

### **Minutes**

### **Regular Council**

Monday, July 7, 2025 6:00 p.m.

## Council Chamber, Second Floor New Westminster City Hall, 511 Royal Avenue

Present: Mayor Patrick Johnstone

Councillor Ruby Campbell Councillor Daniel Fontaine Councillor Paul Minhas

Councillor Nadine Nakagawa

Corporate Officer - Hanieh Berg

Absent: Councillor Tasha Henderson

Councillor Jaimie McEvoy

## 1. CALL TO ORDER & LAND ACKNOWLEDGEMENT

Mayor Johnstone called the meeting to order at 6:00 p.m. and recognized with respect that New Westminster is on the unceded and unsurrendered land of the Halkomelem speaking peoples. He acknowledged that colonialism has made invisible their histories and connections to the land. He recognized that, as a City, we are learning and building relationships with the people whose lands we are on.

### 2. AGENDA ADDITIONS & DELETIONS

MOVED and SECONDED THAT the Agenda for the July 7, 2025 Regular Council meeting be approved.

**CARRIED** 

### 3. **DELEGATIONS**

### 3.1 Open Delegations

Jake Sawatzky, Member of Parliament, remarked that he is privileged to represent the constituents of New Westminster—Burnaby—Maillardville riding and to champion the priorities of the community by collaborating across jurisdictions.

J. Sawatzky, MP, then invited constituents to connect with him at his office, located at 888 Carnarvon Street, Monday to Friday, between 10:00 a.m. and 4:00 p.m.

Tim Paul spoke against the Active Transportation Network Plan, citing concern with the two options presented for London Street, and urged the City to collaborate with residents on future years' improvement options. T. Paul was of the opinion that Council is not meeting its term goals as listed in the 2023-2026 Strategic Priorities Plan and that the questions asked in a public engagement survey were biased in the manner they were posed, potentially leading to skewed responses. He queried the number of times one may complete the survey, noting that although a unique email address is required, this does not preclude one from completing the survey multiple times. T. Paul further cited concern with the survey, noting that the survey platform autocompletes fields, and feedback from respondents is not ranked based on their proximity to the proposed changes.

In response to questions from Council, Blair Fryer, Director, Community Services, advised that staff will provide Council information regarding the survey for London Street.

Bobbi Sarai and Sarah Kristensen voiced concerns regarding the public engagement process underway for Year 2 Routes of the Active Transportation Network Plan, noting that those directly impacted along London Street were not engaged. S. Kristensen then queried the need for improvements along London Street and was of the opinion that removal of on-street parking will not address safety concerns.

With the aid of a PowerPoint presentation (copy on file, Legislative Services), Hyeonjin Kim and Michael Hall, representing Movement, spoke in favour of Item 7.1 – Bus Shelters. H. Kim and M. Hall shared statistics regarding the use of the bus stop on Howes Street, adjacent to the Queensborough Connector, noting that a shelter would lend itself well to all users of the stop. Moreover, it was noted that bus shelters are an important accessibility measure as they offer protection from the elements as well as seating.

John Kendler spoke to the City's glass recycling program and was of the opinion that the City would realize cost savings by utilizing Recycle BC for its collection. J. Kendler further commented on the effectiveness of the City's glass recycling program, querying whether it has achieved the results needed to avoid fines related to contamination and suggesting ways in which the City could calculate potential cost savings by changing its approach to glass recycling.

In response to questions from Council, staff advised that a report on the City's recycling program is forthcoming. Also, the delegate was requested to share his presentation materials with all of Council.

Monica Bhandari and Emily Armitage, representing ACORN BC, distributed copies and presented the results of the State of Repair Report from the New Westminster ACORN chapter (copy on file, Legislative Services). M. Bhandari cited concern with the state of rental apartments throughout the city, including complications related to requesting repairs and the risk of landlord retaliation, which can dissuade tenants from requesting needed maintenance and repairs. M. Bhandari then requested that the City take action to improve tenant protections through the business licence process as well as a proactive enforcement model.

With the aid of a PowerPoint presentation (copy on file, Legislative Services), Angelene Prakash, President, and Jaydee Dimmer-Drew, Events and Marketing Manager, Downtown New Westminster Business Improvement Association (BIA), spoke to the BIA's efforts to enhance and promote the downtown core as a vibrant destination for businesses, residents, and visitors, and highlighted the following events: (i) Sip and Shop Crawls, (ii) Winter Social, (iii)Tin Soldier Time Capsule Opening, (iv) Market Crawl, and (v) Fridays on Front.

Lorraine Brett, President, New Westminster May Day Community Association, spoke in favour of Item 7.2 – Supporting Longstanding Civic Non-Profits through Prioritized and Multi-Year Funding, highlighting the history of May Day in New Westminster and its popularity.

Katie Stobbart, President, New West Pride, joined the meeting by videoconference, and accompanied by Farmer Chomitz, Madeleine Gwynne, Mariza Medina, and Patricia Morales, spoke regarding Pride Week, highlighting various activities scheduled to take place August 8 to 16, 2025. K. Stobbart then commented on the need to continue to empower, celebrate and promote inclusivity, acceptance and respect amongst persons of all sexual orientations and gender identities, noting that elected officials can play a significant role in enacting positive change.

Mayor Johnstone presented a proclamation titled "Pride Week" to members of the New West Pride Society.

MOVED and SECONDED THAT Open Delegations be permitted past 7:30 p.m.

**CARRIED** 

David Brett spoke regarding local news media and advised that The New Westminster Times has published hundreds of articles on a variety of topics, free of charge and advertisements, since its establishment in 2022. D. Brett then referenced a number of articles and videos published by The New Westminster Times, noting many were shared nationally. Also, D. Brett queried the location of a desk in the Council Chamber, which was previously utilized by those covering local municipal matters.

The meeting recessed at 7:47 p.m.	

The meeting reconvened at 7:55 p.m. with all members of Council present, except Clirs. Henderson and McEvoy.

## 4. UNFINISHED BUSINESS

4.1 Exploring the Implementation of Quiet Zones in New Westminster (Item Postponed from June 23, 2025 Regular Council Meeting)

Two pieces of correspondence were provided on table (attached to and forming part of these Minutes as Schedule 1 and Schedule 2).

#### MOVED and SECONDED

THAT Council direct staff to explore the feasibility of introducing designated quiet zones in New Westminster, including a review of best practices from other municipalities, potential criteria for zone selection, necessary bylaw amendments, and options for community engagement and enforcement, and report back with recommendations.

The question on the motion was not called as it was noted that Noise Bylaw No. 6520 includes quiet zones. As a result, the following amendment was introduced:

#### MOVED and SECONDED

THAT the motion be amended to read as follows: "THAT Council direct staff to review how quiet zones in New Westminster are designated, and review best practices from other municipalities on enforcement of noise bylaws and the Motor Vehicle Act as they relate to traffic noise necessary bylaw amendments, and options for community engagement and enforcement, and report back with recommendations."

The question on the amendment was not called as discussion took place regarding the location of quiet zones throughout the city and whether there is signage in those areas to alert the public.

The question on the amendment was then called and it was **CARRIED**.

The question on the main motion, as amended, was then called and it was **CARRIED**.

# 4.2 Heritage Revitalization Agreement Bylaw (318 Sixth Avenue) No. 8509, 2025 (Item Postponed from June 23, 2025 Regular Council Meeting)

MOVED and SECONDED

THAT Heritage Revitalization Agreement Bylaw (318 Sixth Avenue) No. 8509, 2025 be adopted.

**CARRIED** 

# 4.3 Heritage Designation Bylaw (318 Sixth Avenue) No. 8510, 2025 (Item Postponed from June 23, 2025 Regular Council Meeting)

MOVED and SECONDED

THAT Heritage Designation Bylaw (318 Sixth Avenue) No. 8510, 2025 be adopted.

CARRIED

# 4.4 Bylaw Notice Enforcement Bylaw No. 7318, 2009, Amendment Bylaw No. 8526, 2025 (Item Postponed from June 23, 2025 Regular Council Meeting)

MOVED and SECONDED

THAT Bylaw Notice Enforcement Bylaw No. 7318, 2009, Amendment Bylaw No. 8526, 2025 be adopted.

**CARRIED** 

# 4.5 Municipal Ticket Information Bylaw No. 8077, 2019, Amendment Bylaw No. 8527, 2025 (Item Postponed from June 23, 2025 Regular Council Meeting)

MOVED and SECONDED

THAT Municipal Ticket Information Bylaw No. 8077, 2019, Amendment Bylaw No. 8527, 2025 be adopted.

CARRIED

### 5. CONSENT AGENDA

MOVED and SECONDED

THAT Items No. 5.1 through No. 5.18 be adopted by general consent, with the removal of Items No. 5.2, 5.4, 5.6, 5.9, 5.10, 5.11, 5.12, 5.15, and 5.17.

**CARRIED** 

#### 5.1 Minutes

THAT the Minutes of the Regular Council meeting held on June 23, 2025 be adopted as circulated.

#### ADOPTED ON CONSENT

### 5.2 2024 Consolidation of Public Compensation for Council Members

Please see Page 8 for action on this matter.

## 5.3 Appointment of City Officer

- 1. THAT the appointment of Blair Fryer as the Chief Licence Inspector, made at the August 29, 2022 Regular Council meeting, be rescinded; and
- 2. THAT Carolyn Armanini, Manager of Economic Development, be appointed as the Licence Inspector for the purpose of carrying out the statutory duties in Section 60 of the Community Charter and in accordance with Officers Establishment and Indemnity Bylaw No. 7175, 2007, Business Licence Bylaw No. 8473, 2024, and Business Regulations and Licensing (Rental Units) Bylaw No. 6926, 2004.

ADOPTED ON CONSENT

### 5.4 Crises Response Pilot Project: Q2 2025 update

Please see Page 8 for action on this matter.

# 5.5 Housing Agreement: 1923 & 1927 Marine Way (Affordable Rental Housing) – Bylaw for First, Second and Third Readings

1. THAT Housing Agreement Bylaw (1923 & 1927 Marine Way) No. 8507, 2025, to secure 89 affordable rental residential units, be introduced and given first, second, and third readings;

- 2. THAT, should Housing Agreement Bylaw (1923 & 1927 Marine Way) No. 8507, 2025 be adopted, the Mayor and Corporate Officer be authorized to execute the Housing Agreement and Section 219 Covenant; and
- THAT, should the Housing Agreement be approved, the Director of Finance be directed to allocate \$500,000 from the Affordable Housing Reserve Fund to Aunt Leah's Foundation to be used towards capital expenditures for the proposed affordable housing project at 1923 & 1927 Marine Way.

#### ADOPTED ON CONSENT

# 5.6 Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives – Next Steps

Please see Pages 9 and 12 for action on this matter.

# 5.7 Parks and Recreation Fees Bylaw No. 6673, 2001, Amendment Bylaw No. 8531, 2025

One piece of correspondence was provided on table (attached to and forming part of these Minutes as Schedule 1).

THAT Parks and Recreation Fees Bylaw No. 6673, 2001, Amendment Bylaw No. 8531, 2025 be given first, second, and third readings.

#### ADOPTED ON CONSENT

# 5.8 Memorandum: Participation at the Canadian Centre on Substance Use and Addiction Municipal Leaders Table – April 13 to 16, 2025

THAT the memorandum from Councillor Nakagawa titled "Participation at the Canadian Centre on Substance Use and Addiction Municipal Leaders Table - April 13 to 16, 2025" be received for information.

#### ADOPTED ON CONSENT

# 5.9 Proposed Climate Action Priorities for Submission to the CleanBC Review Process

Please see Page 11 for action on this matter.

### 5.10 Remedial Action Requirement: 53 Fourth Street

Please see Page 12 for action on this matter.

# 5.11 Rezoning Application: 912 Queens Avenue and 129-137 Tenth Street – Application Considerations

One piece of correspondence was provided on table (attached to and forming part of these Minutes as Schedule 3).

Please see Page 14 for action on this matter.

# 5.12 Rezoning, Development Permit, and Development Variance Permit Application: 317-319 Howes Street – Additional Information

Please see Page 14 for action on this matter.

### 5.13 Statutory Rights of Way for Metro Vancouver at TACC

- 1. THAT a statutory right of way to Greater Vancouver Sewerage and Drainage District over a portion (114.2 sq. m & 135.6 sq. m totaling 249.8 sq. m) of City owned land legally described as LOT 86 EXCEPT: FIRSTLY: PART SUBDIVIDED BY PLAN 28208 SECONDLY: PART SUBDIVIDED BY PLAN 37542 THIRDLY: PART SUBDIVIDED BY PLAN LMP8088 SUBURBAN BLOCKS 4 AND 13 PLAN 24862 (part in EPP146448) be granted;
- 2. THAT a statutory right of way to Greater Vancouver Sewerage and Drainage District over a portion (6,259 sq. m) of City owned land legally described as LOT 86 EXCEPT: FIRSTLY: PART SUBDIVIDED BY PLAN 28208 SECONDLY: PART SUBDIVIDED BY PLAN 37542 THIRDLY: PART SUBDIVIDED BY PLAN LMP8088 SUBURBAN BLOCKS 4 AND 13 PLAN 24862 (part in plan EPP145179) be granted; and
- 3. THAT the Director, Engineering be authorized to negotiate and execute all documentation, including all contracts and Land Title Office documents, to effect the transaction detailed in the report titled "Statutory Rights of Way for Metro Vancouver at TACC" dated July 7, 2025 from the Director, Engineering.

#### ADOPTED ON CONSENT

# 5.14 Summary of Historical and Current Funding and In-Kind Support for Hyack Festival Association and May Day Community Association

THAT the report titled "Summary of Historical and Current Funding and In-Kind Support for Hyack Festival Association and May Day Community Association" dated July 7, 2025 be received for information.

#### ADOPTED ON CONSENT

## 5.15 Westminster Pier Park - Activation and Community Re-Engagement

Please see Page 15 for action on this matter.

# 5.16 Zoning Amendment (102-128 East Eighth Avenue and 721 Cumberland Street): Bylaws for First, Second and Third Readings

Two pieces of correspondence were provided on table (attached to and forming part of these Minutes as Schedule 4 and Schedule 5).

THAT Zoning Bylaw No. 6680, 2001, Amendment Bylaw (102-128 East Eighth Avenue and 721 Cumberland Street) No. 8394, 2025 be introduced and given first, second, and third readings.

#### **ADOPTED ON CONSENT**

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

Two pieces of correspondence were provided on table (attached to and forming part of these Minutes as Schedule 6 and Schedule 7).

Please see Page 15 for action on this matter.

### 5.18 Proclamation: Pride Week, August 8-16, 2025

#### ADOPTED ON CONSENT

### 6. CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT AGENDA

### 5.2 2024 Consolidation of Public Compensation for Council Members

MOVED and SECONDED

THAT the report titled "2024 Consolidation of Public Compensation for Council Members" dated July 7, 2025 from the Director, Finance, be received for information.

CARRIED

## 5.4 Crises Response Pilot Project: Q2 2025 Update

In response to questions from Council, staff provided the following information:

- the Crises Response Pilot Project (CRPP) is operating within the Council-approved budget;
- as a result of Health Canada's Emergency Treatment Funding and surplus funding from positions that have not been filled, the Pilot can continue to December 2026;
- the Pilot will be evaluated by Douglas College; metrics of the Independent Evaluation Data Plan were presented at the April 15, 2025 Regular Council meeting for Workshop; and
- calls to the One Number to Call line are managed by staff during business hours, while answering services manage calls during non-business hours, weekends, and holidays.

#### MOVED and SECONDED

- 1. THAT the two-year Crises Response Pilot Project be extended to December 31, 2026 based on existing funding;
- 2. THAT staff be directed to apply for Health Canada's Emergency Treatment Fund for two additional years and report back to Council with the outcome of the grant submission; and

3. THAT staff provide a further update to Council in Q4 2025.

CARRIED

In accordance with Section 100 of the *Community Charter*, Councillor Minhas declared a potential conflict of interest as he owns a business in a Transit Oriented Development Area and left the meeting (8:39 p.m.).

# 5.6 Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives – Next Steps

Discussion took place on the proposed timeline options presented and it was noted that a Public Hearing in September is not ideal given that many residents will be returning from summer holidays and preparing for the school year.

In response to questions from Council, Jackie Teed, Director, Planning and Development, advised that the primary risk to delaying the Public Hearing is meeting the City's committed deadlines for the Housing Accelerator Fund.

As a result of the discussion, the following motion was introduced:

#### MOVED and SECONDED

- 1. THAT staff proceed with Option A in the Structuring Materials section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives Next Steps" dated July 7, 2025 that would re-forward the omnibus report for Council-consideration; and
- 2. THAT staff proceed with the Option 1 revised timeline option, with public hearing / consideration of third reading on or around October 1, 2025 and consideration of bylaw adoption on or around February 1, 2026, included in the Revised Timelines section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives Next Steps" dated July 7, 2025.

**DEFEATED** 

Opposed: Mayor Johnstone Clirs. Campbell Nakagawa

Councillor Nakagawa then introduced the following motion:

### MOVED and SECONDED

THAT the following resolution defeated by Council on July 7,2025 be reconsidered:

- "1. THAT staff proceed with Option A in the Structuring Materials section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives Next Steps" dated July 7, 2025 that would re-forward the omnibus report for Council-consideration; and
- THAT staff proceed with the Option 1 revised timeline option, with public hearing / consideration of third reading on or around October 1, 2025 and consideration of bylaw adoption on or around February 1, 2026, included in the Revised Timelines

section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives – Next Steps" dated July 7, 2025."

**CARRIED** 

Opposed: Cllr. Fontaine

The following motion was on the floor:

- 1. THAT staff proceed with Option A in the Structuring Materials section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives Next Steps" dated July 7, 2025 that would re-forward the omnibus report for Council-consideration; and
- THAT staff proceed with the Option 1 revised timeline option, with public hearing / consideration of third reading on or around October 1, 2025 and consideration of bylaw adoption on or around February 1, 2026, included in the Revised Timelines section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives Next Steps" dated July 7, 2025.

The question on the motion was not called as the following amendment was introduced:

### MOVED and SECONDED

THAT "with public hearing / consideration of third reading on or around October 1, 2025 and consideration of bylaw adoption on or around February 1, 2026" be deleted from Part 2 of the main motion.

CARRIED

Opposed: Cllr. Fontaine

The question on the main motion, as amended, to read:

- "1. THAT staff proceed with Option A in the Structuring Materials section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives Next Steps" dated July 7, 2025 that would re-forward the omnibus report for Council-consideration; and
- 2. THAT staff proceed with the Option 1 revised timeline option included in the Revised Timelines section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives Next Steps" dated July 7, 2025."

was then called and it was **CARRIED** with Cllr. Fontaine opposed.

Cllr. Minhas returned to the meeting (8:59 p.m.).

# 5.9 Proposed Climate Action Priorities for Submission to the CleanBC Review Process

#### MOVED and SECONDED

- 1. THAT the proposed climate action priorities for submission to the CleanBC review process as attached to the report titled "Proposed Climate Action Priorities for Submission to the CleanBC Review Process" dated July 7, 2025 be endorsed and submitted through the CleanBC review process.
- 2. THAT staff continue to participate and engage in opportunities to provide feedback through the CleanBC review process.

**CARRIED** 

The meeting recesse	ed at 9:07 p.m.	

