

Attachment 1:

Queensborough Cannabis Letter of Intent

QUEENSBOROUGH CANNABIS CO.

LETTER OF INTENT
FOR THE PROPOSED RELOCATION OF A CANNABIS RETAIL STORE LICENCE

APPLICANT: QUEENSBOROUGH CANNABIS CO. LTD.
FROM: 540 EWEN AVENUE, NEW WESTMINSTER, B.C.,
TO: 800 CARNARVON STREET, UNIT # A02005A, NEW WESTMINSTER, BC
LICENCE NO.: 450191

LETTER OF INTENT
PROPOSAL FOR RELOCATION OF CANNABIS RETAIL STORE LICENCE FROM QUEENSBOROUGH
TO NEW WESTMINSTER SKYTRAIN STATION

SUBMITTED TO:

Rupinder Basi (rbasi@newwestcity.ca)
cc: Carolyn Armanini (carmanini@newwestcity.ca)
Planning Department
City of New Westminister
511 Royal Avenue
New Westminister, BC V3L 1H9

SUBMITTED BY:

Queensborough Cannabis Co. Ltd.
540 Ewen Avenue
New Westminister, BC V3M 5B8

INTRODUCTION

This letter of intent has been written to formally submit our request for the City of New Westminster's support/approval to relocate our existing cannabis retail store from our Queensborough location at 540 Ewen Avenue, in New Westminster to the New West Skytrain Station hub, at Unit A02005A, 800 Carnarvon Street, in New Westminster.

The proposed relocation is based on several operational challenges we are facing at our current location in Queensborough and the competition of the BC Cannabis government store in the area. This letter outlines the reasons for our proposed move, along with our goals for continued contribution to the community and industry in New Westminster.

As you may be aware, Queensborough Cannabis Co. is a popular cannabis retailer located in New Westminster, known for its wide selection of high-quality products and commitment to customer satisfaction. The store has built a solid reputation in the community for offering a curated selection of cannabis strains, edibles, concentrates, and accessories, catering to both new users and seasoned enthusiasts. Owned by Ron Basran and operated by Calvin Basran, Queensborough Cannabis Co. is recognized for its knowledgeable staff, friendly service, and a welcoming atmosphere that makes the cannabis purchasing experience approachable and informative. This has helped our brand establish itself as a trusted and reputable name in the New Westminster cannabis scene. We also have two licensed locations in the City of Delta and have applied to the City of Surrey for a new location which is currently under municipal review. We will continue to work with and support the communities in which we operate.

The landowner is in support of this request and a copy of their support letter is attached to this submission.

Challenges at the Current Queensborough Location

Increased Competition: Since the opening of the government-run cannabis store in Queensborough, we have seen a significant decline in foot traffic. Prior to their arrival, our store enjoyed steady customer flow and financial success. However, since their opening, the only times we experience strong sales are after the government store closes. This severely limits our operating hours of profitability.

Market Saturation in Queensborough: With a population of only 11,000, the Queensborough area is simply too small to sustain two cannabis retail stores. We were led to believe that the City intended to support five cannabis stores citywide, but the allowance of a government store, despite their failure to submit a completed application as per the City's deadline, has greatly affected our business. This decision was made without appropriate consideration of the proximity of this government store to our already established business.

Unfair Competition with BC Cannabis Stores: The BC Cannabis Stores not only act as a retailer but also control the supply chain as the wholesale supplier. As a result, they are able to set both wholesale and retail prices at levels that are impossible for private retailers like us to match. They are further insulated from financial strain by relying on government tax dollars rather than profit, whereas we must rely on our store's performance and are unable to set our prices at a level that is sustainable with their store being just a few blocks away seemingly undercutting us at every stage. This competitive imbalance puts our business at a severe disadvantage, and we are struggling to survive in the current conditions.

Benefits to the City to Approve the Proposed Relocation

In relocating our store to The Shops at New West, at Unit A02005A, 800 Carnarvon Street, we believe would offer the following advantages:

Reduction of Illegal Market Activity: By moving to a more densely populated area, we can further help eliminate the cannabis illegal market, which tends to thrive in urban centres. The City of New Westminster currently has a population of approximately 80,000, and moving to a more centralized location, presents a better opportunity for us to reach a broader audience and provide a safe, legal alternative.

Accessibility to Transit and Commuters: Many of New Westminster's residents and visitors rely on public transit rather than personal vehicles, and our proposed location near transit hubs would make our store more accessible to commuters and those without cars. This improved accessibility would help increase foot traffic and ensure our business remains sustainable.

Sustainability of Multiple Stores: While there is an existing licensed store approx. 500m from our proposed relocation (Maple Leaf Greenery, at 71 6th Street), unlike Queensborough, where the population size limits the potential success of two cannabis stores, the dense downtown New Westminster area can support an additional store. With several high-rise towers and a highly concentrated population, we believe this new location can sustain our business while continuing to meet the City's goals for cannabis retail.

Revitalizing a Challenging Commercial Space: The unit we are proposing to occupy has seen difficulty retaining tenants in the past. By moving into this space, we aim to bring stability and long-term success to a commercial location that has been underutilized. Should the city prefer, we open to retaining onsite security for the store to better ensure a safe shopping environment to the consumers of the New West Skytrain hub.

We hope the City will see the mutual benefit in allowing this relocation to proceed. Our goal at Queensborough Cannabis is to be part of a thriving, diverse, and competitive cannabis retail landscape that supports local businesses and continues to drive out illegal cannabis activity. We are confident that this new location will help us regain financial stability while better serving the community of New Westminster.

Thank you for your time and consideration of our proposal. We look forward to working with the City of New Westminster to ensure a fair and sustainable cannabis retail industry for all. Should you require any further information or wish to discuss our request in more detail, please feel free to contact me directly.

Sincerely,

Queensborough Cannabis Co. Ltd.



Ron Basran

Owner/ Director

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