, as measured from the front door of the store to the nearest property line of the sensitive use location:

- Public or Provincially funded Independent Schools;
- City Community Centres and Recreation Centres; and
- Existing cannabis retail or production locations within Surrey

The City Council-approved Policy Framework is found in <u>Corporate Report No. R055; 2024</u> linked from the City of Surrey website.

#### 1.5 Definitions

In this RFEOI/SOQ the following definitions shall apply:

- (a) "BC Bid Website" means www.bcbid.gov.bc.ca;
- (b) "City" means the City of Surrey;
- (c) "City Representative" has the meaning set out in Section 2.3;
- (d) "City Website" means www.surrey.ca;
- (e) "Date" has the meaning set out in Section 2.2;
- (f) "Evaluation Team" means the team appointed by the City;
- (g) "Preferred Respondent(s)" means the Respondent(s) selected by the Evaluation Team;

- (h) "Respondents" (individually the "Respondent") means an entity that submits a Submission in response to the RFEOI/SOQ issued by the City;
- (i) "RFEOI/SOQ" means this Request for Expression of Interest and Statements of Qualifications;
- (j) "Submission" means a submission submitted in response to this RFEOI/SOQ.

#### 2. INSTRUCTIONS TO RESPONDENTS

#### 2.1 Address for Submission Delivery

The Respondent should submit the Submission <u>electronically</u> in a single PDF file which must be received by the City by email at: <u>purchasing@surrey.ca</u>

Confirmation of receipt of email will be issued. Submissions that cannot be opened or viewed may be rejected. A Respondent bears all risk that the City's receiving equipment functions properly so that the City receives the Submission.

**Note**: The maximum file size the City can receive is 10Mb. If sending large email attachments, Respondents should phone [604-590-7274] to confirm receipt.

#### 2.2 **Date**

The City would prefer to receive Submissions on or before September 17, 2024. (the "Date")

#### 2.3 Inquiries

All inquiries related to this RFEOI/SOQ should be directed in writing to the person named below (the "City Representative"). Information obtained from any person or source other than the City Representative may not be relied upon.

Name: Sunny Kaila, Manager, Procurement Services

Email: <u>purchasing@surrey.ca</u>
Reference No.: <u>1220-050-2024-013</u>

Inquiries should be made no later than seven (7) business days before the Date. The City reserves the right not to respond to inquiries made within seven (7) business days of the Date. Inquiries and responses will be recorded and may be distributed to all Respondents at the discretion of the City.

Respondents finding discrepancies or omissions in the RFEOI/SOQ documentation or having doubts as to the meaning or intent of any provision should immediately notify the City Representative. If the City determines that an amendment is required to this

RFEOI/SOQ, the City Representative will issue an addendum in accordance with Section 2.4. No oral conversation will affect or modify the terms of this RFEOI/SOQ nor be relied upon by any Respondent.

#### 2.4 Addenda

If the City determines that an amendment is required to this RFEOI/SOQ, the City Representative will issue a written addendum by posting it on the BC Bid Website at www.bcbid.gov.bc.ca (the "BC Bid Website) and the City Website at www.surrey.ca (the "City Website") "(collectively, the "Websites"), and upon posting, any addenda will form part of this RFEOI/SOQ. It is the responsibility of Respondents to check the Websites for addenda. The only way this RFEOI/SOQ may be added to, or amended in any way, is by a formal written addendum. No other communication, whether written or oral, from any person will affect or modify the terms of this RFEOI/SOQ or may be relied upon by any Respondent. By delivery of a Submission, the Respondent is deemed to have received, accepted and understood the entire RFEOI/SOQ, including any and all addenda.

#### 2.5 Status Inquiries

All inquiries related to the status of this RFEOI/SOQ, including whether or not a Respondent has been selected, should be directed to the City Website and not to the City Representative.

The City anticipates to respond back to all Respondents within four to six weeks following the close of this RFEOI/SOQ period, this will ultimately depend on the number of Submissions received and the availability of the City's Evaluation Team members.

#### 3. SUBMISSION FORM AND CONTENTS

#### 3.1 Relevant Experience

Due to the nature of the proposed Services, the Respondent's experience should include examples of successful operations of a similar nature. The operation of the retail outlets is expected to be of the highest calibre, providing access to regulated products in a manner that is an asset to the community.