The meeting reconvened at 9:13 p.m. with all members of Council present, except Clirs. Henderson and McEvoy.

In response to a query from Council, the Corporate Officer advised that the reconsideration of the defeated resolution for Item 5.6 was out of order and provided procedural advice in accordance with the provisions of Section 131 of the *Community Charter*.

Mayor Johnstone then brought the defeated resolution for Item 5.6 before Council for reconsideration.

In accordance with Section 100 of the *Community Charter*, Councillor Minhas declared a potential conflict of interest as he owns a business in a Transit Oriented Development Area and left the meeting (9:14 p.m.).

# 5.6 Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives – Next Steps

In accordance with the *Community Charter*, the following motion was on the floor:

- 1. THAT staff proceed with Option A in the Structuring Materials section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives Next Steps" dated July 7, 2025 that would re-forward the omnibus report for Council-consideration; and
- 2. THAT staff proceed with the Option 1 revised timeline option, with public hearing / consideration of third reading on or around October 1, 2025 and consideration of bylaw adoption on or around February 1, 2026, included in the Revised Timelines section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives Next Steps" dated July 7, 2025.

The question on the motion was not called as the following amendment was introduced:

#### MOVED and SECONDED

THAT "with public hearing / consideration of third reading on or around October 1, 2025 and consideration of bylaw adoption on or around February 1, 2026" be deleted from Part 2 of the main motion.

**CARRIED** 

Opposed: Cllr. Fontaine

The question on the main motion, as amended, to read:

- "1. THAT staff proceed with Option A in the Structuring Materials section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives Next Steps" dated July 7, 2025 that would re-forward the omnibus report for Council-consideration; and
- 2. THAT staff proceed with the Option 1 revised timeline option included in the Revised Timelines section of the report titled "Our City, Our Homes: Implementation of Housing Legislation and Housing Accelerator Fund Initiatives Next Steps" dated July 7, 2025."

was then called and it was **CARRIED** with Cllr. Fontaine opposed.

Cllr. Minhas returned to the meeting (9:16 p.m.).

## 5.10 Remedial Action Requirement: 53 Fourth Street

#### MOVED and SECONDED

1. THAT Council receive the report from the Director of Planning and Development dated July 7, 2025 regarding the three-storey structure (the "Building") located on land legally described as PID: 023-476-630, Parcel A Airspace, Block 16, Plan LMP28797, Group 1, New Westminster Land District with the civic address of 53 Fourth Street, New Westminster (the "Property") and note the concerns as stated in this report and its attachments, that:

- a. significant lateral deformations along the full width of the south exterior wall are evident from both the exterior and interior sides. The wall from the top of the foundations to the second floor is obviously out of plumb, with the upper part of the wall leaning inward (i.e. toward the north);
- b. significant vertical deformations of the central area of the main floor near the south exterior wall were observed in Units 1 and 2:
- c. floor and wall deformations are impacting the fire separations required between dwelling units; and
- d. the Building Owner has been notified of the safety conditions of the Building and in particular Units 1 and 2 and has failed to mitigate these concerns to the City's satisfaction.
- 2. THAT Council, under the authority provided by sections 72 and 73 of the Community Charter, find that Units 1 and 2 of the Building, to be in and to create an unsafe condition for the southern section of the Building.
- 3. THAT Council, under the authority provided by sections 72 and 74 of the Community Charter, find the condition of Units 1 and 2 of the Building to be in and to create an unsafe condition to the neighborhood.
- 4. THAT Council hereby require the registered owner of the Property, BC (the "Owner") to secure a Qualified Professional to prepare and submit to the City of New Westminster a complete application for shoring as recommended to stabilize the building and maintain habitability of the 6 impacted units.
- 5. THAT Council further require the Owner to ensure that current residents of the 6 impacted units are temporarily housed in accordance with Residential Tenancy Branch requirements; and
- 6. THAT the time specified by Council for the completion of the requirements (the "Remedial Action Requirement") imposed on the Owner by this resolution be as follows:
  - a. the engineering proposal and details to shore the section of the Building supported by crawlspace must be submitted to the Building Official no later than seven days after the day that notice of this resolution has been sent to the Owner in accordance with Section 77(1) of the Community Charter; and
  - b. all other work required to fulfill the Remedial Action Requirement, in accordance with the engineering proposal and details to complete shoring of the section of the Building supported by crawlspace, must be completed no later than 60 days after the day that notice of this resolution has been sent to the Owner in accordance with Section 77(1) of the Community Charter.
- 7. THAT Council direct City staff to send the notice to all affected persons as required by section 77 of the Community Charter; and
- 8. THAT if the Owner fails to comply with all or part of the Remedial Action Requirement within the time required, that Council hereby authorize City staff to fulfill the Remedial Action Requirement by:

- a. retaining a Qualified Professional to design the shoring system;
- b. retaining a contractor in accordance with the City's procurement policy;
- c. posting a notice on the Building advising that the City will be shoring the immediate stability concern in no less than seven days from the date the notice is posted;
- d. together with the Qualified Professional and contractor, entering onto the Property and undertaking the work; and
- e. seek recovery of the cost of acting on the Owner's default in accordance with section 17 [municipal action at defaulter's expense] and section 258 [special fees may be collected as property taxes] of the Community Charter.

**CARRIED** 

# 5.11 Rezoning Application: 912 Queens Avenue and 129-137 Tenth Street – Application Considerations

One piece of correspondence was provided on table (attached to and forming part of these Minutes as Schedule 3).

Staff advised that the Applicant has withdrawn the application for 912 Queens Avenue and 129-137 Tenth Street; as a result, Council-consideration of Part 1 of the staff recommendation is no longer required.

#### MOVED and SECONDED

THAT any subsequent development application for 912 Queens Avenue and 129-137 Tenth Street be required to: (1) also include 124 McInnes Street; (2) provide community benefits including but, depending on the scale of any future development proposal, not necessarily limited to, affordable rental housing units; and, (3) include a tenant assistance package that applies to tenants of all subject properties, including all former and/or current residents of 912 Queens Avenue and 124 McInnes Street, consistent with the City's endorsed policy and/or policy provisions for tenant assistance, including providing a legal right of first refusal to equivalent new units at the rents the tenants were charged at the time they vacate(d) their units, plus increases in rent permitted through the Residential Tenancy Act.

CARRIED

# 5.12 Rezoning, Development Permit, and Development Variance Permit Application: 317-319 Howes Street – Additional Information

Discussion took place and Council cited concern with the proposed right-in and right-out access at Howes Street.

As a result of the discussion, the following motion was introduced:

#### MOVED and SECONDED

- 1. THAT staff work with the applicant to revise their proposal to seek retention of up to 18 trees along the south and east property lines, as outlined in the report titled "Rezoning, Development Permit, and Development Variance Permit Application: 317-319 Howes St Additional Information" from the Director of Planning and Development on July 7, 2025, and to prepare a plan of development for the subject properties suitable for consideration of first and second readings.
- 2. THAT staff further work on site access to address potential safety or other concerns related to right-in and right-out access only.

The question on the motion was not called as discussion took place on the bus stop adjacent to the subject site and staff was directed to examine upgrades such as the inclusion of a bus shelter as part of the application review process.

The question on the motion was then called and it was **CARRIED**.

### 5.15 Westminster Pier Park – Activation and Community Re-Engagement

MOVED and SECONDED

THAT the staff report titled "Westminster Pier Park – Activation and Community Re-Engagement" dated July 7, 2025 be received for information.

CARRIED

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

Two pieces of correspondence were provided on table (attached to and forming part of these Minutes as Schedule 6 and Schedule 7).

In reply to queries from Council, J. Teed advised staff sought direction from Council regarding relocation requests from two cannabis retail businesses at the December 16, 2024 meeting, prior to revocation of Approval in Principle for one of the businesses from the Liquor and Cannabis Regulation Branch. Also, J. Teed advised that should Council wish to give Bylaw No. 8520 first, second, and third readings, staff can respond to any queries from Council prior to Council-consideration of adoption.

#### MOVED and SECONDED

THAT Zoning Bylaw No. 6680, 2001, Retail Sale of Cannabis (416 East Columbia Street) Amendment Bylaw No. 8520, 2025 be referred to a future Regular Council meeting.

#### **DEFEATED**

Opposed: Mayor Johnstone Clirs. Campbell Nakagawa

#### MOVED and SECONDED

THAT Zoning Bylaw No. 6680, 2001, Retail Sale of Cannabis (416 East Columbia Street) Amendment Bylaw No. 8520, 2025 be given first, second and third readings.

The question on the motion was not called as the following referral was introduced:

#### MOVED and SECONDED

THAT Zoning Bylaw No. 6680, 2001, Retail Sale of Cannabis (416 East Columbia Street) Amendment Bylaw No. 8520, 2025 be referred to the September 15, 2025 Regular Council meeting.

#### DEFEATED

Opposed: Mayor Johnstone Cllrs. Campbell Nakagawa

The question on the motion was then called and it was **CARRIED** with Cllrs. Fontaine and Minhas opposed.

### 7. MOTIONS FOR DISCUSSION AND DECISION

#### 7.1 Bus Shelters

MOVED and SECONDED

- THAT the City include the cost for building a minimum of three bus shelters with seating for consideration in the 2026 budget process; and
- 2. THAT the bus stop adjacent to the Queensborough Connector be set as a priority for a shelter

**CARRIED** 

# 7.2 Supporting Longstanding Civic Non-Profits through Prioritized and Multi-Year Funding

MOVED and SECONDED

- 1. THAT the City of New Westminster direct the Grants Review Committee to prioritize funding for long-established non-profit organizations that have demonstrated sustained contributions to civic life and cultural heritage over several decades;
- 2. THAT the Committee explore the implementation of multi-year funding agreements, for up to three years, to support the financial stability and long-term planning of eligible legacy organizations.

The question on the motion was not called as the following amendment was introduced:

MOVED and SECONDED

THAT the following be added as Parts 3 and 4:

"3. THAT staff be instructed to include a 50% increase in the Community Grant funding envelope for 2026 as part of the 2026 Budget deliberations; and 4. THAT the City continue to actively advocate to the Minister of Tourism, Arts, Culture and Sport to increase the B.C. Fairs, Festivals and Events Fund and also advocate to the Minister of Jobs, Economic Development and Innovation to provide increased support to local festival organizations, including arts and business improvement organizations who activate our communities, support cultural exchange and connection, and boost small business prosperity through festivals, fairs and events."

The question on the amendment was not called as discussion took place on the Community Grants Program and changes to the Program since its introduction, including the allocation of funds based on the merits of grant applications. Also, it was noted that the Community Grants Program's current annual budget is insufficient.

The meeting recessed	d at 10:16 p.m.			
<u> </u>	ened with Mayor Johnstone not achieved at 10:30 p.m.	and Cllrs.	Campbell ar	nd Nakagawa

In accordance with Council Procedure Bylaw No. 6910, the Corporate Officer advised that any unfinished business would be brought forward at a future Council meeting.

## 7.3 Review of City's Speed Hump Installation Policy

This item was not considered and will be forwarded to the August 25, 2025 Regular Council meeting.

## 7.4 Riverfront Vision Update - Westminster Pier Park to Sapperton Landing Park

This item was not considered and will be forwarded to the August 25, 2025 Regular Council meeting.

### 8. NOTICES OF MOTION

### 8.1 Ukrainian Sister City Proposal

Submitted by Mayor Johnstone

WHEREAS New Westminster has previously identified Moriguchi, Japan (1963) Quezon City, Philippines (1991) Lijiang, China (2002) and the six communities of the Tŝilhqot'in Nation (2020) as Sister Cities; and

WHEREAS New Westminster has both deep historic ties to the Ukrainian community and a growing population of more recent arrivals from Ukraine, centred around the Holy Eucharist Cathedral and a burgeoning local Ukrainian business community; and

WHEREAS Canada has been resolute with our NATO allies in supporting Ukraine and the Ukrainian people in the face of illegal occupation and horrific destruction wrought by the deadliest war in Europe since WW2; and

WHEREAS since 2022 communities across Canada have sought twinning agreements with communities in Ukraine to show support for the Ukrainian people, and as a means to stronger cooperation between communities to the benefit of both nations;

BE IT RESOLVED that New Westminster work with the local Ukrainian community to identify an appropriate partnership city in Ukraine with whom to develop a Sister City relationship.

## 8.2 London Street Active Transportation Route

Submitted by Councillor Campbell and Councillor Henderson

WHEREAS the City is considering improving parts of the London Street Active Transportation Route and in addition to these options, other active transportation improvements are being proposed along the London Street route.

WHEREAS input will be reviewed following the community engagement and will be used to adjust and refine the proposed improvements along the London Street Route and final designs are expected to be completed in the fall, and construction of the new active transportation route is expected to begin in winter 2025.

BE IT RESOLVED THAT staff report back to City Council with London Street Route public engagement results prior to tendering any work.

# 8.3 Listening to Residents and Temporarily Halting the London Street Bike Lane Capital Improvements

Submitted by Councillor Minhas

WHEREAS the residents of the West End have started a petition and have asked this Mayor and Council to reconsider the decision made by a previous Mayor and Council in 2022 to implement significant enhancements to the bike lane on London St; and

WHEREAS over 100 residents attending a regular meeting of Council on June 23rd to voice their concern regarding what they perceive to be a severe lack of consultation and communication regarding the London St bike lane project; and

WHEREAS the two options put forward for consideration regarding the London St bike lane project do not necessarily reflect the desired outcomes for a significant number of West End residents;

BE IT RESOLVED that Council direct staff to temporarily pause the London Street bike lane improvement project until an enhanced communications and community consultation plan can be developed and implemented; and

BE IT FURTHER RESOLVED that the public survey be reopened for at least another 60 days with the addition of a "none of the above" option for residents to express their dislike of either option should they wish to do so; and

### Minutes - Regular Council - July 7, 2025

BE IT FURTHER RESOLVED that it become city policy moving forward that all public surveys, where practicable, include a 'none of the above' option to allow residents to express their desire to not support any of the options put forward for consideration.

9.				NESS
u	$M \vdash 1$	WKI		$N \vdash > >$
J.	11	** "	JUII	

### 10. PUBLIC ANNOUNCEMENTS

### 11. ADJOURNMENT

The Corporate Officer adjourned the meeting (10:30 p.m.).

**CARRIED** 

Certified a true and correct copy of the Minutes of the Regular meeting of Council of the City of New Westminster held on July 7, 2025.

Patrick Johnstone MAYOR

Hanieh Berg
CORPORATE OFFICER

Schedule 1 to the Minutes of the Regular Council Meeting held on July 7, 2025 ON TABLE

Regular Council Meeting July 7, 2025

Re: Items 4.1 & 5.7

From:

**Sent:** Thursday, July 3, 2025 5:11 PM

**To:** Ruby Campbell; Daniel Fontaine; Tasha Henderson; Jaimie McEvoy; Paul Minhas;

Nadine Nakagawa; Mayor and Councillors

**Subject:** [EXTERNAL] Comments on upcoming council agenda items.

CAUTION: This email originated from outside of the City of New Westminster's network. Do not click links or open attachments unless you recognize the sender and know the content is safe.

I was hoping to attend this Monday's council meeting to speak to council on 2 issues. Unfortunately, I am unable to do so because of a work commitment.

The first is the proposed increase to meeting space rentals. I oppose this increase.

Before I speak as to why, I would like to briefly describe the frustrations I experience when booking city space in general.

I was interested in renting space at the təməsew'txw center. I asked about meeting room 1A. The bylaw and the Park and Recreation website say that the rental fee is \$20.08 per hour, which is reasonable.

However, staff quoted me \$78.09 per hour because of "additional fees" but could not explain to me what those additional fees are. These "additional fees" are almost three times the rental rate set out in the bylaw. I looked in the bylaw and I don't see any mention of additional fees, outside of insurance and music licenses, both of which are a fixed amount and not based on per hour usage. The staff member did say I'd also be responsible for those, so they are not included in the amount quoted.

At \$78.09 per hour, it is cheaper for me to book a meeting room at a hotel, which I find quite surprising – and the hotel would include room setup and cleanup afterwards.

My questions on this point are

- What are the additional fees?
- Where does the power to charge them come from?
- Why aren't they listed on the website to be more transparent?

Moving now to the proposed increase on space rentals. Increasing housing density inevitably results in smaller units with less room for people to socialize and meet in groups. I feel that it is important for the city to provide affordable spaces for this socialization to take place. \$78 per hour for a space to have a gathering of less than 50 people is out of reach for many lower income people, and these people are disproportionately likely not to have large homes to facilitate gatherings, or access to gathering spaces in other venues (such as condo common rooms). This proposed increase will make it even more unaffordable.

Personally, I was hoping to hold a community gathering for about 10 hours, but even with the current feel level I would be charged nearly \$800. I feel this very expensive for an event that would bring people in New

Westminster together, and its and frankly odd that I can rent a room at a for-profit hotel for the same amount or even less.

While I understand the need for greater recreation funding, I believe increasing these fees aren't the best way to achieve this. I ask that council that rejects the proposed increase and asks staff to look at the current fees for meeting space and have an "all in amount" listed on the website for greater transparency.

The next item I would like to speak about is the item about Exploring the Implementation of Quiet Zones in New Westminster. I strongly support this. I live in Cumberland between Richmond and Columbia. For much of the day I can not have the front windows of my home open. The noise from the heavy vehicles taking a short cut is so loud that I can not be on meetings, have a phone call, or even have a conversation. I hope the rport would also look at setting and enforcing noise levels, particularly for motorcycles and modified high performance vehicles. Both of these are major sources of noise on my street and I believe in the city in general.

Thank for taking the time to read this and your consideration

Schedule 2 to the Minutes of the Regular Council Meeting held on July 7, 2025 ON TABLE
Regular Council Meeting
July 7, 2025

Re: Item 4.1

From: Neil Salmond

**Sent:** Saturday, July 5, 2025 6:01 PM

To:Mayor and CouncillorsSubject:[EXTERNAL] Quiet ZonesAttachments:Video.mov; Video\_2.mov

CAUTION: This email originated from outside of the City of New Westminster's network. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello,

I'm intrigued to see the motion for quiet zones.

One of the quietest urban experiences I recall was in the middle of Munich. It is remarkable how much ambient noise even a few cars' tires make, the soundscape water that we North American fish swim in.

Additionally I imagine street level noise isn't much of an issue above the eighth floor. More eighth floors then.

I'm a little concerned by the mention of 'signage' in the motion, which has a whiff of distraction. It seems clear that the route to a quiet city is via bicycling and bollards and bulb-out rain-garden slowing swales and linear parks instead of asphalt car-parking lanes. All policies in existence, but great to accelerate.

I look forward to hearing more on Monday!

Neil

Attached: a vision for streets transformed to linear parks, and single lots redeveloped to six story sunshine suites. Can't you hear the quiet birdsong?

Schedule 3 to the Minutes of the Regular Council Meeting held on July 7, 2025

ON TABLE

Regular Council Meeting

July 7, 2025 Re: Item 5.11

From: chuck@civicvisions.ca

**Sent:** Monday, July 7, 2025 10:24 AM

To: Mayor and Councillors

Cc: Demian Rueter; Rupinder Basi; Geebachan BEYOND BORDERS 10th & Queens;

Amarjeet Aujla 10th & Queens

**Subject:** [EXTERNAL] July 7 item 5.11 regarding the proposed rezoning application at 912

Queens Avenue and 129-137 Tenth Street, and request that Council pull this item from the agenda and allow the applicant to continue working with the Planning department

with...

