

REPORT

Planning and Development and Community Services

To: Mayor Johnstone and Members of Council
Date: June 23, 2025

From: Jackie Teed, Director, Planning and Development
File: #2679439
13.2680.20

Blair Fryer, Director, Community Services
Item #: 2025-182

Subject: **Zoning Amendment Bylaw and Cannabis Retail Store Licence: 416 East Columbia Street**

RECOMMENDATION

1. *THAT Zoning Amendment Bylaw (416 East Columbia) No. 8520, 2025 be forwarded to the July 7, 2025 Regular Meeting of Council for first, second and third readings.*
2. *THAT no Public Hearing be held for Zoning Amendment Bylaw (416 East Columbia) No. 8520, 2025 following circulation of notice, in accordance with the Local Government Act.*
3. *THAT the City of New Westminster advise the Provincial Liquor and Cannabis Regulation Branch that it declines to accept the local government referral for a Cannabis Retail Store Licence application from Marigolds Cannabis at 416 East Columbia Street.*

PURPOSE

To seek Council direction regarding: 1) initiating consideration of a Zoning Amendment Bylaw to remove cannabis retail as a permitted use from 416 East Columbia Street; 2) request Council endorsement for no Public Hearing to be held following circulation of notice in accordance with the Local Government Act; and, 3) referral from the Liquor

and Cannabis Regulation Branch of a Cannabis Retail Store Licence application from Marigolds Cannabis at 416 East Columbia Street.

SUMMARY

The cannabis retail operator, North Root Cannabis, which was party to the application at 416 East Columbia Street, previously-approved through the City's 2018/2019 initial cannabis retail rezoning process ("initial cannabis process") has been unable to open their business at this location. On December 16, 2024, Council directed that an application for that operator to relocate to a different commercial site in the Sapperton neighbourhood could be considered. North Root Cannabis has recently submitted an application for rezoning at 455 East Columbia Street to relocate their business to this property and staff are reviewing and processing the application.

On December 16, 2024, Council also further directed staff to bring forward for consideration a Zoning Amendment Bylaw to remove the retail sale of cannabis as a permitted use on the initial site at 416 East Columbia St. Zoning Amendment Bylaw No. 8520, 2025 (Attachment 1) would remove that use from the subject site.

The City has recently received a referral from the Provincial Liquor and Cannabis Regulation Branch ("Liquor and Cannabis Branch") requesting consideration of a Provincial Cannabis Retail Store Licence ("Provincial licence") at 416 East Columbia Street for a different operator (Marigolds Cannabis) which was not party to the application at that address in the initial cannabis process. Given Council's previous direction that a bylaw be brought forward to remove cannabis retail use at this location, staff recommends the City decline to accept their referral.

DISCUSSION

Zoning Amendment

On December 16, 2024 Council received a staff report regarding proposed relocations of two cannabis retail businesses, which were party to successful applications in the City's 2018/2019 initial cannabis retail rezoning process ("initial cannabis process"), which rezoned limited properties to permit retail cannabis sales.

One of the relocation requests, from North Root Cannabis in the Sapperton neighbourhood, is seeking to relocate due to challenges in maintaining lease interest at 416 E. Columbia Street, the property rezoned to permit cannabis retail as part of the initial cannabis process.

At the December 16th meeting, Council passed the following resolution

THAT North Root Cannabis Ltd. be advised Council would further consider a rezoning application to relocate their operation to another location along East Columbia Street in the Sapperton Neighbourhood and that, subject to Council approval, the zoning be removed from the existing location;

As such, staff have prepared a Zoning Amendment Bylaw that would remove cannabis retail sale as a permitted use at the subject site, and recommends Council forward the bylaw to the next appropriate meeting for Council consideration.

Recently, the owner of North Root Cannabis has submitted a rezoning application and a business licence application for a new location at 455 East Columbia Street, and staff are reviewing and processing the application.

Liquor and Cannabis Branch Licence Referral

A referral from the Liquor and Cannabis Branch for the property at 416 East Columbia Street has been received from a different operator, Marigolds Cannabis. When a business applies to the Liquor and Cannabis Branch for a cannabis store licence, or to relocate an existing licence, the Liquor and Cannabis Branch conducts an initial review and then notifies the local government, which can either:

1. Accept the application for consideration, and review the proposed location to provide comments and a recommendation to the Province; or
2. Not accept the application for consideration, after which the *liquor and cannabis branch* would not proceed with the *Provincial licence* application and close the application after notifying the applicant and provide an application fee refund.

Given Council's previous direction that a bylaw be brought forward to remove cannabis retail use at this location, staff recommends the City decline to accept the referral.

Cannabis Retail and Liquor Location Policy Updates

The Economic Development Division 2025 work plan includes an update of the City's Liquor and Cannabis Policy. This work will be completed in collaboration with Planning and Development Department staff. The purpose of this policy framework is to allow for a fulsome consideration of liquor and cannabis applications, and ensures equity and transparency when reviewing these applications. In regards to cannabis retail store applications, this policy is expected to include considerations such as the number of permitted cannabis retail stores, siting criteria, and business licence application requirements, based on community input and Council direction.

FINANCIAL IMPLICATIONS

A Policy Analyst position in the Economic Development section was approved in the Community Services Department's 2025 operating budget and it is anticipated the position will be filled by early fall, allowing work on Cannabis Retail and Liquor Location Policy Updates to begin.

INTERDEPARTMENTAL LIAISON

This report was prepared with input from the Planning and Development Department, as well as the Economic Development Division within the Community Services Department.

NEXT STEPS

Should Council proceed with the staff recommended approach, the next steps in the process include:

1. Council consideration of the proposed Zoning Bylaw Amendment Bylaw and not holding a Public Hearing as the Zoning Amendment Bylaw is consistent with the Official Community Plan (**WE ARE HERE**);
2. Advise the liquor and cannabis branch that a Provincial licence application would not be accepted at 416 East Columbia Street;
3. Issuance of Notice of Public Hearing Not Held;
4. Council consideration of First, Second and Third readings of the Zoning Amendment bylaw;
5. Council consideration of adoption of the Zoning Amendment Bylaw.

OPTIONS

The following options are available for Council's consideration:

1. That Zoning Amendment Bylaw (416 East Columbia) No. 8520, 2025 be forwarded to the April 7, 2025 Regular Meeting of Council for first, second and third readings.
2. That no Public Hearing be held for Zoning Amendment Bylaw (416 East Columbia) no. 8520, 2025 following circulation of notice, in accordance with the Local Government Act.
3. That the City of New Westminster advise the Provincial Liquor and Cannabis Regulation Branch that it will not accept the local government referral for a Cannabis Retail Store Licence application from Marigolds Cannabis at 416 East Columbia Street for consideration.
4. That Council provide alternate direction.

Staff recommends options 1, 2 and 3.

ATTACHMENTS

Attachment 1: Zoning Bylaw No. 6680, 2001, Retail Sale of Cannabis (416 East Columbia Street) Amendment Bylaw No. 8520, 2025

APPROVALS

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