#### 3.2 Qualifications and Experience

#### Relevant Experience would include:

- Experience with successfully operating the retail sales of cannabis and cannabis related products;
- Experience of a similar nature related to regulated retail sales operations;
- Collaboration and working closely with owners and key stakeholders to ensure effective service delivery; and

 Proven ability to understand operations needs, identify space requirements and limitations, and configure and design improvements to reflect regulated retail sales objectives.

#### 3.3 Form and Contents of Submission

Respondents should carefully review the evaluation criteria when preparing their Submission to ensure they receive full consideration during the evaluation.

A Submission should include:

- (a) Table of Contents: Respondent's responses should include a table of contents listing the individual sections of the Submission and their corresponding page number.
- (b) Letter of Introduction: Submission responses should include a description of the Respondent's capabilities and approach and provide a brief synopsis of the highlights of the Submission and overall benefits of the Submission to the City.
- (c) Respondents are expected to include, as a minimum, the information below in their Submission:

#### **Executive Summary and Operator Experience**:

- Provide a brief description of your company and its history as it relates to the retail sale of cannabis and cannabis related products.
- Business location(s), years in business, and number of employees.
- Locations and number of years in operation of each cannabis dispensary that is currently operated by the Respondent.
- Location and number of years in operation of other businesses that are currently operated by the Respondent.
- Brief description of the Company's competitive advantage or unique approach to the Services of this RFEOI/SOQ.

#### **Proposed Site Location**

- The civic address and unit number (where appropriate) of the proposed cannabis retail location.
- The current OCP designation and zoning district of the proposed cannabis retail location.
- Proof (in an acceptable form as deemed by the City) that Respondent has valid ownership/lease of the proposed cannabis retail location and letter of permission from owner/strata.
- Proof (in an acceptable form as deemed by the City) of an application for a Cannabis Retail Store Licence to the Liquor and Cannabis Regulation Branch (LCRB).

#### Site Plan

A suitable site plan drawn to an appropriate scale (with dimensions) that clearly shows the following information:

- The entire property of the proposed cannabis retail operations, showing existing buildings, parking, access/egress (driveways), loading, and landscape areas;
- A floor plan of the proposed retail unit drawn to an appropriate scale (with dimensions) that clearly shows doors, windows, retail sales areas, and storage areas; and
- Building elevations and/or renderings that clearly show:
  - Front façade and main entrance design, including proposed building materials; and
  - Signage, including proposed signage type, location(s), dimensions, materials, colour, and text.
- Parking
- Indication on the site plan of location and number of dedicated off-street parking stalls.
- Access/egress from parking (driveways).

#### **Security and Lighting Plan**

- A lighting plan showing existing and proposed exterior premises and interior lighting levels.
- Proposed locations of alarms and security surveillance cameras.
- Demonstrate that the security surveillance video shall be maintained for a minimum of thirty (30) business days and shall be made available in compliance with legal requirements. (Note: The video system for security cameras must be located in a locked, tamper-proof compartment. A professionally monitored robbery alarm system shall be installed and maintained in good working order.).
- Other CPTED considerations, including visibility and sightlines around the retail premises.

#### Mitigation of Potential Impacts

A description of the methods by which the Respondent would mitigate any potentially adverse impacts, such as, but not limited to, the following:

- Odour absorbing ventilation including exhaust systems; and
- Loitering and other undesirable behaviour around the premises.

Upon submitting a Submission to this RFEOI/SOQ, Respondents consent to the City checking and verifying any information provided. References may be contacted.

The City reserves the right to request Respondents to submit additional information as may be required to complete or evaluate the Submissions.

#### 3.4 Signature

The Submission should be signed by a person authorized to sign on behalf of the Respondent and include the following:

- (a) If the Respondent is a corporation then the full name of the corporation should be included, together with the names of authorized signatories. The Submission should be executed by all of the authorized signatories or by one or more of them provided that a copy of the corporate resolution authorizing those persons to execute the Submission on behalf of the corporation is submitted;
- (b) If the Respondent is a partnership or joint venture then the name of the partnership or joint venture and the name of each partner or joint venturer should be included, and each partner or joint venturer should sign personally (or, if one or more person(s) have signing authority for the partnership or joint venture, the partnership or joint venture should provide evidence to the satisfaction of the City that the person(s) signing have signing authority for the partnership or joint venture). If a partner or joint venturer is a corporation then such corporation should sign as indicated in subsection (a) above; or
- (c) If the Respondent is an individual, including a sole proprietorship, the name of the individual should be included.