CAUTION: This email originated from outside of the City of New Westminster's network. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Mayor and Council.

After discussions with Rupinder Basi and Demian Reuter, we have decided to withdraw item 5.11 from the July 7 Council Agenda. This project to provide rental housing units plus 3 street level commercial units is not being recommended by your staff. If this resolution fails, we will not be able to reapply for a period of 6 months. This project is already costing us S21 Business Interests of 3rd Party in holding costs, and a 6 month delay would add

to this project. Therefore we are willing to continue to work with the Planning department toward a resolution which will allow us to begin construction sooner rather than later. We will remove the commercial units and turn them into a childcare centre. We already have interest by 2 local childcare providers to lease and run the facility.

We would like to put a community coffee shop where the current vacated corner store is. This was historically once Rosa's cafe. As a tribute to Rosa, we would like to work with the community to provide a community kitchen and coffee shop.

All remaining units will be rental units. We are seeking a partnership with a non-profit housing provider to provide some bellow market rents.

With regards to the left-behind-lot: S21 Business Interests of 3rd Party

BC Assessment appraised at 1.3 million dollars. S21 Business Interests of 3rd Party

With regards to the 4plex tenant relocation, it should be noted that S22(1) Personal Information

We sincerely look forward to working with the City staff to get this project to the development stage as soon as possible.

Sincerely

Chuck Puchmayr Civic Visions Inc Schedule 4 to the Minutes of the Regular Council Meeting held on July 7, 2025

ON TABLE

Regular Council Meeting July 7, 2025

Re: Item 5.16

**Submission to Mayor and Council** 

July 7, 2025

Re: Development at 102-128 East Eighth Avenue & 721 Cumberland Street

From:

Tom Gibson & Jenni Lynnea

East Durham Street

We live at East Durham Street, one of the ten houses across the lane from the proposed development. As residents, we have three main concerns to bring to your attention.



The townhouses will be on the right hand side of the lane, our houses are on the left.

**Demolition, excavation and construction traffic in the lane:** The lane is narrow and at times busy so we are not looking forward to the traffic issues, noise and dust during the construction period.

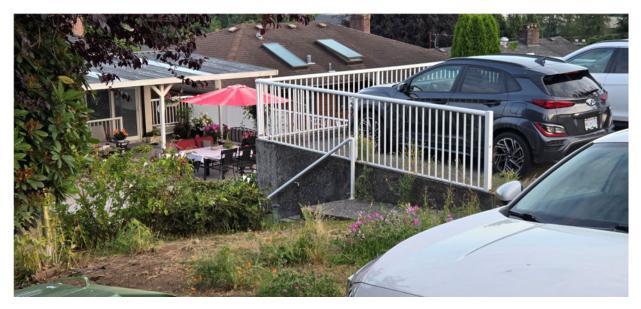
Council could reduce the impact of the construction on those living across the lane if it required all access to the site to be from East 8<sup>th</sup> Street and none from the lane. East 8th has a parking lane, so trucks and equipment could park on East 8<sup>th</sup> and materials could be transferred on and off the site without effecting traffic on East 8<sup>th</sup>.



.Parking lane on East 8th Street

**Underground Power:** Electrical cables for the development will be installed underground. Are the existing electrical poles going to be left on the new development's side of the lane to continue giving the houses on East Durham Street power? Or will the poles be removed to make way for the widening of the lane and UG wiring installed to the existing houses across the lane?

Due to the slope of our lots there are many retaining walls between the lane and our houses. And we have sidewalks, mature landscaping and patios that may be disrupted if UG wiring is run through our 70 year old yards. Council could ensure the developer creates site specific plans to minimize the impact on each back yard if underground wiring is required.



Retaining walls, patios and established gardens will complicate running underground wiring to the East Durham houses.

**Parking on East Durham during construction:** Most houses on our street have basement suites, so there is a lot of street parking by residents. Council could request that construction employees park on a range of nearby streets, rather than just on the blocks adjacent to the site to reduce the impact on East Durham residents.



Typical density of parking on East Durham

Schedule 5 to the Minutes of the Regular Council Meeting held on July 7, 2025

ON TABLE

Regular Council Meeting July 7, 2025

Re: Item 5.16

From:

**Sent:** Sunday, July 6, 2025 4:40 PM

**To:** Mayor and Councillors; External-Legislative Services

**Cc:** Patrick Johnstone; Ruby Campbell; Daniel Fontaine; Tasha Henderson; Jaimie McEvoy;

Paul Minhas; Nadine Nakagawa

**Subject:** [EXTERNAL] ATTENTION TO THE MAYOR AND COUNCIL - Against proposed rezoning

application for development of 721 Cumberland and 102-128 East 8th Avenue.

CAUTION: This email originated from outside of the City of New Westminster's network. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello,

My name is Tom Kanniainen. I live at East Durham Street and I am writing to speak against the proposed development being discussed for 8th and Cumberland street.

This 55 unit development is simply too much density in such a small footprint. Density of this type does not belong in this single family residence neighbourhood. The developers have attempted to minimize the increase in density by incorrectly saying that each of the houses in the development have three suites in each so they really aren't adding that many premises, but that is not true at all. They are 10 single family homes, not rooming houses or multi dwelling units with an upstairs and two basement units.

This type of density this project is proposing is jarringly out of place in this single family home area. Density like this belongs where it makes the most sense, around public transit hubs. Developments like these should be made around 22nd Street Skytrain Station and the Braid Street Skytrain Station. Here is where density like this makes the most sense, not in a neighbourhood of single family homes. This area of 8th and Cumberland is not particularly well served for bus service. This neighbourhood is not walkable either, being below the crest of a long hill on 8th Avenue and in the middle of a steep hill on Cumberland.

If the city desires to increase density I would suggest they rezone the three story apartment buildings in the middle of town around the public library into taller structures. In these areas there are already apartment buildings, and they can be rebuilt to go higher and add density. Also prioritize the developments around the Skytrain stations, not in residential neighbourhoods.

Building these 55 units will bring too much traffic to the area. The developer has submitted a low ball traffic study saying that adding the 55 townhomes won't increase the traffic in any meaningful way and that just defies belief. As I stated above this development is on a hill, walking and biking are difficult so the default transportation mode will be by car. They won't all ride bikes and skateboards. The previously small amount of planned parking spots has been increased to 82 stalls and six visitor parking stalls. This is still too low. Each unit will have at least two cars. For a "family friendly" development with 3-4 bedrooms each, you can bet each will have two cars. Parents will need to drive themselves to work and the kids to school and activities, they will have at least two cars per family you can bet on that.

This is just going to push excess vehicles from this development out onto the lane and on to East Durham Street. Resident and visitor parking to this development will overwhelm the already sparse street parking on East Durham Street and park on the private property of the south side residents of the lane. This will have a serious impact on the livability of the area.

The laneway is now only 10-12 feet wide, not the 6 m they require for the project to allow two way traffic in the lane.

The city planning department says the lane is already 5.5 m wide measuring property line to property line, but that is not borne out when walking up and down the lane.

If the required lane for the development is 6m or 19.76 feet or 20 feet to round up, where is the extra space coming from?

Even if the lane is widened five feet to the north and south that will have serious impacts on many houses on the south side of the lane.

There are at least 5 parking structures on the south side of the lane that are within 5 feet of the lane.

These structures have been there for more than 50 years and would not have proper set back if the lane is moved south.

717 Cumberland, 109 East Durham, 111 East Durham, 121 East Durham all have garages that would not have proper set back from the lane if it is moved south.

Structures at 105 East Durham Street and 127 East Durham Street would need to be destroyed and removed because they are built just a few feet from the lane.

129 East Durham Street would lose their parking in the back alley.

117 East Durham would lose most all of their back parking space and two tall trees at 117 East Durham will be impacted.

East Durham Street would lose our parking area that runs parallel to the lane.

The proposed development has yards and gates for the units that face the lane. With the parking situation they are being left with, you can be sure everyone in the proposed development and their guests will park in the lane and just walk to the laneway units, further decreasing the livability of the area. Turning the two way lane into a one way lane. Or worse they will park on the property of the south side of the lane.

This will happen due to the lack of parking spaces planned in this development.

The lane enters Cumberland just below the traffic light. Once two or perhaps three cars are waiting at the light, there will not be any more room to enter Cumberland and traffic will back up into the lane, past the lower parking lot entrance and lead to traffic jams and long waits to get out of the area, again a detriment to the livability in the area. When I brought this up to the developer on the first October zoom call they cited their private lowball traffic study and suggested only 3 more trips per hour would be made (it was something comically low). On that call I asked if they could move the exit from the underground parkade onto

Cumberland. They said that was not feasible, dumping that much traffic out onto a busy street just below a traffic light on a hill.

Moving the traffic jam 15 feet down the hill to the laneway does not provide a better solution.

The developer and architects have not been on site to see how their development will affect the area. On the first October Zoom call with the public they were not even aware that the lane was only 10-12 feet wide and they were also unaware that there were telephone poles and utilities running down the north side of the lane. They have no idea of the detrimental impacts their plans will have on the area.

What about other city services like sewer and water? We don't have the best water pressure in the area for the houses, what will a development of this size have on the water pressure in the area?

What is to be done about the Telephone poles and electrical utilities that run along them? How are they to be taken care of? If they are to be put underground who will pay for that? Also what about the interruption to services when they try and change the electrical phone and cable services underground. How will the services be provided to the residents on the lower side of the lane? Will they be drilled in, what about the stability of retaining walls for the car ports and garages on the south side of the lane?

Having the south facing units with balconies on the south exposure will also decrease privacy for every resident on the lower side of the lane and detract from enjoying our outdoor spaces without the overview of others.

The large tracts of rowhouses will block sun and north views for all the residents of the south side of the lane.

Using recent real estate prices these units will not lower any prices in the area.

The development of four townhouses on what was 45 East 8th Avenue are all selling for 1.2 million dollars. The development of 9 townhouses on Keary Street sell for 1.1 to 1.6 million dollars, so they are not helping to lower any real estate prices.

These proposed units are similar to the Keary Street units being billed as 3 bedroom homes.

We need a mix of housing types in the city. Allow the development of higher density buildings where it makes sense around Skytrain stations, not in residential areas far from any Skytrain station.

I ask that this council stop this 55 unit development from going forward. It is just too much for this area. The traffic, affect on livability and excess density will negatively impact the residents of the area.

Allow the density to be built around the transportation hubs like Skytrain stations where it makes the most sense and keep this area as single family dwellings.

Thank you,

Tom Kanniainen

1

Schedule 6 to the Minutes of the Regular Council Meeting held on July 7, 2025 ON TABLE
Regular Council Meeting
July 7, 2025
Re: Item 5.17

July 2 2025

BY EMAIL: <a href="mayorandcouncillors@newwestcity.ca">mayorandcouncillors@newwestcity.ca</a>

City of New Westminster 511 Royal Avenue New Westminster, BC V3L 1H9

Mayor Patrick Johnstone - pjohnstone@newwestcity.ca
Councillor Ruby Campbell - rcampbell@newwestcity.ca
Councillor Daniel Fontaine - dfontaine@newwestcity.ca
Councillor Tasha Henderson - thenderson@newwestcity.ca
Councillor Jamie McEvoy - jmcevoy@newwestcity.ca
Councillor Paul Minhas - pminhas@newwestcity.ca
Councillor Nadine Nakagawa - nnakagawa@newwestcity.ca

Dear Mayor Johnstone and City Councilors:

Re: Zoning Amendment Bylaw 8520, 2025 to Remove Cannabis Retail as a Permitted Use from 416 East Columbia Street to be Heard and Considered at the Council Meeting on July 7, 2025 (the "Council Meeting")

#### Overview

I write as the principal of Marigolds Cannabis, an established retail cannabis company in the lower mainland ("Marigolds").

As is set out in greater detail below, Marigolds is a significantly affected party to the proposed Zoning Bylaw Amendment to remove Cannabis retail as a permitted use from the property situated at 416 East Columbia Street, New Westminster BC (the "Property") (the Zoning Amendment").

Marigolds has acted in good faith throughout in all of its dealings with the City and its planning department in the operation and execution of its retail cannabis mandate and policy.

We have relied on the decisions made by the members of the planning department to grant a change of operator for the Property to allow Marigolds to establish a retail cannabis store - in circumstances where North Root Cannabis Ltd. ("NRC") was unable to secure a lease for the property with the landlord, 663466 B.C. Ltd. and its principal Mr. Gurmel Kainth (the "Landlord").

The matter between the Landlord and NRC has been litigated in the Supreme Court of BC and Court of Appeal in 2023/24, where NRC's claim of a valid lease on the Property has been refuted with significant credibility issues arising on the part of the principle of NRC Steven Baskott.

On the basis of the change of operator for the Property with the City, we have paid rent to the Landlord since early 2022 and continuing to this date. Marigolds obtained building and tree permits in its name with the City consequential upon the change of operator. Marigolds has also filed and paid for the necessary application with the Liquor and Cannabis Regulation Branch ("LCRB") with the remaining step being the referral from the City to the LCRB.

That referral is now at jeopardy given the Zoning bylaw amendment. Should the City approve the zoning amendment, Marigolds (and the Landlord) will incur significant and irreparable damages, including economic losses, out of pocket rent and related expenses totalling several hundred thousand dollars.

As the Court concluded, there are significant credibility issues with Steven Baskott of his own doing. It is unknown whether NRC and Steven Baskott has apprised the City and its planning department that his LCRB Cannabis Retail Store licence ("CRS") has been terminated in January 2025 and that the LCRB Agreement in Principle ("AIP") cannot be transferred to the new proposed property.

In all likelihood, NRC has filed an entirely new application with the LCRB that has not been approved.

The December 12, 2024 letter authored by Steven Baskott and sent to the City that initiated the relocation process is unfair to the Landlord and Marigolds. In that letter, NRC relies upon its award of the opportunity to open a cannabis location in Sapperton under the City's 2018/2019 fair and transparent approval process. What is now known is that the application upon which the award was based and made in 2018/2019 is not the application that is currently being considered. It is entirely different and no longer has any connection or nexus to the earlier approval process.

Marigolds has taken all appropriate steps with both the province and the city to pursue licensing. Marigolds has patiently waited for the last 3+ years, paying rent at 416 East Columbia. Marigolds notified the city of its intention to move forward long ago. The city vetted and approved Marigolds. The idea that the City could now cancel the zoning for 416 East Columbia Street is unfair and unjust.

While we sympathize with NRC, the fact remains that there was a lease dispute between the Landlord and NRC that was adjudicated by the Court. A summary trial was held in which the court did not find in NRC's favour. In addition, NRC filed an appeal to the Court of Appeal where their appeal was dismissed.

Marigolds and the Landlord have acted throughout in good faith and patience where considerable monies have been exhausted on the part of the Landlord to successfully address the Court proceedings brought by NRC and to move forward with the establishment of a new lease on the Property in 2022 and the change of operator and related permit steps with the City.

Marigolds is a reputable and established retail cannabis 3 provider in the lower mainland with an impeccable and unblemished track record. We will carry out the City's cannabis mandate in accordance with the highest standards and policy objectives and have the retail location open with dispatch.

#### Background

North Root Cannabis Ltd. ("NRC") was the successful applicant in the City's 2018/2019 process to permit a single retail cannabis business in Sapperton, when the initial preferred applicant was unable to proceed, thus defaulting to the second place NRC applicant. Steven Baskott is the sole director and officer of North Root.

The proposed retail establishment location put forward by NRC was the Property, where NRC represented as part of the vetting process to the planning department that they had the financial wherewithal, expertise and importantly the ability to establish a leasehold interest in the Property to successfully establish and operate a local retail business in the Sapperton area. The Property is owned by 663466 B.C. Ltd. with its principal being Mr. Gurmel Kainth.

Of significance and, as a necessary part of the planning department's vetting process and Council approval, NRC anchored their application on having made the required application for provincial approval from the LCRB for a CRS. NRC's application was submitted on November 30, 2018 with the proposed retail establishment being the Property (the "CRS Application"). The CRS Application was granted Approval-in- Principle on July 15, 2021 (the "AIP").

Based on NRC's representations, including the CRS Application, the Property was successfully rezoned on June 7, 2021 to allow a single retail cannabis store in Sapperton - one of six locations approved and rezoned by the City. In the almost 4 years since obtaining rezoning approval from the City, NRC has failed to open the retail business at the Property. In fact, it is only the Sapperton location that has failed to open.

#### Why has the Sapperton Location Failed to open

NRC did not obtain a lease for the Property.

Rather, as a result of NRC's financial dealings with the Landlord, including putting forward a personal cheque for rent arrears that did not clear, the Landlord was not prepared to move forward with NRC as the tenant and terminated all dealings with him in or about November 2021.

The dispute between NRC through its principal Steven Baskott is chronicled through the litigation commenced by NRC against the Landlord in the Supreme Court of British Columbia.

In its August 11, 2023 decision, the Court refused to find and resolve on a summary basis that NRC had a valid lease for the property citing significant credibility issues with Steven Baskott in his financial dealings with the Landlord and misrepresentations in the CRS Application with LCRB, where it is alleged he withheld material financial information in his financial integrity disclosure as to the actual ownership of NRC (see: <a href="North Root Cannabis Ltd.">North Root Cannabis Ltd.</a> v 663466 B.C. <a href="Ltd.">Ltd.</a>, 2023 BCSC 1395).

NRC appealed the August 11, 2023 decision with the appeal being dismissed on March 6, 2024 (see: North Root Cannabis Ltd. v. 663466 B.C. Ltd., 2024 BCCA 105 (collectively the "Court Decisions").

No further steps were taken by NRC in the past two years to advance its lawsuit against the Landlord and the matter languished. Most recently, NRC agreed to remove the CPL filed against the Property and vacate all interim orders.

#### What the Landlord has Since Done

Confronted with the situation where the Property was without a tenant and no rental income being generated to offset expenses and earn income, the Landlord took the prudent decision to find a new and suitable tenant for the Property and the retail cannabis store.

The Landlord offered the opportunity and the zoning to Marigolds Cannabis ("Marigolds"), an established and successful cannabis retailer operating its store in Vancouver with no issue with licensing. Licensing that has been submitted by Marigolds to the LCRB for the Property. That application can now be finalized and approved with the termination of the NRC application.

Marigolds and the landlord initially entered into a letter of intent to lease (the "LOI"). Based upon the LOI, the landlord promptly filed an application with the City for a change of operator which was granted by the planning department. Marigolds then entered into a lease of the premises on January 2, 2022, where it has fully paid the rent since then.

Further to the application to change operator, the planning department required Marigolds to go through a full vetting process. Marigolds did so at its own expense, and was advised that the change of operator application was approved. Marigolds then applied to the City for building and tree permits in its name which were paid for and approved, tendering renderings and all other ancillary and required information. Attached are the documents evidencing the change of operator and related steps approved and taken by Marigolds and the Landlord.

The City subsequently cancelled the building and tree permits which had been issued, but not the change in operator, due to concerns about the validity of an interim injunctive order that was made in contemplation of the summary court process.

The summary process having disposed of NRC's court applications and the failed appeal, logically led the Landlord to conclude that the injunctive order was at an end. With recent

dealings between the Landlord and NRC, the CPL has been removed and the injunctive orders vacated.

The City has since received a referral from the LCRB requesting consideration of a provincial cannabis retail store location at the Property for Marigolds Cannabis, which was not a party in the initial cannabis retail rezoning process. Due to Council's previous direction that a bylaw be established to remove cannabis retail at the location, city staff recommends that Council decline to accept the referral.

#### NRC's Dec 12, 2024 Request to the City to Relocate the Zoning to a New Location

Confronted by the Court Decisions, Steven Baskott delivered his December 12, 2024 letter to the City (the "Dec 12 2024 Letter").

In that letter, Steven Baskott alleges that NRC's "fully executed lease agreement was unilaterally terminated by the landlord, who accepted cash payments to transfer the zoning advantage to a different company". Of significance, at no time, did Steven Baskott make this allegation in the Supreme Court proceedings in the multiplicity of affidavits he swore and filed as can be plainly seen from a review of the Court Decisions where the Court canvasses the evidence in detail.

Rather, he raises this unfounded allegation for the first time in the Dec 12 2024 Letter for the sole and intended purpose of unfairly and inappropriately impugning the Landlord.

#### Planning Department's Recommendation and the Council's Decision

The planning department prepared a report on December 16, 2024 with the specific recommendation that NRC's proposed rezoning application was "premature" in advance of the forthcoming 2025 cannabis regulatory framework review, where the potential exists to open more than one retail store in Sapperton and the other city neighbourhoods.

On December 16, 2024, Council rejected that recommendation and directed an application for NRC to relocate to a different commercial site in the Sapperton neighbourhood by way of a bylaw amendment to remove the zoning from the Property and to move it to the new proposed location submitted by NRC.

LCRB's January 2025 Termination of NRC's CRC Application and AIP and the Withholding of this Information by NRC and Steven Baskott from the Planning Department and City

It is not in dispute that LCRB has terminated NRC's CRC Application in January 2025, advising them in writing that the AIP cannot be transferred to a new location (see: the January 23, 2025 LCRB letter). Rather, a new application with the LCRB has to be made by NRC and approved by LCRB, which is anything but a certainty given the developments that have occurred.

As with the Landlord, we have acted in good faith throughout and are being negatively impacted by the actions of what has occurred, when none of this is of Marigolds doing. We sincerely thank you for your consideration of our submissions. We can meet with the Mayor and city councillors at any time upon reasonable notice, should that be deemed necessary

Dated July 2, 2025 George Spyridis Marigolds Cannabis December 12, 2024

City of New Westminster
Building and Zoning Department
City of New Westminster
511 Royal Avenue
New Westminster, BC
V3L 1H9

To Whom It May Concern,

#### Re: Request to Relocate North Root Cannabis to a New Location

My name is Steven Baskott, and I am writing on behalf of North Root Cannabis to formally request permission to relocate our unopened retail cannabis store to a new address within the Sapperton area. The new proposed location meets all zoning and by-law requirements established by the City of New Westminster for cannabis retail. I am also requesting that the new address be rezoned to support this relocation.

North Root Cannabis was awarded the opportunity to operate under the City's 2018/2019 application process, which was designed to ensure fair and transparent approval of retail cannabis businesses. Unfortunately, the current zoning framework, which attaches cannabis zoning rights to physical locations rather than to the businesses that win the licensing process, has created challenges that undermine the intent of the process.

Specifically, our signed and fully executed lease agreement was unilaterally terminated by the landlord, who accepted cash payments to transfer the zoning advantage to a different company. This decision was made possible because the zoning is tied to the property rather than to the winning applicant. This action, while outside the intent of the City's rules, has left North Root Cannabis unable to open despite meeting all licensing requirements and being fully compliant with all City and LCRB (Liquor and Cannabis Regulation Branch) guidelines.

We believe this situation runs counter to the purpose of New Westminster's cannabis application framework, which was designed to ensure that successful applicants can operate businesses that contribute to the local community. Allowing North Root Cannabis to relocate to a suitable new address would reaffirm the City's commitment to supporting legitimate businesses and preventing exploitation of zoning rules by bad actors.

We also understand that the City intends to update its cannabis retail policies in 2025, as outlined in the proposed minutes of the October meeting regarding relocation requests. However, waiting until 2025 to

City of New Westminster

CNCL - 131 of 343

address this issue would impose significant hardship on our company. Our current situation is a direct result of the unintended consequences of the existing zoning framework, and we respectfully request that the City consider approving our relocation request ahead of the broader regulatory review.

We remain committed to operating a successful and responsible retail cannabis business in the New Westminster community and are confident that relocating within Sapperton will align with the City's bylaws, regulations, and long-term vision for cannabis retail.

Thank you for considering this request. We are happy to provide any additional documentation or information required to assist in your review.

Sincerely,
"Steven Baskott"

Owner and Operator

North Root Cannabis Ltd.

# Letter,.pdf







Job # 001885

January 23, 2025

North Root Cannabis Ltd. 20594 94B Avenue Langley B.C. VIM 1H9

Via email: sbaskott26@hotmail.com

Dear Mr. Steven Baskott:

Re: Intent to Terminate - Cannabis Retail Store Licence Application

Proposed Establishment Name: North Root

Proposed Establishment Address: 416 E Columbia Street, New Westminster

Applicant: North Root Cannabis Ltd.

The Liquor and Cannabis Regulation Branch (LCRB) received an application for a Cannabis Retail Store (CRS) licence on November 30, 2018. The CRS application was granted Approval-in-Principle (AIP) on July 15, 2021. As noted in the AIP extension letter dated July 3, 2024, the AIP expiry date was extended until January 15, 2025. The extension was approved based on the supporting documentation you submitted on June 11, 2024, which evidenced that further legal action was being pursued to regain valid interest in the proposed location.

On September 5, 2024, the LCRB received your email requesting to relocate your CRS application from the current location at 416 E Columbia Street, to a new location at 480 E Columbia Street, New Westminster.

As discussed during our phone conversation on January 17, 2025, the application cannot be relocated to another location and a new CRS application will be required to consider the new proposed location. The current application will be terminated without refund.

If you have new information that may impact the decision to terminate the application, it will be necessary for you to provide this information by January 30, 2025.

If you have any questions or require further information, please contact Lauren Clarke directly via email at <a href="mailto:lauren.clarke@gov.bc.ca">lauren.clarke@gov.bc.ca</a> or by phone at (778)-698-5310.

Liquor and Cannabis Regulation Branch Mailing Address: PO Box 9292 Stn Prov Govt Victoria BC V8W 918

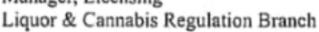
Lucation: 4\* floor 645 Tyee Road Victoria BC V9A 6X5 Phone: 250 952-5787 Facsimile: 250 952-7066 Website: https://mw.bc.ca/lerb

CRS Licence Application Termination - Incomplete

Page 2 of 2

Sincerely,

Karina Isdahl Manager, Licensing





CITY OF NEW WESTMINSTER

**FEE SLIP** 

RECEIVED AT: CITY OF NEW WESTMINSTER

511 Royal Avenue

New Westminster, B.C. V3L 1H9

Phone: 604-527-4580 Fax: 604-527-4564 Folder: BP014036

Fee Calculation Date: Sep 12, 2022

Receipt: 119665/21 Dated: Nov 7, 2022

Nov 7, 2022

12:15:14 PM

Station: FINCASH2/CHALL CASH 4

COPMT BP014036 CDTAX BP014036

2,940.00 15.00

**BUILDING PERMITS** 

COMMERCIAL TENANT IMPROVEMENT - COM - TEN

Total

CHEQUE

MARIGOLDS CANNABIS

2,955.00 -2,955.00

Address: 416 E COLUMBIA ST

THANK-YOU

Description Amount Description Quantity **Amount** Quantity B.p. Appl. Fee 400,000.00 2,640.00 B.p. Fee 400,000.00 2.640.00 Perm Records 400,000,00 300.00 GST 300.00 15.00 Outstanding Summary Amount Received Build - Fee 5,580.00 2,640.00 2,940.00

GST TOTAL

15.00 5.595.00

0.00 2,640,00

15.00 2.955.00

GST Reg.# 119439503



Building and Plumbing Inspection 604-527-4580 Email inspections@newwestcity.ca

## **ADDRESS**

# 416 E COLUMBIA ST

# Tenant Improvement for Interior & Exterior Alterations

ISSUED PURSUANT TO BUILDING BYLAW 6897,2003 "Where a building permit has expired, no construction or other work may continue or commerce until a new building permit is issued."

PERMIT NO.

**ISSUED DATE** 

**BP014036** 

Nov 07, 2022



#### **Development Services Department**

511 Royal Avenue, New Westminster, BC Val 1Hq

#### **Building Division**

T 604.527.4580 Email: inspections@newwestcity.ca Building Inspections 604,527,4620 Plumbing Inspections 604,527,4610

Tree Protection & Regulation Department

T 604.636.4318 Email: treeprotectionbylaw@newwestcity.ca

#### Permit #: BP014036



Access Code: 416

Address:

416 E COLUMBIA ST

Zoning / LUC: C-2A

Legal:

LOT 6. BLOCK 1, NEW WEST DISTRICT, PLAN NWP2620 GROUP Folio Number:02755000 1. OF LTS 6 TO 9, 13 & 14 SUBLK 2 & OF LT 13 SUBBLK 1.

P.I.D.:001-069-551

Permit Type:

COMMERCIAL TENANT IMPROVEMENT - COM - TEN

Description:

Tenant Improvement for Interior & Exterior Alterations

Applicant:

DOS DESIGN GROUP

Address:

110A-81 GOLDEN DRIVE COQUITLAM BC V3K 6R2

Phone(s):

E-MAIL:PERMITS@DOSDESIGNGROUP.COM PHONE:604-876-3738 - Dana Encarnacion

Owner:

663466 BC LTD

Address:

234-4820 KINGSWAY PO BOX 1236 RPO METROTOWN BURNABY BC

V5H 4J8

Phone(s):

E-MAIL:paulkainth@outlook.com - Inderpal (Paul) Kainth PHONE:604 338-5274 - INDERPAUL KAINTH

PHONE:604 520-1442 PHONE:604 520-1442 - GURMEL KAINTH PHONE:604-520-1442

PHONE:604-520-1442 - Gurmel kainth PHONE:604-710-0061 - GURMEL KAINTH

Auth Agent:

DOS DESIGN GROUP

Address:

110A-81 GOLDEN DRIVE COQUITLAM BC V3K 6R2

Phone(s):

E-MAIL:PERMITS@DOSDESIGNGROUP.COM PHONE:604-876-3738 - Dana Encarnacion

Contractor:

BELLWETHER HOMES

Address:

1626 PLATEAU CRESCENT COQUITLAM, BC V3E 3B3

Phone(s):

E-MAIL:george@bellwetherhomes.ca PHONE:604-362-0078 - George Spyridis

Designer:

DOS DESIGN GROUP

Address:

110A-81 GOLDEN DRIVE COQUITLAM BC V3K 6R2

Phone(s):

E-MAIL:PERMITS@DOSDESIGNGROUP.COM PHONE:604-876-3738 - Dana Encarnacion

Description B.p. Appl. Fee Perm Records

Quantity 400,000.00 400,000.00 Amount 2,640.00 300.00 Description B.p. Fee GST

Quantity 400,000.00 300.00

Amount 2.640.00 15.00

**Total Fee:** 

\$5,595.00

#### **Building Information:**

#### Required Building Inspections:

\* Contact the Building and Plumbing Department for the following inspections, regardless of the involvement of an architect or professional engineer: Forms, Poly Under Slab, Prior to Backfill, Service Connection, Rough Plumbing, Sheathing, Framing, Rain Screen, Insulation, Final. Any required inspections not carried out by the registered architect or engineer please contact the Building Department.

#### Special Conditions:

- \* Install CSA 4.8L low flow toilets as of October 3, 2011. Dual Flush option of 4.1L or less and 6.0L shall be deemed to
- City approved Plans must be available on-site on the day of your inspection, for ALL inspection types

Schedule 7 to the Minutes of the Regular Council Meeting held on July 7, 2025

ON TABLE

Regular Council Meeting July 7, 2025 Re: Item 5.17

From: Bridget Shebib <br/>bshebib@mcquarrie.com>

Sent: Thursday, July 3, 2025 2:44 PM

**To:** Mayor and Councillors; Patrick Johnstone; Ruby Campbell; Daniel Fontaine; Tasha

Henderson; Jaimie McEvoy; Paul Minhas; Nadine Nakagawa

**Cc:** Gurmel S Kainth; Brad Kielmann; Sharon Martin; Jessica Wilcox

**Subject:** [EXTERNAL] Submissions on behalf of Gurmel Kainth and 663466 B.C. Ltd. Re Zoning

Bylaw No. 6680, 2021, Retail Sale of Cannabis (416 East Columbia Street) Amendment

Bylaw No. 8520, 2025 (Our File No. 222371)

Attachments: Submissions of G. Kainth and 663466 B.C. Ltd. Regarding "Zoning Bylaw No. 6680,

2021, Retail Sale of Cannabis (416 East Columbia Street) Amendment Bylaw No. 8520,

.pdf

CAUTION: This email originated from outside of the City of New Westminster's network. Do not click links or open attachments unless you recognize the sender and know the content is safe.

#### Good Afternoon All,

Please find attached written submissions on behalf of Gurmel Kainth and 663466 B.C. Ltd. with respect to Zoning Bylaw No. 6680, 2021, Retail Sale of Cannabis (416 East Columbia Street) Amendment Bylaw No. 8520, 2025.

Warm Regards,

#### **Bridget Shebib**

(she/her) Lawyer

www.mcquarrie.com

## **M**Quarrie

McQuarrie Hunter LLP | Barristers & Solicitors Suite 1500, 13450 102 Avenue, Surrey, BC V3T 5X3 P 604.581.7001 F 604.581.7110 TF 1.877.581.7001

#### WARNING: CONFIDENTIALITY NOTICE

This message may contain confidential or privileged material or information which is exempt from disclosure under applicable law. Any use, dissemination, distribution or copying of this information by anyone other than the intended recipient is prohibited. If you are not the intended recipient, or have received this message in error, please immediately reply to or telephone the sender, permanently destroy any hard copies and delete this information from your computer. Thank you.

By Email: <a href="mayorandcouncillors@newwestcity.ca">mayorandcouncillors@newwestcity.ca</a>; <a href="mayorandcouncillors@newwestcity.ca">mayorandcouncillors@newwestcity.ca</a>; <a href="mayorandcouncillors@newwestcity.ca">mayorandcouncillors@newwestcity.ca</a>; <a href="mayorandcouncillors@newwestcity.ca">mayorandcouncillors@newwestcity.ca</a>; <a href="mayorandcouncillors@newwestcity.ca">dfontaine@newwestcity.ca</a>; <a href="mayorandcouncillors@newwestcity.ca">mayorandcouncillors@newwestcity.ca</a>; <a href="mayorandcouncillors@newwestcity.ca">mayorandcouncillors@newwestcity.ca</a>; <a href="mayorandcouncillors@newwestcity.ca">morandcouncillors@newwestcity.ca</a>; <a href="mayorandcouncillors@newwestcity

pjonstone@newwestcity.ca; thenderson@newwestcity.ca; nnakagawa@newwestcity.ca.

July 3, 2025

City of New Westminster Legislative Services, City Hall 511 Royal Avenue New Westminster, BC V3L 1H9

Re: Written Submissions Regarding "Zoning Bylaw No. 6680, 2021, Retail Sale of Cannabis (416 East Columbia Street) Amendment Bylaw No. 8520, 2025"

- 1. I am writing to oppose the passing of Zoning Bylaw No. 6680, 2021, Retail Sale of Cannabis (416 East Columbia Street) Amendment Bylaw No. 8520, 2025 (the "Bylaw").
- 2. My name is Gurmel Kainth. I am the sole director and officer of 663466 B.C. Ltd. (the "Landlord"), which is the owner of the subject property, civilly described as 416 East Columbia Street, New Westminster, BC V3L 0K5 (the "Property"). I have been a proud member of the New Westminster community for many years.
- I understand from the enclosed documents, which I obtained from your office and online, that the Bylaw at issue was instigated by North Root Cannabis Ltd. and its owner and director Steven Baskott's efforts to relocate North Root's business to another Sapperton address.
- 4. We oppose the passing of the Bylaw on the basis that it would be unfair to remove the retail sale of Cannabis as a permitted use of the Property in the circumstances. We say this for a number of reasons, including:
  - a. it would be prejudicial and unfair to the Landlord and I if the Bylaw were passed;
  - b. the procedure in relation to the Bylaw has been unfair to date; and
  - c. the City does not have all of the relevant information.

#### If the Bylaw were Passed it would be Unfair and Prejudicial to the Landlord and I

5. Firstly, if the Bylaw were passed, it would be prejudicial and unfair to the Landlord and I, who have been forced to defend against Mr. Baskott and North Root's aggressive and

unsuccessful litigation efforts for a period of more than three and a half years. The Property has also remained vacant for the entirety of that time, despite the Landlord having entered a lease with a new tenant, Marigolds Cannabis Ltd., in relation to the Property in December of 2021.

- 6. Through his letter to the City dated December 12, 2024 (enclosed for ease of reference) Mr. Baskott represented to the Council that North Root had a signed and fully executed lease agreement with the Landlord, and that the Landlord unilaterally terminated the Lease. He also alleged that the Landlord accepted cash payments to transfer the zoning advantage to a different company.
- 7. These allegations are both inaccurate and defamatory. Instead,
  - a. North Root and the Landlord did not have a valid lease agreement that was capable of "unilateral termination." North Root failed to comply with certain subjects that needed to be satisfied before any lease agreement could be valid and binding. When North Root failed to satisfy them, the Landlord terminated negotiations between itself and North Root for a number of reasons, including that Mr. Baskott had provided me with misleading information in our dealings; and
  - b. After the negotiations with North Root had been terminated, and in or around December of 2021, the Landlord entered a lease with Marigolds Cannabis. Neither the Landlord nor I accepted payments from Marigolds Cannabis or any other third party to transfer the zoning advantage.
- 8. Despite this, and despite Mr. Baskott and North Root's knowledge of this, they pursued a lawsuit against both me and the Landlord on the basis that the Landlord had breached the alleged lease. Mr. Baskott has actively and aggressively pursued this litigation for more than three and a half years. The Landlord and I have had no choice but to defend it despite the significant stress this has caused me.
- 9. Mr. Baskott's efforts have included an unsuccessful 7-day court hearing and an unsuccessful appeal.
- 10. If the Bylaw is passed, the Property will continue to remain vacant despite a valid lease existing between the Landlord and Marigolds Cannabis, and even though we have gone through both municipal and provincial processes to have Marigolds Cannabis approved as licensed cannabis retailer in New Westminster.
- 11. Further, despite these efforts, if the Bylaw is passed the City will effectively be allowing Mr. Baskott and North Root to relocate and to eliminate our opportunity to have a retail cannabis store operate out of the Property despite:
  - a. the fact that our effort, support and endorsement of Mr. Baskott and North Root were relied upon in the City's initial approval of North Root's business in the first instance;

- b. the fact that, instead of making the efforts North Root and Mr. Baskott now make to relocate the business initially, they dragged both the Landlord and I through several years of needless and unsuccessful litigation, and are only making these efforts after their litigation efforts failed; and
- c. the fact that Mr. Baskott may have provided inaccurate information within this process, the provincial regulatory process, and throughout the litigation.
- 12. These outcomes would be significantly unfair and prejudicial to both me and the Landlord.