#### 4. EVALUATION AND SELECTION

#### 4.1 Evaluation Team

The evaluation of Submissions will be undertaken on behalf of the City by the Evaluation Team. The Evaluation Team may consult with others, including City staff members, third party consultants, and references, as the Evaluation Team may, in its discretion, decide is required. The Evaluation Team will give a written recommendation for the selection of a Preferred Respondent or Preferred Respondents to the City. Such discussions will not in any way create a binding contract between the City and any such Respondents.

The City will make the final decision regarding any Respondent or terminate the RFEOI/SOQ process at its sole discretion. The City will then advise all Respondents and the selected Respondent (if one is chosen) in writing of the City's decision.

The Evaluation Team will be responsible for verifying the factual information in the Submission, including names, addresses and other information on the Respondent and employees of the proposed retail operator.

The Evaluation Team will provide commentary on the adequacy of security measures that are described in the Submission, e.g., the security and lighting plan, the site and floor plan, and other relevant aspects of the Submission.

#### 4.2 Evaluation and Scoring of Respondents

In the evaluation and scoring of Respondents, the City will consider the information submitted in the RFEOI/SOQ including interviews and presentations (if any) with respect to the evaluation criteria set forth below. The result of the evaluation will be a comparative scoring of Respondents per the approved policy framework.

The relative steps of the evaluation review for this RFEOI/SOQ are as follows:

#### Step 1: Administrative Screening Review (Pass / Fail)

Respondents are required to complete the Submission response information requested in this RFEOI/SOQ. After the City receives the Submission, the Administrative Screening Review will begin, using the criteria below:

- Completeness of Submission, noting any comments, additions, deletions, etc., that conflict with the RFEOI/SOQ document.
- Compliance with:
  - the retail sale of cannabis and cannabis related products for sale in a particular location is in compliance with the Regulatory Framework and all applicable City bylaws;
  - each proposed retail site complies with:
    - ➤ the current zoning requirements of (C-5, C-8, C-15, C-35, CHI); and
    - > OCP designations as outlined in the approved Policy Framework<sup>1</sup>.
  - ➤ Separation Distances (refer to Section 1.4 Objectives and Purpose for additional information);
  - Proof that Respondent has valid ownership/lease of proposed location and letter of permission from owner/strata; and
  - Proof of an application for a Cannabis Retail Store Licence to the Liquor and Cannabis Regulation Branch (LCRB).

#### **Step 2: Completion of the Administrative Screening Review**

Upon completion of the initial Submission evaluation, the City will reject any Submission that fails to meet any of the criteria above.

#### **Step 3: Determination of Eligible Respondents**

Any Submission that is not rejected upon the completion of the initial review will be deemed an eligible Submission and will be considered for the final evaluation phase of the solicitation process. At the conclusion of the initial Submission reviews, the City will notify each Respondent of the status of their Submission. All Submissions that pass the initial Submission review will be submitted to the Evaluation Team for the final Submission evaluation.

<sup>&</sup>lt;sup>11</sup>For additional information, refer to the City of Surrey's webtool developed to search for sites at: <a href="https://giswebportal.surrey.ca/portal/apps/webappviewer/index.html?id=233589a1a4754cf1a4e25e8e22ed652f">https://giswebportal.surrey.ca/portal/apps/webappviewer/index.html?id=233589a1a4754cf1a4e25e8e22ed652f</a>

#### **Step 4: Final Evaluation Process**

The final evaluation process will include selection from the eligible Submission of the Respondents. The City's objective is to grant business license approval to the Respondent or Respondents that represent the best quality Submissions as determined by the Evaluation Team, such approval being subject to Council's rezoning decision.

Each of the final evaluation criteria below will be used in ranking and determining the quality of Submissions. Submissions will be evaluated according to each final evaluation criterion.