#### The Procedure in Relation to the Bylaw has Been Unfair to Date

- 13. Secondly, the process in the development and consideration of this Bylaw has been unfair to date.
- 14. We note that, during the Council's consideration of the Property's zoning in December of 2024, at least one Council member, Ms. Henderson, spoke on behalf of Mr. Baskott's family. Ms. Henderson specifically spoke in favor of allowing North Root to relocate, and in favor of the Bylaw. Her comments have been summarized below:
  - ...There has been some holdup on that location. This business owner has been waiting for years to open. I know that they are a family with a small business, they have other jobs, and they have been waiting a long time. So, I think this would maintain one location within Sapperton. I think it just makes sense that this was the successful operator through our first round of competition that we provide them with the opportunity to open without further delay. The delay has been really burdensome to them as business owners. So definitely supportive of that.
- 15. Importantly, the City did not give notice of the December 2024 hearing where these comments were made to the Landlord or I. They also did not give us the opportunity to make submissions in relation to the issues considered there. As such, only North Root and Mr. Baskott's interests were represented, which is a source of frustration and indicative of the unfairness we speak of in this process.
- 16. Furthermore, we submitted a Freedom of Information Request in the spring of this year, which revealed that Mr. Baskott has had unfair access to the Mayor and the Council. Mr. Baskott has also provided inaccurate information in his communications with the City. Yet, he has been given repeated opportunities to present his version of events to the City in favor of North Root's relocation and in favor of the Bylaw. This is evidenced by the following:
  - email correspondence from Mr. Baskott to the City of New Westminster (including the Mayor and Council members) on August 8, 2024, enclosing a letter wherein Mr. Baskott outlines the basis for his urgent request for the City to assist him in transferring his provincial Cannabis Retail License; and

b. email correspondence from the Supervisor of Development Planning, Mike Watson, to Mr. Baskott confirming the details of the Council's discussion regarding North Root's request to relocate North Root to a new location in Sapperton.

These documents are also enclosed here for ease of reference.

- 17. We also understand that Mr. Baskott was given the opportunity to meet with the Mayor personally. Conversely, despite our repeated attempts to have a discussion with the Mayor and City Councilors, we have been denied the opportunity to do so. We have enclosed copies of emails to the Mayor and to the City Solicitor, Craig MacFarlane, evincing our efforts.
- 18. The result is that the process to date has been unfair, and the Council now risks making a widely impactful decision without the full scope of relevant information.

#### The City Does not Have all of the Relevant Information

- 19. Unfortunately, we were only made aware of the upcoming hearing last week, and we only obtained the City's materials on the afternoon of Friday June 27, 2025, which was the Friday before a long weekend. As such, we have not been able to prepare a fulsome response detailing all of the information we believe the Council needs in order to make a decision on this issue.
- 20. For example, based on the video of the December 16 hearing, and on the materials that the City has provided us with in relation to the upcoming hearing, it does not appear that the City is aware of the following:
  - a. the Province cancelled North Root's Approval in Principle in relation to its application for a cannabis retail license. It is our understanding that this means North Root will be required to begin the provincial application process anew. As such, if the Bylaw is passed, the Council may be creating a situation where there are no operating Cannabis Retail Stores in the Sapperton area. We have enclosed a copy of the letter the province sent to North Root confirming the cancellation of the AIP in January.
  - b. the Province has begun processing Marigolds Cannabis' application for a license to operate a Cannabis Retail Store at the Property. We also understand that the City has been working with Marigolds Cannabis towards this end. As such, if the Council approves the Bylaw, it is likely that the Council will be thwarting an application and approval process that the City has led Marigolds Cannabis to believe will continue to proceed.
  - c. it is evident from Ms. Henderson's comments at the December 2024 discussion that Mr. Baskott has characterized North Root as a family's small business in an apparent attempt to garner sympathy. However, through the litigation it has become apparent

that North Root's ownership is in dispute. Questions were also raised regarding whether Mr. Baskott had provided inaccurate information to the province and the City regarding North Root's funding sources and/or business relationships. We have attached the following documents that outline the various concerns and allegations:

- North Root Cannabis Ltd. v. 663466 B.C. Ltd., 2023 BCSC 1395: a decision of the British Columbia Supreme Court wherein some of these issues are raised and discussed:
- ii. **Affidavit #2 of Dane Camley**: an affidavit that was filed in the litigation. This affidavit discloses text messages between Mr. Baskott and Dane Camley, which appear to disclose a partnership relationship between them in relation to North Root. Within these text messages (at page 70 of the affidavit) Mr. Baskott also makes racist comments about me, referring to me at one point as a "slimy Hindu."
- iii. **Notice of Civil Claim**: a copy of a Notice of Civil Claim Mr. Camley has since filed against Mr. Baskott and North Root in relation to the ownership of North Root.

#### **Conclusion**

- 21. In sum, we do not believe it is fair or appropriate for Council to pass the Bylaw at all, let alone at this time.
- 22. In the event that the Council deems it appropriate to consider the Bylaw, we ask that the City postpone its consideration of the Bylaw in order to allow us time to provide the Council with further information.
- 23. Should the Council pass the Bylaw today, the Council risks making the decision without all relevant information, and without following a fair process. The Council also risks making a decision that us unfair and prejudicial to both the Landlord and me.
- 24. I ask, as a long-standing member of this community, that the Council refrain from passing the Bylaw accordingly.

Sincerely,

#### **Gurmel Kainth**

Director and Owner 663466 B.C. Ltd.

#### **Temporary Use Permits**

190.46 Temporary commercial and industrial uses may be allowed under Section 493 of the Local Government Act within all zones shown on Appendix "A". In considering the issue of a temporary use permit, the Council or its delegate shall consider the following:

(BYLAW 7924, 2018)

- Whether the proposed use is consistent with the official community plan designation for the land;
- b) Whether the proposed use is consistent with any neighbourhood plan applying to the land;
- Whether the proposed use is consistent with relevant policies adopted by the Council;
- d) In the case of any proposed use that is not consistent with any such plan or Council policy, the nature and extent of any community benefit from the use;
- e) Whether the proposed use is of a temporary nature or whether it would be more appropriate for the City to consider permitting the use by rezoning;
- f) The suitability and compatibility of the proposed use with the surrounding area, including its operation, function, appearance and intensity of use;
- g) The impact of the proposed use on the operation of adjacent uses, including future land uses permitted by the zoning bylaw and designated by the official community plan.

  (BYLAW 7387, 2010)

#### **Liquor Primary Licensed Premises**

(BYLAW 8043, 2018)

Notwithstanding any other provision of this Bylaw, in addition to the uses permitted in the districts established by Section 140 of this Bylaw, liquor primary licensed premises are permitted at the premises having the civic addresses and legal descriptions set out in Appendix "H", and at no other premises.

(BYLAW 7273, 2008)

The actual occupant load of each premises specified in Appendix "H", determined in accordance with the British Columbia Building Code, shall not exceed that specified in respect of those premises in Appendix "H".

(BYLAW 7273, 2008)

#### Retail Sale of Cannabis

(BYLAW 8043, 2018)

190.48.1 Notwithstanding any other provision of this Bylaw, *Retail Sale of Cannabis* is only permitted in the locations, and to be maximum gross floor area, listed in the following table, as amended:

Business Name	Address	Max Gross Floor Area	Legal Description
Westcanna	710 Twelfth Street (706 Twelfth Street)	385 sq. metres	009-124-411
BC Cannabis	805 Boyd Street -	465 sq. metres	026-736-641

Stores	Building L		THE PROPERTY OF THE PARTY.
Maple Leaf Greenery	71 Sixth Street	200 sq. metres	008-209-448
Queensborough Cannabis Co.	540 Ewen Avenue	440 sq. metres	011-313-625
Real Reef	320 Sixth Street	111 sq. metres	005-839-513
North Root Cannabis	416 East Columbia Street	230 sq. metres	001-069-551

(BYLAW 8043, 2018; 8109, 2019; 8111, 2019; 8140, 2019; 8107, 2019; 8108, 2019; 8218, 2020; 8217, 2020; 8256, 2021)

#### 190.48.2 Retail Sale of Cannabis shall:

- (a) not permit consumption of cannabis within the portion of the building used for the retail sale of cannabis;
- (b) not permit production, growing or cultivation of cannabis within the portion of the building used for the retail sale of cannabis;
- (c) only be permitted to sell *cannabis*, *cannabis* accessories and retail merchandise directly related to *cannabis* and no other product; and
- (d) not be permitted within the same commercial unit as any other use, except for the retail sale of cannabis accessories.
- (e) deleted.

(BYLAW 8043, 2018; 8215, 2020)

#### Personal Cultivation of Cannabis

(BYLAW 8043, 2018)

- 190.48.3 Growing and cultivation of *cannabis* for personal use is permitted on a site which is zoned for residential uses provided:
  - (a) all laws, regulations and requirements of other jurisdictions are met and all required permits, such as but not limited to Building and Electrical Installation Permits, have been obtained;
  - (b) does not include any processing or manufacturing of cannabis unless for medical purposes in accordance with a prescription from a medical practitioner;
  - (c) does not include the retail sale of cannabis; and
  - (d) for sites containing multiple dwellings, it is located on a portion of the property under private occupancy, such as, but not limited to areas within a dwelling or on limited common property."

(BYLAW 8043, 2018)

#### Amenity Density Bonus

190.49

Where a zoning district allows for bonus density, the bonus density may be permitted if payments are made into capital reserve funds as established by Bylaw 7382, 2010, Bylaw No 7383, Bylaw No 7384, 2010 or Bylaw 7608, 2013 in accordance with the table below.

## Notice Respecting Zoning Amendment Bylaw

Under sections 464(2) and 467 of the Local Government Act

#### MONDAY, JULY 7, 2025 AT 6:00 PM

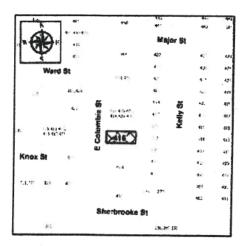
Meeting held electronically and open to public attendance in Council Chamber, City Hall, 511 Royal Avenue

## Zoning Bylaw No. 6680, 2001, Amendment Bylaw No. 8520, 2025 for 416 East Columbia Street

The purpose of this bylaw is to remove retail sale of cannabis as a permitted use from the property located at 416 East Columbia Street. This bylaw is consistent with the Official Community Plan, and in accordance with sections 464(2) and 467 of the *Local Government Act*, the Corporation of the City of New Westminster will not hold a public hearing on Zoning Amendment Bylaw No. 8520, 2025.

#### **HOW DO I GET MORE INFORMATION?**

From June 27, 2025 to July 7, 2025, the proposed bylaw and related material are available for public inspection at Legislative Services, City Hall from 8:30 am to 4:30 pm Monday to Friday, excluding statutory holidays, and online at: <a href="mailto:newwestcity.ce/publicnotices">newwestcity.ce/publicnotices</a>



#### **HOW CAN I BE HEARD?**

Written submissions by email, by post, or by dropping off at the mailbox on the north side of City Hall are welcome. All written submissions will form part of the public record and be published on the City's website.

Email:

mayorandcouncillors@newwestcity.ca

Phone: 604-527-4523

Legislative Services, City Hall 511 Royal Avenue,

New Westminster, BC V3L 1H9

City Council will consider giving first, second and third readings to Bylaw No. 8520, 2025 at its meeting on July 7, 2025. The meeting will be open to public attendance and broadcast live on the City's website. It can be viewed by going to <a href="mailto:newwestcity.ca/council">newwestcity.ca/council</a> and clicking on either the meeting ID or the Council meeting in the calendar.

Hanieh Berg, Corporate Officer



#### CORPORATION OF THE CITY OF NEW WESTMINSTER

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

A Bylaw to amend Zoning Bylaw No. 6680, 2001

WHEREAS the Local government Act authorizes a municipality to zone areas of land and to make regulations pursuant to zoning,

WHEREAS the Council has adopted a zoning bylaw under Part 14 of the Local Government Act, and wishes to amend the bylaw,

NOW THEREFORE THE CITY COUNCIL of the Corporation of the City of New Westminster in open meeting assembled ENACTS AS FOLLOWS:

- 1. This Bylaw may be cited for all purposes as "Zoning Bylaw No. 6680, 2001, Retail Sale of Cannabis (416 East Columbia Street) Amendment Bylaw No. 8520, 2025".
- 2. Zoning Bylaw No. 6680, 2001 is hereby amended as follows:
  - a) Deleting the row labeled in the first column as "North Root Cannabis" from section 190.48.1.

#### **Consequential Amendments**

3. Zoning Bylaw No. 6680, 2001 is further amended by making such consequential changes as are required to give effect to the amendments particularized in this bylaw, including changes to the format, numbering and table of contents.

Public Hearing not held, notice published this	is day of	, 2025
and day of	_, 2025.	
GIVEN FIRST READING this day	of	, 2025.
GIVEN SECOND READING this da	ay of	, 2025.

GIVEN THIRD READ	ING this	day of	, 2025.
ADOPTED this	day of		, 2025.
		in the second second	
			Mayor Patrick Johnstone
			Hanieh Berg, Corporate Officer



#### 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**

- 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.

#### <u>PURPOSE</u>

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 Brach ("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:

- 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:

- 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);
- 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;
- 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:

- 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.
- 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**

This report was prepared by:
Mike Watson, Supervisor, Development Planning

This report was reviewed by: Carolyn Armanini, Acting Manager, Economic Development Demian Rueter, Manager, Development Planning Rupinder Basi, Deputy Director, Planning and Development

This report was approved by: Rupinder Basi, Deputy Director, Planning Blair Fryer, Director of Community Services Lisa Spitale, Chief Administrative Officer

(40)

\*



## Attachment 1

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

#### CORPORATION OF THE CITY OF NEW WESTMINSTER

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

A Bylaw to amend Zoning Bylaw No. 6680, 2001

WHEREAS the Local government Act authorizes a municipality to zone are	as of	land
and to make regulations pursuant to zoning,		

WHEREAS the Council has adopted a zoning bylaw under Part 14 of the Local Government Act, and wishes to amend the bylaw,

NOW THEREFORE THE CITY COUNCIL of the Corporation of the City of New Westminster in open meeting assembled ENACTS AS FOLLOWS:

- 1. This Bylaw may be cited for all purposes as "Zoning Bylaw No. 6680, 2001, Retail Sale of Cannabis (416 East Columbia Street) Amendment Bylaw No. 8520, 2025".
- 2. Zoning Bylaw No. 6680, 2001 is hereby amended as follows:
  - a) Deleting the row labeled in the first column as "North Root Cannabis" from section 190.48.1.

#### **Consequential Amendments**

3. Zoning Bylaw No. 6680, 2001 is further amended by making such consequential changes as are required to give effect to the amendments particularized in this bylaw, including changes to the format, numbering and table of contents.

Public Hearing not held, notice published this day of				
and day of	, 2025.			
GIVEN FIRST READING this	day of	, 2025.		
GIVEN SECOND READING this	day of	, 2025.		

GIVEN THIRD REA	DING this	day of		, 2025.
ADOPTED this	day of		, 2025.	
				¥
			Mayor I	Patrick Johnstone
			Hanieh Berg.	Corporate Officer



### Attachment 2:

North Root Cannabis Ltd. Letter of Intent

December 12, 2024

City of New Westminster
Building and Zoning Department
City of New Westminster
511 Royal Avenue
New Westminster, BC
V3L 1H9

To Whom It May Concern,

#### Re: Request to Relocate North Root Cannabis to a New Location

My name is Steven Baskott, and I am writing on behalf of North Root Cannabis to formally request permission to relocate our unopened retail cannabis store to a new address within the Sapperton area. The new proposed location meets all zoning and by-law requirements established by the City of New Westminster for cannabis retail. I am also requesting that the new address be rezoned to support this relocation.

North Root Cannabis was awarded the opportunity to operate under the City's 2018/2019 application process, which was designed to ensure fair and transparent approval of retail cannabis businesses. Unfortunately, the current zoning framework, which attaches cannabis zoning rights to physical locations rather than to the businesses that win the licensing process, has created challenges that undermine the intent of the process.

Specifically, our signed and fully executed lease agreement was unilaterally terminated by the landlord, who accepted cash payments to transfer the zoning advantage to a different company. This decision was made possible because the zoning is tied to the property rather than to the winning applicant. This action, while outside the intent of the City's rules, has left North Root Cannabis unable to open despite meeting all licensing requirements and being fully compliant with all City and LCRB (Liquor and Cannabis Regulation Branch) guidelines.

We believe this situation runs counter to the purpose of New Westminster's cannabis application framework, which was designed to ensure that successful applicants can operate businesses that contribute to the local community. Allowing North Root Cannabis to relocate to a suitable new address would reaffirm the City's commitment to supporting legitimate businesses and preventing exploitation of zoning rules by bad actors.

We also understand that the City intends to update its cannabis retail policies in 2025, as outlined in the proposed minutes of the October meeting regarding relocation requests. However, waiting until 2025 to

address this issue would impose significant hardship on our company. Our current situation is a direct result of the unintended consequences of the existing zoning framework, and we respectfully request that the City consider approving our relocation request ahead of the broader regulatory review.

We remain committed to operating a successful and responsible retail cannabis business in the New Westminster community and are confident that relocating within Sapperton will align with the City's bylaws, regulations, and long-term vision for cannabis retail.

Thank you for considering this request. We are happy to provide any additional documentation or information required to assist in your review.

Sincerely,
"Steven Baskott"

Owner and Operator

North Root Cannabis Ltd.

From:

baskott ss. 22

To:

Lauren.Clarke@gov.bc.ca, Clarke, Lauren LCRB:EX

Subject:

Fw: Address Move.

Sent:

08/08/2024 11:02:40

Attachments: Address Change for New Westminster.pdf

[EXTERNAL] This email came from an external source. Only open attachments or links that you are expecting from a known sender.

From: baskott s s. 22

Sent: August 8, 2024 10:33 AM

To: rbasi@newwestcity.ca <rbasi@newwestcity.ca>; Serena Trachta <strachta@newwestcity.ca>;

jlmiller@newwestcity.ca <jlmiller@newwestcity.ca>

Subject: Fw: Address Move.

From: baskott s 5. 22

Sent: August 8, 2024 10:31 AM

To: pjohnstone@newwestcity.ca <pjohnstone@newwestcity.ca>; sschreder@newwestcity.ca

<sschreder@newwestcity.ca>; lleblanc@newwestcity.ca <lleblanc@newwestcity.ca>

Subject: Fw: Address Move.

From: baskott s 5, 22

Sent: August 8, 2024 10:27 AM

To: pjohmstone@newwestcity.ca <pjohmstone@newwestcity.ca>; rcampbell@newwestcity.ca <rcampbell@newwestcity.ca>; dfontaine@newwestcity.ca <dfontaine@newwestcity.ca>; thenderson@newwestcity.ca <thenderson@newwestcity.ca>; jmcevoy@newwestcity.ca <jmcevoy@newwestcity.ca>; pminhas@newwestcity.ca <pminhas@newwestcity.ca>; nnakagawa@newwestcity.ca>; lspitale@newwestcity.ca <lspitale@newwestcity.ca <jteed@newwestcity.ca>; Blair Fryer <bfryer@newwestcity.ca>; jteed@newwestcity.ca <jteed@newwestcity.ca> Subject: Address Move.

Hello,

Please find attached correspondence from North Root

Best,

Steven Baskott

5. 22

Steven Baskott North Root Cannabis

City of New Westminster Mayor Johnstone, and Council Members, Lisa Spitale, Blair Fryer, Jackie Teed 511 Royal Ave, New Westminster, BC, V3L 1H9

Dear Mayor Johnstone, Members of Council and Staff,

Re: Urgent Request for Cannabis License Transfer for North Root Cannabis

My name is Steven Baskott, owner of North Root Cannabis which was granted approval to operate a retail cannabis store in the New Westminster, BC, Sapperton area. I am writing to urgently request your assistance in transferring my cannabis license to a new location s. 22

North Root Cannabis was awarded approval to operate at 416 E Columbia based on our merit and compliance with all City regulations. S. 22

I have identified a new address that complies with all the City's requirements and am prepared to proceed with the necessary steps for rezoning and building out the new location s. 22

Thank you for your attention to this critical matter. I look forward to your favorable response and am available to discuss this request further at your earliest convenience.

Sincerely,

Steven Baskott North Root Cannabis

s. 22

From: baskott s<sup>s. 22</sup>

To: Lauren.Clarke@gov.bc.ca, Clarke, Lauren LCRB:EX

Subject: Fw: Sapperton Cannabis Relocation - Submission of Rezoning Application

Sent: 12/19/2024 11:47:30

[EXTERNAL] This email came from an external source. Only open attachments or links that you are expecting from a known sender.

From: Mike Watson < mwatson@newwestcity.ca>

Sent: December 17, 2024 4:21 PM

To: 'baskott s' S. 22

Subject: Sapperton Cannabis Relocation - Submission of Rezoning Application

Mr. Baskott,

As you are already aware, staff provided a report to Council regarding your inquiry to relocate North Root Cannabis to a new location within the Sapperton commercial area. You can watch the Council discussion online from the City's website with the meeting agenda at this <a href="link">link</a>. In watching this video, you will see, that Council provided direction that North Root Cannabis Ltd. be advised that Council would further consider a rezoning application to relocate their operation to another location along East Columbia Street in the Sapperton neighbourhood.

To move a cannabis retail operation an application for rezoning is required. The rezoning application will be reviewed by the City and will require Council approval. At this point, should you wish to submit an application to rezone another site on East Columbia Street to relocate your cannabis retail business to, you would need to submit, in addition to the materials necessary through City requirements, the materials required by the <a href="mailto:Cannabis Retail Rezoning Policy">Cannabis Retail Rezoning Policy</a>. You can review the <a href="Making a Development Application">Making a Development Application</a> page for information on submission materials and fees. All required materials should be submitted in a single email to <a href="mailto:plnpost@newwestcity.ca">plnpost@newwestcity.ca</a>.

Once your email with the materials has been received, the City will verify that all necessary materials have been provided. If there are missing materials, you will be advised and will need to resubmit for re-review. Once the City has verified that all the necessary materials have been provided, we will provide you with a fee slip and application form. The applicant will take the fee slip to the cashiers at City Hall for payment and the application form would be signed by the owner(s) or authorized agent. Both would be returned to the City by email to <a href="mailto:plnpost@newwestcity.ca">plnpost@newwestcity.ca</a>.

Once the application form and fee slip are returned a confirmation email will be provided confirming that the application has been successfully submitted and ready for staff to begin review. At this time a planner would be assigned to your rezoning application and will reach out to the applicant.

As with all submissions to the City, all materials provided become part of the City's record and are subject to Freedom of Information (FOI) regulations and requirements.

I am away over the holidays and return the week of January 6, 2025. This should give you the time to gather the necessary information for submission. If you have any questions about the submission materials at that time I can assist in the new year.

Kind regards and happy holidays.

Mike Watson, RPP, MCIP | Supervisor, Development Planning T 604.527.4519 | E mwatson@newwestcity.ca

City of New Westminster | Climate Action, Planning and Development 511 Royal Avenue, New Westminster, BC V3L 1H9

www.newwestcity.ca | f /newwestminster | \*@new\_westminster

We recognise and respect that New Westminster is on the unceded and unsurrendered land of the Halkomelem speaking peoples. We acknowledge that colonialism has made invisible their histories and connections to the land. As a City, we are learning and building relationships with the people whose lands we are on.

From: Brad Kielmann

Sent: Thursday, April 24, 2025 1:16 PM

To: pjohnstone@newwestcity.ca; gurmel@shaw.ca

Cc: Jessica Wilcox < jwilcox@mcquarrie.com >; Sharon Martin < smartin@mcquarrie.com >

Subject: Cannabis Retail Store Zoning

Dear Mayor Johnstone,

I am legal counsel for Gurmel Kainth, copied, and his company. They own premises at 416 East Columbia Street in New Westminster.

I write to request an informal meeting with you and my client to discuss the upcoming council meeting scheduled for May 5. I gather that there may be consideration by council to remove the existing zoning at my clients' premises for a cannabis retail store to another location at the request of North Root Cannabis and Mr. Steve Baskott.

Through a FOI request, we understand by email dated December 9, 2024, Mr. Baskott informed the LCRB that he had met with you and felt confident that you would support his application to move the location. In an email dated December 17, 2024, Mr. Baskott informed the LCRB that on December 16, you and council voted to allow North Root to move its business to a new location. Despite this, the LCRB recently terminated North Root's Approval in Principal to obtain a license for a cannabis retail store at my clients' premises. My clients would also like the opportunity to speak with you to provide their perspective as well as council's decision could have a detrimental impact on them.

My client has been in ongoing litigation with Mr. Baskott and North Root for several years and were successful in a summary trial and in the British Columbia Court of Appeal. My client has been unable to have a tenant move into his premises and operate a business as a result of an interim injunction ordered on his premises. My clients will be significantly prejudiced if the zoning is changed in these circumstances.

I certainly appreciate how busy you must be and I am adding another task to your list. My clients however have only recently learned that the City was contemplating making a decision that will affect his legitimate business interests and as a long time contributor to the City of New Westminster he requests the opportunity to meet with you in advance of the May 5 council meeting.

Thank you for your consideration.

Regards,

#### **Brad Kielmann\***

Partner

\*Brad Kielmann Law Corporation

D 604.580.7038

www.mcquarrie.com



McQuarrie Hunter LLP | Barristers & Solicitors Suite 1500, 13450 102 Avenue, Surrey, BC V3T 5X3 P 604.581.7001 F 604.581.7110 TF 1.877.581.7001

#### WARNING: CONFIDENTIALITY NOTICE

This message may contain confidential or privileged material or information which is exempt from disclosure under applicable law. Any use, dissemination, distribution or copying of this information by anyone other than the intended recipient is prohibited. If you

e not the intended recipient, or have received this message in error, please immediately reply to or telephone the sender, rmanently destroy any hard copies and delete this information from your computer. Thank you.	

**From:** Craig MacFarlane < cmacfarlane@newwestcity.ca>

Sent: Friday, May 2, 2025 4:14 PM

To: Brad Kielmann < bkielmann@mcquarrie.com>

Subject: RE: 416 East Columbia St.

Hi Brad,

I have been instructed not to arrange a meeting with the Mayor regarding your client's property. Thanks for the other information.

Best regards,

Craig

**Craig MacFarlane** | Manager of Legal Services – City Solicitor **T** 604.636.4473 | **C** 604.773.7654 | **E** cmacfarlane@newwestcity.ca

City of New Westminster | Office of the Chief Administrative Officer 511 Royal Avenue, New Westminster, BC V3L 1H9 www.newwestcity.ca

This email and any attachments are confidential, may be legally privileged, and/or subject to the Freedom of Information and Protection of Privacy Act, and are for the use of the intended recipient only

From: Brad Kielmann < bkielmann@mcquarrie.com >

Sent: Thursday, May 1, 2025 3:16 PM

To: Craig MacFarlane <cmacfarlane@newwestcity.ca>

Cc: 'Timothy Luk' < luk@younganderson.ca >; Jessica Wilcox < jwilcox@mcquarrie.com >

Subject: [EXTERNAL] RE: 416 East Columbia St.

**CAUTION:** This email originated from outside of the City of New Westminster's network. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Craig,

Thank you for confirming the agenda. I am attaching an email my client was provided indicating that North Root's AIP was terminated at 416 East Columbia. I have been in communication with the LCRB and have confirmed that the AIP was terminated at my client's property. Can you confirm whether the City is aware of this development? Also, I am following up with my request below to meet with the Mayor.

### **Brad Kielmann\***

Partner

\*Brad Kielmann Law Corporation

D 604.580.7038



**From:** Craig MacFarlane < <u>cmacfarlane@newwestcity.ca</u>>

Sent: Wednesday, April 30, 2025 9:57 AM

To: Brad Kielmann <br/>
<br/>
bkielmann@mcquarrie.com>

Cc: 'Timothy Luk' < luk@younganderson.ca>; Jessica Wilcox < jwilcox@mcquarrie.com>

Subject: RE: 416 East Columbia St.

Hi Brad,

There is no rezoning bylaw on the May 5 agenda with respect to 416 East Columbia Street.

Regards,

Craig

**Craig MacFarlane** | Manager of Legal Services – City Solicitor **T** 604.636.4473 | **C** 604.773.7654 | **E** cmacfarlane@newwestcity.ca

City of New Westminster | Office of the Chief Administrative Officer 511 Royal Avenue, New Westminster, BC V3L 1H9 www.newwestcity.ca

This email and any attachments are confidential, may be legally privileged, and/or subject to the Freedom of Information and Protection of Privacy Act, and are for the use of the intended recipient only

From: Brad Kielmann < bkielmann@mcquarrie.com >

**Sent:** Tuesday, April 29, 2025 5:08 PM

To: Craig MacFarlane < <a href="mailto:cmacfarlane@newwestcity.ca">cmacfarlane@newwestcity.ca</a>

Cc: 'Timothy Luk' < luk@younganderson.ca >; Jessica Wilcox < jwilcox@mcquarrie.com >

Subject: [EXTERNAL] RE: 416 East Columbia St.

**CAUTION:** This email originated from outside of the City of New Westminster's network. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Craig,

I write to follow up on my email below. Also, are you able to provide me with an update on the agenda for May 5? Thank you.

Regards,

### **Brad Kielmann\***

Partner

\*Brad Kielmann Law Corporation



From: Brad Kielmann < bkielmann@mcquarrie.com>

Sent: Friday, April 25, 2025 8:55 AM

To: Craig MacFarlane < cmacfarlane@newwestcity.ca>

Cc: 'Timothy Luk' < luk@younganderson.ca >; Jessica Wilcox < jwilcox@mcquarrie.com >

Subject: Re: 416 East Columbia St.

Thanks Craig. I apologize as I didn't appreciate that I should direct our request to you.

Can I please request through you a meeting with the mayor and my client? It would appear Mr. Baskott was granted a meeting.

Regards,

Brad

### Get Outlook for iOS

From: Craig MacFarlane < cmacfarlane@newwestcity.ca>

Sent: Thursday, April 24, 2025 3:50 PM

**To:** Brad Kielmann < <a href="mailto:bkielmann@mcquarrie.com">bkielmann@mcquarrie.com</a> <a href="mailto:cc">Cc: 'Timothy Luk' < luk@younganderson.ca</a>

Subject: 416 East Columbia St.

**CAUTION:** This email originated from outside the firm. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello Brad,

The Mayor just sent me your email to him that you sent him after our discussion this morning of the matter of your client's landlord and tenant issues and zoning concerns.

As City Solicitor I am representing the Mayor, Council and City Staff in all legal matters involving your client's property.

On a professional basis please direct your communications with me.

Best regards, Craig

**Craig MacFarlane** | Manager of Legal Services – City Solicitor **T** 604.636.4473 | **C** 604.773.7654 | **E** cmacfarlane@newwestcity.ca

City of New Westminster | Office of the Chief Administrative Officer 511 Royal Avenue, New Westminster, BC V3L 1H9 www.newwestcity.ca

This email and any attachments are confidential, may be legally privileged, and/or subject to the Freedom of Information and Protection of Privacy Act, and are for the use of the intended recipient only



Job # 001885

January 23, 2025

North Root Cannabis Ltd. 20594 94B Avenue Langley B.C. V1M 1H9

Via email: sbaskott26@hotmail.com

Dear Mr. Steven Baskott:

Re: Intent to Terminate - Cannabis Retail Store Licence Application

Proposed Establishment Name: North Root

Proposed Establishment Address: 416 E Columbia Street, New Westminster

Applicant: North Root Cannabis Ltd.

The Liquor and Cannabis Regulation Branch (LCRB) received an application for a Cannabis Retail Store (CRS) licence on November 30, 2018. The CRS application was granted Approval-in-Principle (AIP) on July 15, 2021. As noted in the AIP extension letter dated July 3, 2024, the AIP expiry date was extended until January 15, 2025. The extension was approved based on the supporting documentation you submitted on June 11, 2024, which evidenced that further legal action was being pursued to regain valid interest in the proposed location.

On September 5, 2024, the LCRB received your email requesting to relocate your CRS application from the current location at 416 E Columbia Street, to a new location at 480 E Columbia Street, New Westminster.

As discussed during our phone conversation on January 17, 2025, the application cannot be relocated to another location and a new CRS application will be required to consider the new proposed location. The current application will be terminated without refund.

If you have new information that may impact the decision to terminate the application, it will be necessary for you to provide this information by January 30, 2025.

If you have any questions or require further information, please contact Lauren Clarke directly via email at <a href="mailto:lauren.clarke@gov.bc.ca">lauren.clarke@gov.bc.ca</a> or by phone at (778)-698-5310.

Sincerely,

Karina Isdahl

1 161

Manager, Licensing

Liquor & Cannabis Regulation Branch

# 2023 BCSC 1395 (CanLII)

# IN THE SUPREME COURT OF BRITISH COLUMBIA

Citation: North Root Cannabis Ltd. v. 663466 B.C.

Ltd.,

2023 BCSC 1395

Date: 20230811 Docket: S2110430 Registry: Vancouver

Between:

North Root Cannabis Ltd. and Steven Baskott

**Plaintiffs** 

And

663466 B.C. Ltd. and Gurmel Kainth

**Defendants** 

Before: The Honourable Mr. Justice Tindale

# **Reasons for Judgment**

### In Chambers

Counsel for Plaintiffs: J. Sapers

N. Tollefson W. Chamberlain

Counsel for Defendants:

B. Kielmann

B. Shebib

Place and Date of Hearing: Vancouver, B.C.

November 30, 2022; December 1, 2 & 7, 2022;

January 20, 2023;

February 1 & 15, 2023

Place and Date of Judgment: Vancouver, B.C.

August 11, 2023

- [1] The plaintiffs North Root Cannabis Ltd. and Steven Baskott pursuant to a Notice of Application filed July 26, 2022 seek a number of orders on this summary trial application in relationship to commercial premises located at 416 East Columbia Street, New Westminster, British Columbia (the "Premises").
- [2] The defendants 663466 B.C. Ltd. and Gurmel Kainth are opposed to the relief sought by the plaintiffs.

### **Background**

- [3] The plaintiff North Root Cannabis Ltd. is a company incorporated on April 4, 2018 under the laws of British Columbia ("North Root"). The sole purpose of North Root is to own and operate a regulated cannabis retail store at the Premises.
- [4] The plaintiff Steven Baskott is the sole director and officer of North Root.
- [5] The defendant 663466 B.C. Ltd. ("663") is a company incorporated under the laws of British Columbia.
- [6] The defendant Gurmel Kainth is a businessman and the sole director of 663.
- [7] At all material times 663 was the owner and landlord of the Premises.
- [8] In September of 2018 North Root paid to the defendants \$8,400 in order to list the Premises as the proposed location for a Cannabis Retail Store License (the "License") for North Root.
- [9] In or about November 2018, North Root submitted an application to obtain a license to operate a retail cannabis store from the British Columbia Liquor and Cannabis Regulation Branch (the "LCRB"). The retail sale of cannabis requires a License issued by the LCRB as well as approval from the City of New Westminster (the "City").

- [10] On or about March 1, 2021 Mr. Kainth signed a Letter of Intent (the "LOI") with Mr. Baskott and 761983 B.C. Ltd. to lease the Premises. 761983 B.C. Ltd. and North Root are the same company.
- [11] The LOI reads as follows at paras. 4 6:
  - 4. It is agreed between the parties that it is intended that the Lessees will sign the lease for the Premises upon the city of New Westminster rezoning the property for cannabis retail sales at a base rent of \$4700.00 monthly plus expenses (triple net expenses) at cost, plus a management fee of 5% of the triple net expenses, and that base rent shall be subject to an increase of 3% per year.
  - 5. It is further agreed that the parties will execute the intended lease forthwith upon the city of New Westminster rezoning the property for cannabis retail sales or before November 1, 2021, and in consideration of payment by the Lessees of \$7500.00 (the "Deposit", which amount shall be applied in full to the payment of future rent provided that the Lessee's comply with the terms and timeline herein, and shall otherwise be forfeit to the Lessors), the receipt of which is hereby acknowledged by the Lessors, the Lessors will not lease the Premises to any other party or entity prior to preparation of the formal lease and its presentation for signing on or before November 1, 2021.
  - 6. It is further agreed that, upon the signing of the lease, the Lessees shall at that time pay an additional amount towards rent to total 3 month's prepayment of rent.
- [12] On June 7, 2021 the City rezoned the Premises to allow cannabis retail sales.
- [13] On or about July 15, 2021 the LCRB gave North Root approval in principle for the License to operate a cannabis retail store on the Premises.
- [14] Between August 2021 and the beginning of November 2021 the parties engaged in negotiations respecting the terms of a proposed lease agreement for the Premises.
- [15] On November 7, 2021 Mr. Kainth purports to have sent an email to Mr. Baskott (the "November 7 Email") which contained the following:

In addition, it was agreed that the lease would start on September 1, 2021, regardless of the date of signing of the lease. Accordingly, three months of the base rent and additional rent should already have been paid. So far you have paid only \$3800. You have a current deficit of \$12,463.00 must be received by 5 PM, November 8th, 2021. That deficit must be paid in full, by

certified cheque or bank draft, before I will now consider signing a lease with North Root Cannabis Ltd. for the premises.

- [16] On November 9, 2021 Mr. Baskott delivered to Mr. Kainth two copies of a proposed lease for the Premises as well as a personal cheque for rent arrears.
- [17] On November 11, 2021 Mr. Kainth signed the proposed lease with some revisions and provided a copy to be signed by Mr. Baskott (the "Lease"). Specifically, Mr. Kainth crossed out s. 17.15 (a) (iii) of that document which read:

indemnify and save harmless the Landlord from any and all loss, cost, damages, or liability whatsoever arising out of any failure by the Tenant to perform any and all of the terms, covenants, conditions, and provisions of this lease, PROVIDED HOWEVER THAT the liability of the Guarantor to the Landlord hereunder shall be at all times limited to an amount equal to six (6) months' Rent payable pursuant to Article 5 hereof at the time of such failure by the Tenant to pay any amount due and owing to the Landlord, PROVIDED FURTHER THAT the aforesaid limitation of liability of the Guarantor shall not apply costs or expenses incurred by the Landlord in relation to the repair of damage to the Leased Premises caused by the Guarantor or those for whom the Guarantor is responsible for at law.