The final evaluation process may include a two-stage approach comprising and evaluation of the written Submission and preliminary ranking to develop a shortlist of Respondents that will continue to the final stage of oral interviews, site visits, and reference checks.

All Respondents will be notified of the shortlist; however, the preliminary ranking at that time will not be disclosed.

#### 4.3 Evaluation Criteria

The Evaluation Team will compare and evaluate all Submissions to determine the Respondent's strengths and ability to provide the Services in order to determine the Submission (or Submissions) which is/are most advantageous to the City using the following criteria:

- Location (20 points)
  - OCP designation:
    - Town Centre/City Centre preferred.
  - Overall desirability.
- Separation distances (10 points)
  - Minimum 200m from sensitive uses:
    - Public or provincially funded independent schools.
    - City community centres and recreation centres.
    - Existing cannabis retail or production locations within Surrey.
- Related experience of the operator (25 points)
  - Seeking established business models within cannabis retail and/or within a business regulated in a similar manner.
  - Number of stores and length of time in operation:
    - Cannabis dispensaries;
    - BCLCRB regulated businesses;
    - Pharmacies regulated by College of Pharmacists of BC;
    - Other related businesses that are subject to a similar regulatory environment;
    - Related but non-regulated businesses.

- Parking and access plan (10 points)
  - Number of parking spots.
  - Desirability of access/egress from parking lot.
- Visibility, lighting, design, and CPTED elements (10 points)

The Evaluation Team will evaluate each of the above criteria in alignment with the approved Policy Framework. The City will determine the highest scored finalist and notify all finalists in writing of its determination.

In evaluating each of the criteria, the Evaluation Team will identify significant and minor strengths and weaknesses from the Submissions.

The City and its officials, employees, agents, consultants and advisors will not be liable to any Respondents, or any firm, corporation or individual member of a Respondent, for any claims, whether for costs, expenses, losses or damages, or loss of anticipated profits, or for any matter whatsoever, incurred by the Respondent, or any firm, corporation or individual member of a Respondent, in preparing and submitting a Submission or any other activity related to or arising out of this RFEOI/SOQ.

Staff may inform applicants of the results of the RFEOI/SOQ selection process, and up to two applications per community would then advance to Council for consideration of site-specific rezoning, including a public hearing. Various requirements may then be needed ahead of retail operations, including (but not limited to) a suitability letter from the provincial licensing authority, a valid license from the LCRB, a valid business license from the City, and any required building permit for tenant improvements, development permit, and/or sign permit.

#### 4.4 Evaluation Process

To assist in the evaluation of Submissions, the Evaluation Team may, in its sole and absolute discretion, but is not required to:

- (a) conduct reference checks relevant to the project and background investigations of the Respondent, and any subcontractors proposed in the Submission, with internal and/or external sources, and consider and rely on any relevant information received from the references and from any background investigations in the evaluation of Submissions;
- (b) seek clarification or additional information from any, some, or all Respondents with respect to their Submission, and consider and rely on such supplementary information in the evaluation of Submissions;
- (c) request interviews/presentations with any, some, or all Respondents to clarify any questions or considerations based on the information included in Submissions, and

consider and rely on any supplementary information received from interviews/presentations in the evaluation of Submissions; and

(d) seek confirmation that the inclusion of any personal information about an individual in a Submission has been consented to by that individual.

The Evaluation Team is not obligated to complete detailed evaluations of all Submissions and may, after completing a preliminary review of all Submissions, identify and drop from any detailed evaluation any Respondent which, when compared to the other Respondents, the Evaluation Team judges, in its sole discretion, to not be in contention to be selected as the Preferred Respondent.

#### 4.5 Litigation

In addition to any other provision of this RFEOI/SOQ, the City may, in its absolute discretion, reject a Submission if the Respondent, or any officer or director of the Respondent submitting the Submission, is or has been engaged directly or indirectly in a legal action against the City, its elected or appointed officers, representatives, or employees in relation to any matter, or if the City has initiated legal action.

In determining whether or not to reject a Submission under this section, the City will consider whether the litigation is likely to affect the Respondent's ability to work with the City, its consultants, and its representatives, and whether the City's experience with the Respondent indicates that there is a risk the City will incur increased staff and legal costs if the RFEOI/SOQ is awarded to the Respondent.