[18] Along with the Lease Mr. Kainth sent a letter to the plaintiffs which read in part:

Please sign the copies and return to me one signed copy by noon, Monday the 15th of November 2021.

- [19] The Lease was for a period of five years commencing on September 1, 2021. The plaintiff agreed to provide a security deposit in the amount of \$14,900 to the defendants and that the plaintiff was required to provide a certified cheque or bank draft in the amount of \$12,463 to bring the rent up to date including for the month of November 2021.
- [20] The Lease contains the following definition for Permitted Use & Exclusive Use:
  - (p) "Permitted Use" means a "Non-medical Marijuana Dispensary" as governed by the City of New Westminster including Provincial & Federal and its by laws without exclusion of any laws that govern this use or business under any provincial or Federal jurisdictions.

- [21] The Lease contains the following <u>Tenant's Covenant</u>:
  - (a) The Tenant will not use or occupy the Leased Premises or any part thereof for any purpose other than the Permitted Use, under such name as the Tenant in its sole discretion elects
- [22] The Lease under the heading Observance of Laws contains the following:
  - (p) The Tenant will observe and perform all of its obligations and all matters and things necessary or expedient to be done, observed or performed by the Tenant by virtue of any law, statute, bylaw, ordinance, regulation or lawful requirement of any governmental authority or any public utility which in any degree affect the exercise of fulfilment in any manner of any right or obligation of the Tenant arising under or as a result of this Lease [d] or affect the Leased Premises or the use thereof by the Tenant, and all demands and notices in pursuance of same whether made or served upon the Landlord by reason of anything done, admitted or permitted by the Tenant on the Leased Premises during the term or any renewal thereof the following provisions shall apply

. . .

- [23] On or about November 12, 2021 the defendants deposited the personal cheque into their bank account.
- [24] On November 13, 2021 Mr. Baskott signed the Lease.
- [25] On November 15, 2021 Mr. Baskott arranged for a certified cheque in the amount of \$12,463 to be obtained and delivered to Mr. Kainth because he had put a stop payment on the personal cheque that he gave to Mr. Kainth on November 9, 2021.
- [26] On or about November 15, 2021 Mr. Kainth learned that the personal cheque had been returned by reason of a "payment stopped".
- [27] On or about November 18, 2021 the defendants provided written notice to the plaintiff that there was no agreement between the parties and that the defendants repudiated the Lease (the "November 18 Letter").
- [28] The November 18 Letter reads:

I find it necessary to inform you that the dealings of yourself and your partner, Jay, with me have been entirely unsatisfactory and materially misleading. I

agreed to enter into a lease with you and your corporation based upon detailed and specific terms. You failed in the fulfilment of those terms and provided me with materially misleading information. It is in those circumstances that I find it necessary to inform you that you have no valid lease for the subject premises. I return herewith the payment in advance for rent past due and advise you that I will proceed to find a suitable tenant for the premises.

By way of context, I have been trying to sign a lease with you since July 2021. Further to the Letter of Intent to Lease, I made it clear to you throughout that the lease must be signed no later than November 1, 2021, and that, in any event, the deemed start date of the lease would be September 1, 2021.

In August 2021, I provided you with a template for the lease. I made it fully clear to you that the lease must contain your personal guarantee of the tenant's obligations. You said that, under no circumstances, would you sign a lease which contained a personal guarantee. I further told you that all rental payments must be up to date and paid by certified cheque or money order, or I would not sign a lease with you and your corporation.

Despite being clearly informed of these necessary criteria, you attempted to present me with a lease which lacked an explicit personal guarantee. When I pointed out this deficiency, you complained about not wanting to risk your home.

Despite not having met the terms of signing the lease and paying up the due rent by November 1, 2021, I told you that I would grant an extension to November 15, 2021 at noon, but this time and date would be strictly enforced.

On November 9, 2021, you presented me with two copies of a lease and with a personal cheque for the overdue rent. The lease you presented had a sixmonth escape clause for the tenant. I spoke with my lawyer November 10, 2021 who told me that term was wholly unsatisfactory to me and I told you so on November 10, 2021. I also pointed out that the payment was not in the form required. I did sign the lease on November 10, 2021, having crossed out the six-month escape clause, and in reliance upon your personal cheque. I sent you to get legal advice about the release as it would be varied. I again informed you that the lease must be signed and presented no later than noon on November 15, 2021.

On Friday, November 12, 2021, I deposited your personal cheque which you provided in payment of back rent. On November 15, 2021, your partner, Jay, told me that the bank would not honour your cheque. On November 16, 2021, the bank confirmed that a stop payment had been entered on your cheque. It follows that there is not a valid lease, nor would there possibly be a valid lease unless the overdue rent was paid by noon on November 15, 2021.

This was a matter of grave concern to me. It is entirely evident that you provided your personal cheque to me in order to induce me to sign the lease. It is also evident that you had no intention of having your cheque honoured by your bank. In effect, you engaged in a false pretense in order to induce me to sign the lease. At no time did you bother to even tell me that you had stopped

payment on your cheque. You have engaged thereby in highly misleading conduct, intended to your own advantage and contrary to my best interests.

Finally, on November 15, 2021, at about 8:30 PM, I was presented with a copy of the lease signed by you, and a replacement payment for the overdue rent. This was over 8  $\frac{1}{2}$  hours after the time at which I made it clear to you, in writing, that was the absolute final moment for presentation of the lease and completion of the overdue rent payment.

It is in the totality of the circumstances that I inform you that you have failed to comply with the agreed terms for entry into a lease of the premises, and I decline to entertain the possibility of renting to you or your corporation moving forward.

Attached hereto please find the cheque advanced to me on November 15, 2021.

I will now post a sign advertising the premises for lease. I will pursue my best options as they arise.

. . .

- [29] On November 30, 2021 the plaintiffs filed a Notice of Civil Claim.
- [30] On December 22, 2021 the defendants filed a Response to Civil Claim.
- [31] On August 12, 2022 Mr. Justice Milman pronounced an order that the plaintiff's summary trial which was scheduled for August 15, 2022 be adjourned to October 21, 2022. In addition to the defendants were to file any responding materials by August 26, 2022 and the plaintiffs were to file and serve any reply materials by September 2, 2022.
- [32] On September 1, 2022 Mr. Justice Milman pronounced a further order that the summary trial application which was set for October 21, 2022 was pre-emptory on the defendants. In addition the defendants were to file and serve any responding materials on or before September 20, 2022 and the plaintiffs were to file and serve any reply materials on or before October 19, 2022.
- [33] The summary trial application did not proceed on October 21, 2022 as there was no judge available.

[34] On January 18, 2023 the plaintiffs were notified by the LCRB that the approval in principle for the License was extended from April 15, 2023 to January 15, 2024.

### **Preliminary Issue**

- [35] The defendants take issue with the admissibility of a number of affidavits filed by plaintiffs in support of their summary trial application. The affidavits that the defendants are opposed to being used on this application are:
  - (i) the 1st affidavit of Adrian Giberson filed on October 19, 2022;
  - (ii) the 2nd affidavit of Karen Kan filed on October 19, 2022;
  - (iii) the 2nd affidavit of Jay Teranishi filed on October 19, 2022; and
  - (iv) the 3rd affidavit of Baskott filed on October 19, 2022.

("Plaintiff's Reply Affidavits")

- [36] The plaintiffs have also raised concerns with two affidavits that the defendant's seek leave to file which are:
  - (i) the 2nd affidavit of Dane Camley made on November 28, 2022; and
  - (ii) the 2nd affidavit of Sharon Martin made on November 29, 2022.

("Defendant's Reply Affidavits")

- [37] The defendants argue that they were recently served with the Plaintiff's Reply Affidavits which raise new questions and investigations that needed to be taken. As a result of these investigations the defendants seek to file the Defendant's Reply Affidavits.
- [38] The defendants argue that the plaintiffs are in fact splitting their case with the filing of the Plaintiff's Reply Affidavits.

- [39] The defendants argue that this summary trial application is more complex than originally thought. One of the arguments that the defendants now make is that the plaintiffs did not follow the proper regulatory requirements and submitted a false or incomplete application to the LCRB and as such the Lease is predicated on a falsehood.
- [40] The defendants argue that the 2nd affidavit of Dane Camley has not been filed and they require leave to rely on this affidavit. This affidavit is required to explain the false application filed by the plaintiffs to the LCRB.
- [41] The plaintiffs say that the 2nd affidavit of Dane Camley is not relevant because whether or not the plaintiff submitted an incomplete application to obtain the License only goes to credibility and does not touch on the issues of the Lease formation.
- [42] The plaintiffs argue that the Plaintiff's Reply Affidavits were required because the defendants have changed the landscape of issues such as alleging a breach of duty of good faith.
- [43] Mr. Baskott's 3rd affidavit attaches audio recordings between himself and Mr. Kainth which are the best evidence before the court with regard to credibility issues and the accuracy of the statements made between the parties.
- [44] The plaintiffs say that Mr. Teranishi's 2nd affidavit is required to clarify dates and times of conversations and actions between himself, Mr. Baskott and Mr. Kainth.
- [45] In *Proctorio Incorporated v. Linkletter* 2021 BCSC 1154 Justice MacNaughton in discussing whether to admit additional affidavits stated the following at para. 68:
  - [68] Whether to admit the additional affidavits is an exercise of discretion to be exercised sparingly, only in clearly meritorious cases, and where excluding the evidence would result in a substantial injustice: Ivarson v. Lloyd's M.J. Oppenheim Atty. in Fact in Canada for Lloyd's Underwriters et al., 2002 BCSC 1627 at para. 25.

- [46] The Plaintiff's Reply Affidavits were filed in accordance with the order of Mr. Justice Milman made on September 1, 2022.
- [47] The defendants argued that the plaintiffs were in fact splitting their case by filing the Plaintiff's Reply Affidavits. I do not agree with that submission. The affidavits of Adriane Giberson, Mr. Baskott and Mr. Teranishi directly reply to the issue of the condition precedent, duty of good faith and misrepresentation issues raised by the defendants. In my view these affidavits are relevant and material to those issues on this summary trial application and are admissible.
- [48] The affidavit #2 of Karen Kan simply attaches as an exhibit some of the excerpts from the transcript of the examination for discovery of Mr. Baskott which was held on July 26, 2022. It is not clear from that affidavit what the purpose of these excerpts are and as such this affidavit will be given little weight.
- [49] The defendants seek leave to file the Defendant's Reply Affidavits. Both the affidavit of Mr. Camley and Ms. Martin provide evidence to support the defendants' contention that the plaintiffs have breached a duty of good faith or that there has been a misrepresentation with regard to the plaintiffs' application to the LCRB.
- [50] In my view if the defendants were not able to rely on this evidence on this summary trial application that would result in a substantial injustice.
- [51] The defendants have leave to file and rely on the Defendant's Reply Affidavits on this application.

### Position of the Parties

### **Plaintiffs**

- [52] The plaintiffs argue that the Lease is valid and binding and that the defendants have breached their obligations pursuant to the Lease.
- [53] The plaintiffs argue that the Lease is a signed written contract which expresses the parties' mutual intention to contract.

- [54] The plaintiffs argue that the onus is on the defendants to rebut the presumption that no contract was intended.
- [55] The plaintiffs say that on November 11, 2021 Mr. Kainth rejected the November 9 version of the Lease by crossing out s. 17.15 (a) (iii) and delivered a modified version of the Lease to Mr. Baskott with a letter that read "Please sign the copies and return to me on signed copy by noon, Monday the 15th of November 2021."
- [56] The plaintiffs argue that Mr. Kainth did not set out a mandatory or directory time or method of acceptance on November 11, 2021.
- [57] In the alternative the plaintiffs argue that Mr. Kainth extended the deadline when he spoke to Mr. Teranishi on November 15, 2021 and said that Mr. Baskott could deliver the fully executed Lease and certified cheque by 5:00 pm that day. In addition Mr. Kainth invited Mr. Baskott to his home on November 15, 2021 to deliver the fully executed Lease and certified cheque.
- [58] The plaintiffs argue that the Lease contains all of the essential elements of a lease which are the following:
  - a) the parties;
  - b) the lands demised;
  - c) the commencement date;
  - d) the term; and
  - e) rent.
- [59] The plaintiffs argue that the November 7 Email cannot be the basis for a condition precedent.

- [60] The plaintiffs argue that the November 7 Email is a unilateral demand and in any event the email does not state that Mr. Kainth would not sign a lease if the monies were not paid in time
- [61] The plaintiffs argue that this application is suitable for summary trial. The issue to be determined is whether or not the Lease is valid which is a narrow issue. The facts to make this determination are before the court.
- [62] The plaintiffs argue that the defendants have raised a number of collateral issues that do not have to be decided on this application. In any event any conflicts on essential issues can be resolved with reference to audio recordings made by Mr. Baskott and by reviewing the inconsistencies in the defence affidavits.
- [63] The plaintiffs argue that it would be unjust not to determine this matter at summary trial because there is a low potential for duplication or inconsistent fact findings.
- [64] The plaintiffs say that the defendants' arguments relate to the remedy portion of the trial.
- [65] The plaintiffs say that the issues are not unique or complex and there will be prejudice to the plaintiffs if this matter is not determined because North Roots approval in principle for the License will expire.
- [66] The plaintiffs say that the determination of this issue may result in the resolution of the case because if the Lease is found to be invalid the matter will be disposed of.
- [67] The plaintiffs argue that Mr. Camley's evidence suggests that he has an interest in North Root and the plaintiffs filed a false application to obtain the License. The plaintiffs argue that this evidence is not relevant to the issue of whether or not the Lease is valid.

### **Defendants**

- [68] The defendants argue that their position on this summary trial application has not changed. The defendants say that the plaintiffs falsely induced the defendants to sign the Lease by their misrepresentations and the plaintiffs failed to meet the condition precedent.
- [69] The defendants argue that this application is not suitable for summary trial.
- [70] The defendants argue that if the plaintiffs want to sever the issue of liability that issue must be considered first. The defendants argue that the courts are reluctant to decide cases in a piecemeal fashion and are wary of making determinations on one issue when that issue is intertwined with other issues.
- [71] The defendants argue that the issue of liability should not be severed because there are credibility issues in this case.
- [72] The defendants say that a significant credibility issue in this case is the fact that Mr. Baskott put a stop payment on the personal cheque that he had delivered to Mr. Kainth and then lied to Mr. Kainth saying that the bank had made a mistake in processing that cheque.
- [73] The defendants argue that Mr. Baskott did not disclose material facts to the LCRB in order to obtain the License.
- [74] The defendants say that a licensee must be forthright in providing information to the LCRB. Mr. Camley deposed that he entered into a partnership to obtain a cannabis retail store with Mr. Baskott and that he had provided funding in that regard.
- [75] Mr. Baskott denies that Mr. Camley had any role with North Root.
- [76] The defendants argue that nowhere in Mr. Baskott's affidavits or government application documents does he mention the funding from or involvement of Mr. Camley.

- [77] Mr. Camley in his 1st affidavit made on September 20, 2022 deposes to the following at para. 18:
  - [18] It's my understanding that part of the Provincial application process is to complete an Associate Financial Integrity Form and a Business Financial Integrity Form (collectively, the "Financial Integrity Forms"), and for the applicant to provide a list of all funding sources and partners. I was a partner with Mr. Baskott and I was providing funding to North Root, but I was never asked to fill out an associate financial integrity form and it is my understanding one could not have been filled out on my behalf. Attached hereto and collectively marked **Exhibit "A"** is a copy of the Financial Integrity Forms downloaded from the government website.
- [78] The defendants argue that they have not been provided several financial documents from the plaintiffs in relationship to how the plaintiffs finance their business expenses. The defendants say that the failure to disclose this information supports the theory that the plaintiffs provided false information to the LCRB.
- [79] The defendants argue that the plaintiffs have breached the duty of good faith with the defendants by failing to follow the required legal steps to obtain the License. The reason for the Lease with the defendants is to operate a cannabis retail store. If the plaintiffs made material omissions in applying for the License they have compromised that fundamental purpose.
- [80] The defendants argue that there is a clear conflict in the evidence between Mr. Camley and Mr. Baskott which effects the determination of the validity of the Lease as well as any damages for specific performance
- [81] The defendants argue that the issue of the validity of the lease should not be severed from the trial itself as the plaintiffs have not demonstrated that severance will result in any substantial savings of time and expense nor that this issue would be determinative.
- [82] The defendants argue that this matter is not suitable for summary trial because there is a large amount of money involved. The matter is complex given the numerous contradictory affidavits as well as audio recordings between the parties.

- [83] The defendants say that there is no urgency in this matter as there is an option to extend the approval in principle for the License and credibility is a central feature in this litigation.
- [84] The defendants are concerned that if the court finds that the Lease is valid but the LCRB does not grant the License by reason of material nondisclosure then that could generate new legal issues and disputes.
- [85] The defendants argue that this matter is not suitable for summary trial because the plaintiffs disclosed several hundred pages of new documents on October 18, 2022 and there is further evidence to uncover.
- [86] The defendants argue that the Lease is not valid in any event because the plaintiffs failed to comply with the condition precedent set out in the November 7 Email being the satisfaction of the rent arrears by certified cheque or bank draft.
- [87] The defendants argue that they could not waive the condition precedent on the basis of a false assumption. The plaintiffs knew that the personal cheque was cancelled and never informed the defendants about that for approximately four days.
- [88] The defendants required the plaintiffs to deliver the executed Lease and certified cheque by November 15, 2021 at 12:00 pm which they did not do.

## **Decision**

- [89] The Issues on this application are:
  - a) Is this matter suitable for summary trial;
  - b) Should the issue of the Lease's validity be "hived off" from the remaining issues in this action;
  - c) Is the Lease valid; and
  - d) Was there a condition precedent to signing the Lease?