#### 5. GENERAL CONDITIONS

#### 5.1 No City Obligation

This RFEOI/SOQ is simply an invitation for Submissions for the convenience of all parties. It is not a tender or a request for proposals and does not commit the City in any way to pre-qualify a Respondent(s), and the City reserves the complete right to at any time reject all Submissions, and to terminate this RFEOI/SOQ process.

It shall be at the discretion of the City to accept or reject responses from any Respondent who elects to submit a Submission.

The City reserves the right to not accept any Submission and to reissue this prequalification at the sole discretion of the City.

#### 5.2 Respondent's Expenses

Respondents are solely responsible for their own expenses in preparing and submitting a Submission, and for any meetings, negotiations, or discussions with the City or its representatives, consultants, and advisors, relating to or arising from this RFEOI/SOQ.

The City and its representatives, agents, consultants, and advisors will not be liable to any Respondent for any claims, whether for costs, expenses, losses or damages, or loss of anticipated profits, or for any other matter whatsoever, incurred by the Respondent in preparing and submitting a Submission, or participating in subsequent proposal requests, negotiations, or other activity related to or arising out of this RFEOI/SOQ.

#### 5.3 No Agreement

By submitting a Submission and participating in the process as outlined in this RFEOI/SOQ, Respondents expressly agree that no contract of any kind is formed under, or arises from, this RFEOI/SOQ, prior to the signing of a formal written agreement(s) by all parties.

#### 5.4 Conflict of Interest

A Respondent shall disclose in its Submission any actual or potential conflicts of interest and existing business relationships it may have with the City, its elected or appointed officials, or employees. The City may rely on such disclosure.

#### 5.5 Solicitation of Council Members and City Staff

Respondents and their agents will not contact any member of the City Council or City staff with respect to this RFEOI/SOQ, other than the City Representative, at any time prior to the award of an agreement or the cancellation of this RFEOI/SOQ, which could be viewed as one Respondent attempting to seek an unfair advantage over other Respondents.

#### 5.6 Confidentiality

All Submissions become the property of the City and will not be returned to the Respondent. All Submissions will be held in confidence by the City unless otherwise required by law. Respondents should be aware the City is a "public body" defined by and subject to the *Freedom of Information and Protection of Privacy Act* of British Columbia.

#### 6. CITY DISCLAIMER

(a) The information in this RFEOI/SOQ and any further supporting documentation is provided for reference purposes only. It is the responsibility of interested parties to confirm the accuracy and applicability of this information. All costs related to updating or acquiring additional information shall be born solely by the Respondent. The information contained in this RFEOI/SOQ has been prepared, in part, on information provided by others, and such information is believed to be accurate and reliable. However, by its receipt of this RFEOI/SOQ, each Respondent remises, releases, and forever discharges the City and its representatives (including staff and consultants and other professional advisors) from any and all claims which such person has, have, or may hereafter have arising out of any information contained herein. Any party who intends to submit a

- response to this RFEOI/SOQ is specifically invited to independently verify the accuracy of the information contained herein.
- (b) The City shall not be obligated to review or accept any Submission and may reject any or all Submissions without giving reasons therefore.
- (c) All negotiations and discussions with Respondents are on a "without prejudice" basis and cannot be construed as an agreement, unless expressly approved by City Council and a written agreement is signed by the City.
- (d) The City may negotiate with any one or more of the Respondents without having any duty or obligation to advise or allow any other Respondents to vary their Submission or otherwise negotiate with the City.
- (e) The City may enter into discussions to clarify issues related to any Submission. If at any time the City reasonably forms the opinion that a mutually acceptable agreement is not likely to be reached, the City may give notice terminating discussions, but is under no obligation to do so.
- (f) The City does not authorize any other person or agency to represent the Project on its behalf without the prior written approval of the City.

#### 7. Disclaimer

Despite anything contained herein, the Respondent agrees that it shall take all necessary steps to confirm the accuracy of this RFEOI/SOQ and agrees that the City shall have no liability whatsoever in respect of any losses or damages of any kind howsoever arising in relation to this RFEOI/SOQ.

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