- [90] The three requirements that must be established for a binding contract are (i) there must be an intention to contract, (ii) the essential terms must be agreed (iii) and the terms must be sufficiently certain: *Oswald v. Start Up SRL*, 2020 BCSC 1730 at para. 121.
- [91] The Court of Appeal for British Columbia in 1001790 BC Ltd. v. 0996530 BC Ltd., 2021 BCCA 321 in discussing whether a written agreement reflected the parties' intentions stated the following at para. 36:
  - [36] For a very long time, the law has been clear that where a document containing contractual terms has been signed, whether one of the parties was aware of its terms and conditions is irrelevant. In the absence of fraud or misrepresentation, the signing party is bound and it is immaterial whether that party has read the document: *L'Estrange v. F. Graucob, Limited*, [1934] 2 KB 394 at 403 (CA).
- [92] The Court in 1001790 went on to say the following at para. 41:
  - [41] Where a contract has been wholly reduced to writing, as in this case, that outward expression is the contract itself, not the subjective views of the parties. This was discussed by Justice Newbury in Berthin v. Berthin, 2016 BCCA 104:

[46] The test, of course, is not what the parties subjectively intended but "whether parties have indicated to the outside world, in the form of the objective reasonable bystander, their intention to contract and the terms of such contract": see G.H.L. Fridman, *The Law of Contract in Canada* (6<sup>th</sup> ed. 2011) at 15. As stated by Mr. Justice Williams in Salminen v. Garvie 2011 BCSC 339:

The test for determining consensus ad idem at the time of contract formation is objective: it is "whether the parties have indicated to the outside world, in the form of the objective reasonable bystander, their intention to contract and the terms of such contract"; it is "whether a reasonable... [person] in the situation of that party would have believed and understood that the other party was consenting to the identical term": Fridman, supra, p. 15; see also Smith v. Hughes (1871), L.R. 6Q.B. 597 at 607 adopted in St. John Tugboat Co. Ltd. V. Irving Refining Ltd., [1964] S.C.R. 614, 1964 CarswellNB 4 at para. 19, and Remington Energy Ltd. V. B.C. Hydro & Power Authority, 2005 BCCA 191 at para. 31, 42 B.C.L.R. (4th) 31. The actual state of mind and personal knowledge or understanding of the promisor are not relevant to this inquiry: Hammerton v. MGM Ford-Lincoln Sales Ltd., 2007 BCCA 188 at para. 23, 30 B.L.R. (4th) 183, citing S.M. Waddams, The Law of Contracts, 5th ed. (Toronto: Canada Law Book Inc., 2005) at 103. In short, is a reasonable person would find that the parties were in agreement as to a contract and its terms, then a

contract would exist at common law: Witzke (Guardian ad litem of) v. Dalgliesh, [1995] B.C.J. No. 403 (QL), 1995 CarswellBC 1822 at para. 59 (S.C. Chambers). The test's focus on objectivity animates the principal purpose of the law of contracts, which is to protect reasonable expectations engendered by promises. [At para. 27.] [Emphasis added.]

- [93] There is no conflict in the evidence that on November 9, 2021 Mr. Baskott delivered to Mr. Kainth two copies of the proposed lease as well as a personal cheque for rent arrears. There is also no conflict in the evidence that on November 11, 2021 Mr. Kainth after making a minor revision to the Lease signed it and forwarded it to Mr. Baskott for his signature.
- [94] The conflict in the evidence surrounding the execution of the Lease begins on November 7, 2021. Mr. Kainth deposes that he sent the November 7 Email to Mr. Baskott. Mr. Baskott in his affidavit #3 deposes at para. 8 that the first time he saw the November 7 Email was when he read Mr. Kainth's #1 affidavit.
- [95] There is also disagreement in the evidence between Mr.Kainth, Mr. Baskott and Mr. Teranishi surrounding the deadline for providing the rent arrears payment and executed Lease to Mr. Kainth.
- [96] In *Beese v. Beese*, 2004 BCSC 792 Melnick J. in discussing extending the time for acceptance of an offer stated the following at para 20:
  - [20] Although Mr. Beese relies on the fact that he did not receive notification of acceptance within the time limit he specified in his March 19 letter, that is the least of Ms. Beese's problems. This is especially so given Mr. Berris's April 25, 2002 assertion on Mr. Beese's behalf that Mr. Beese was going to withdraw his offer if things were not finalized right away. That comment certainly implies an intention to extend the date for the acceptance of the offer. In Imperial Oil Ltd. v. C&G Holdings Ltd. (1986), 58 Nfld. & P.E.I.R 326 (Nfld. T.D.) Mr. Justice Goodrich had this to say about extending the time for acceptance of an offer at para. 86:
    - [86] If an offer is made by one party to another and they afterwards by their own conduct enter upon a course of action which has the effect of leading the [offeree] to suppose that the offer remains open although the time limited for acceptance as expired, the offeror will not be allowed to insist on the time limitation where it would be inequitable having regard to the conduct of the parties.

- [97] There are significant credibility issues on this summary trial application. Not the least of which is the fact that Mr. Baskott stopped payment on the personal cheque that he delivered to Mr. Kainth with the two copies of the proposed lease and then misled Mr. Kainth as to why the personal cheque needed to be replaced
- [98] It is clear on the evidence that Mr. Kainth extended the time for providing an executed Lease and the rent arrears payments on a number of occasions.
- [99] There is however a considerable divergence in the evidence as to what occurred on November 15, 2021 and whether or not Mr. Kainth extended the 12:00 pm deadline to a later time.
- [100] Mr. Kainth in his 3rd affidavit made on September 20, 2022 deposed to the following at paras. 20 24:
  - (20) In the early evening on November 15, 2021, Mr. Baskott called me and asked if he could drop by my house with the November 15 Cheque that he had received from Mr. Teranishi and the November 11 Lease. He told me that he had an issue with his bank. He told me that the bank messed up the Personal Cheque that he gave me. I told him that he needed to get a letter from them. He told me that he got the bank manager to put notes on my account that they messed it up and he told me that he had a meeting with another manager on Friday of this week because of the problem that this has created for him. I told him to tell the bank that he needed a letter for your creditor so that he could give a copy of that letter to me explaining what happened. Mr. Baskott agreed to do that.
  - (21) Despite Mr. Baskott's assurance to me that he would get that letter from the bank he never did.
  - (22) On November 15, 2021, at or about 8:00 PM, Mr. Baskott attended my home and dropped off a signed copy of the November 11 Lease and the November 15 Cheque issued by the Golf and Fraser Fisherman's Credit Union as replacement for the Personal Cheque.
  - (23) Mr. Baskott asked me for the keys to the Premises, but I refused to provide them to him. I told him that I needed to think about things, and he left.
  - (24) At no time did I tell Mr. Baskott that I was accepting the November 11 Lease. I was upset and frustrated with what had transpired with the Personal Cheque, and my belief that Mr. Baskott had lied to me, but I did not want to get into a confrontation with Mr. Baskott at my home.

- [101] In contrast to Mr. Kainth's evidence about November 15, 2021 Mr. Baskott in his 3rd affidavit made on October 18, 2022 deposed to the following at paras. 30 32:
  - (30) In further reply to paragraphs 20 and 21 of Kainth Affidavit #3, Mr. Kainth's description of our phone call at around 7:30 PM on November 15 is inaccurate. I recorded this phone call and produced the recording to the Defendants as Plaintiffs Document #52. The recording is accurate, complete, and I have not modified it in any way. Attached to my affidavit as Exhibit "A" is a USB stick containing a true copy of the recording.
  - (31) In reply to paragraphs 22, 23 and 24 of Kainth Affidavit #3, when I asked Mr. Kainth for keys to the Leased Premises on November 15, he said he could not give them to me because he did not have the keys with him at home. Contrary to paragraph 23 of Kainth Affidavit #3, Mr. Kainth did not tell me he "needed to think about things", or otherwise that he was not accepting the Lease. Our meeting went smoothly, and Mr. Kainth did not communicate that he was upset or frustrated, or otherwise indicate any reservations about the Lease. If Mr.Kainth had expressed reservations about the Lease, I would not have given him at the Lease and Certified Cheque.
  - (32) Attached to my affidavit as Exhibit "B" are true excerpts from the Kainth XFD Transcript (pages 52 and 75-81) where Mr. Kainth explains why he met me on November 15 to get the Lease, where Mr. Kainth says that he was "so happy" to have the Lease in his hands on November 15.
- [102] It is generally accurate that Mr. Kainth said during his Examination for Discovery that he was "so happy" to have the Lease in his hands on November 15. Mr. Kainth also said he was concerned that the Lease which was in a binder with loose pages could have been changed as a reason for him wanting the Lease in his hands. It is also clear that Mr. Baskott continued to mislead Mr. Kainth about the difficulties with the personal cheque during this conversation.
- [103] An executed Lease and certified cheque for the rent arrears was provided to Mr. Kainth by the plaintiffs by approximately 8:00 pm on November 15, 2021.
- [104] In determining whether a lease is capable of interpretation Mr. Justice Metzger in *666465 B.C. Ltd. v. Concord International Lands Ltd.* 2009 BCSC 52 stated the following at para. 16:
  - [16] To determine if the lease is capable of interpretation, the Court will consider whether the essential elements of a valid agreement for lease exists as per Canada Square Corp. Ltd. v. Versafood Services Ltd. (1981), 130 D.L.R. (3d) 205, at p. 214, 15 B.L.R. 89 (Ont. C.A.):

There is no disagreement between the parties to this appeal on the requisite terms of a valid agreement for lease. Both rely on the following passage in Williams' The Canadian Law of Landlord and Tenant (4<sup>th</sup> ed. 1973), at p. 75 as follows:

To be valid, an agreement for a lease must show (1) the parties, (2) a description of the premises to be demised, (3) at the commencement and (4) duration of the term, (5) the rent, if any, and (6) all the material terms of the contract not being matters incident to the relation of landlord and tenant, including any covenants or conditions, exceptions or reservations.

[105] There is no disagreement in this case between the parties and that the Lease contains the essential elements as required by law.

[106] The issues raised by the defendants are not that the parties signed the Lease but that there was a condition precedent that was not adhered to; there was misrepresentations made by the plaintiff to Mr. Kainth; and there was a breach of a duty of good faith by the plaintiffs all of which invalidate the Lease.

[107] In discussing conditions precedent the Court of Appeal for British Columbia in *Peier v. Cressey Whistler Townhomes Limited Patrnership* 2012 BCCA 28 stated the following at para. 21:

[21] The majority in this Court agreed with the trial judge's reasoning and upheld the decree he granted the purchaser. While he disagreed in the result on the basis of the subject clause was not sufficiently certain, Mr. Justice Lambert recognize three kinds of conditions precedent at 298 - 99:

Each "condition precedent" case must be considered on its own facts. As Bouck J. indicated, some conditions precedent are so imprecise, or depend so entirely on the subjective state of mind of the purchaser, that the contract process must still be regarded as at the offer stage. An example would be "subject to the approval of the president of the corporate purchaser." In other cases, the condition precedent is clear, precise and objective. In those cases, a contract is completed; neither party can withdraw, but performance is held in suspense until the parties know whether the objective condition precedent is fulfilled. An example would be "subject to John Smith being elected as Mayor in the municipal election on 15 October of this year."

But there is a third class of condition precedent. Into that class fall the types of conditions which are partly subjective and partly objective. An example would be "subject to planning Department approval of the attached plan of subdivision". This looks on objective, but it differs from a truly objective condition in that someone has to solicit the

approval of the planning department. Perhaps some persuasion of the planning department will be required. Can the purchaser prevent the condition from being fulfilled by refusing to present the plan of subdivision to the planning department? This type of case has been dealt with by implying a term that the purchaser will take all reasonable steps to cause the plan to be presented to the planning department, and will, at the proper time and in the proper way, take all reasonable steps to have a plan approved by the planning department.

What he said has been recognized as the most helpful statement of the law on the various kinds of conditions precedent: Mark 7 Development Ltd. v. Peace Holdings Ltd. (1991), 53 B.C.L.R. (2d) 217 (C.A.) at 223-24, leave to appeal refuse, [1991] 3 S.C.R. ix.

- [108] Where there are conditions precedent that are partly subjective and partly objective the court will imply a term whereby the party responsible for having the condition fulfilled promises to make a *bona fide* effort to have it done. Until the condition is fulfilled or waived, the obligations of the parties to complete the transaction will be suspended: *Peier* at para. 23.
- [109] In this case the defendants argue that the condition precedent was established in the November 7 Email which Mr. Baskott denied receiving.
- [110] Section 17.12 of the Lease requires the plaintiffs to provide a deposit of \$14,900 and s. 17.14 of the Lease requires the plaintiffs to provide a certified cheque or bank draft in the amount of \$12,463 for any arrears of rent.
- [111] Each condition precedent must be determined on its own facts and there may be partly subjective and partly objective components to the condition precedent. While Mr. Kainth clearly extended the deadline to provide the executed Lease and certified cheque in order to determine whether this was a condition precedent or just a unilateral demand by Mr. Kainth all of the facts must be capable of determination. In this case there is a direct conflict in the evidence which I cannot resolve on affidavit evidence as to whether or not Mr. Baskott received the November 7 Email.
- [112] I also cannot reconcile the various versions of events of November 15, 2021 between Mr. Baskott, Mr. Kainth and Mr. Teranishi in determining whether or not the 12:00 pm deadline was extended or waived by Mr. Kainth.

- [113] The November 7 Email is the starting point for the analysis as to whether or not there was a condition precedent. The events of November 15, 2021 are also significant to this analysis. I am unable to find the facts necessary on this application to determine whether or not there was a condition precedent to the signing of the Lease.
- [114] The more difficult issue on this summary trial application is that the defendants say that Mr. Baskott provided at best incomplete information to the LCRB and at worst provided false information to the LCRB respecting his relationship with Mr. Camley by not disclosing any funding provided by Mr. Camley for this project.
- [115] The plaintiffs' position is that it is not necessary to make findings of fact regarding the defendants' theory about the regulatory application as those issues are not germane to the essential question of contract formation.
- [116] I do not agree with that argument because the Premises were leased to the plaintiffs for the purpose of operating a "Non-Medical Marijuana Dispensary as governed by the City of New Westminster including Provincial & Federal and its by laws without exclusion of any laws that govern this use or business under any provincial or Federal jurisdictions." If the regulatory process was circumvented by the plaintiffs that would go to the core purpose of the Lease.
- [117] Mr. Camley deposes that he was partners with Mr. Baskott and provided money for North Root. Mr. Baskott denies this and in fact deposes to the following in his #3 affidavit at para. 41:
  - [41] I intend to provide a full answer to Dane's allegations if that becomes necessary, or at any time it would assist the Court. In this affidavit, I do not address all of Dane's allegations and I reserve the right to do so in the future.
- [118] Sharon Martin in her 2nd affidavit made on November 29, 2022 attaches as Exhibit D an Associate Financial Integrity Form listed at document number 143 in the Plaintiffs' Second Amended List of documents. On a review of that document Mr.

Baskott does not state that Mr. Camley has provided financing to Mr. Baskott or North Root.

- [119] I cannot resolve the conflict in the evidence between Mr. Camley and Mr. Baskott in this regard based on their affidavit evidence. In my view it would also be unfair to the plaintiffs to do so given the fact that Mr. Baskott has not fully addressed the issues raised by Mr. Camley.
- [120] Summary trial applications are governed by Rule 9-7 of the *Supreme Court Civil Rules* which reads:
  - (15) On the hearing of a summary trial application, the court may
    - (a) grant judgment in favour of any party, either on an issue or generally, unless
      - (i) the court is unable, on the whole of the evidence before the Court on the application, to find the facts necessary to decide the issues of fact or law, or
      - (ii) the court is of the opinion that it would be unjust to decide the issues on the application.
    - (b) impose terms respecting enforcement of the judgment, including a stay of execution, and
    - (c) award costs.
- [121] Mr. Justice Veenstra in *McClay Estate v. Douglas*, 2021 BCSC 2295 reviewed the applicable law with regard to summary trial applications at paras. 52 54:
  - [52] The rule was discussed at length by Griffin J. (as she then was) in Greater Vancouver Water District v. Bilfingef Berger AG, 2015 BC SC 45 at paras. 49 and 57 61:
    - [49] The summary trial rule provides that a party may apply to the court for judgment on an issue or generally, and may tender any of affidavit evidence, answers to interrogatories, discovery evidence, admissions and expert evidence in support: R. 9-7 (2), (5). The court may allow for a party who has sworn an affidavit or an expert who is provided report to be cross-examined either before the court or another person: R. 9-7 (12).

. . .

[57] The fact that the summary trial rule permits a court to decide triable issues on an application was the focus of the Court of Appeal's judgment in Inspiration [Mgmt. Ltd. v. McDermid St. Lawrence Ltd.

(1989), 36 B.C.L.R. (2d) 202 at 211 (C.A.)]. In Inspiration Management the chambers judge found conflicts on the affidavits that she could not resolve and so dismissed the application. The Court of Appeal held that the chambers judge applied the incorrect test by concluding that she should not give judgment "unless it was 'clear that a trial in the usual way could not possibly make any difference to the outcome'": at 210.

[58] the Court of Appeal in Inspiration Management found that the chambers judge was correct in concluding she could not resolve the conflicts in the evidence. However, the Court of Appeal felt that the conflicts were sufficiently narrow that they could have been resolved by ordering cross-examination on the affidavits before a judge, rather than dismissing the application: at 271.

- [59] The following principles emerge from Inspiration Management:
  - 1. The intention with the summary trial rule is to shortcut some of the normal processes involved in a trial in order to expedite the administration of justice. The rule substitutes other safeguards:
  - a. first, a lengthy notice period of the application;
  - b. second, a chambers judge cannot give judgment unless she can find the facts necessary to decide the issues of fact or law; and
  - c. third, a chambers judge who can decide the issues may decline to give judgment if she thinks it would be unjust to do so: at 214.
  - 2. In determining whether the judge can find the necessary facts, a judge should not decide an issue of fact or law solely on the basis of conflicting affidavits. However, there may be other admissible evidence which will make it possible to find the necessary facts, such as evidence which corroborates one side's affidavit and contradicts the other side, or, there may be other procedures which allow the judge to find the necessary facts, such as cross examination of the persons who gave the affidavits: at 216.
  - 3. In deciding whether it would be unjust to decide the issues, the chambers judge can consider amongst other things:
  - a. the amount involved;
  - b. the complexity of the matter, although use of the rule is not limited to simple or straightforward cases;
  - c. its urgency;
  - d. any prejudice likely to arise by reason of delay;
  - e. the cost of a conventional trial in relation to the amount involved; and
  - f. the course of the proceedings; at 214

- [60] The case of Inspiration Management sent a strong signal that the summary trial procedure could be used in complex cases and even where there were conflicting affidavits. The procedure became widely used in BC for all sorts of disputes.
- [61] Where credibility is a material issue, and cannot be resolved by the body of written evidence, the courts have repeatedly found it difficult to find the necessary facts based on the contradictory affidavit evidence of the witnesses alone, and have also found in unjust to decide the issues without allowing for the right of cross examination: see Mayer v. Mayer, 2012 BCCA 77 at paras. 78-83.
- [53] The question of when it is appropriate to give judgment on an issue was canvassed in Ferrer v. 589557 B.C. Ltd., 2020 BCCA 83 at paras. 22 to 34. In that judgment, Groberman J.A. concluded that the approach taken in Coast Foundation v. Currie, 2003 BCSC 1781 at paras. 13 to 18, and in Bilfinger at para. 110 was the appropriate one.
- [54] Bilfinger distilled, from a detailed review of the law, a list of factors to be considered in determining whether it is appropriate to "hive off an issue" in a summary trial. That list appears at para. 110:
  - [110] In summary, the authorities in BC, including Hryniak, make clear that the factors the court must consider on applications to determine by summary trial only part of the issues in the lawsuit are:
  - a) whether the court can find the necessary facts to decide the issues of fact or law;
  - b) whether it would be unjust to decide the issues by way of summary trial, considering amongst other things:
  - i. The implications of determining only some of the issues in the litigation, which requires consideration of such things as:
  - (1) the potential for duplication or inconsistent findings, which relates to whether the issues are intertwined with the issues remaining for trial:
  - (2) the potential for multiple appeals; and
  - (3) the novelty of the issues to be determined;
  - ii. the amount involved;
  - lii. the complexity of the matter;
  - iv. its urgency;
  - v. any prejudice likely to arise by reason of delay; and
  - vi. the cost of a conventional trial in relation to the amount involved.
- [122] Absent good reason, a court should not isolate individual issues in a proceeding and decide them separately from the rest of the litigation: *Ferrer v.* 589557 B.C. Ltd. 2020 BCCA 83 at para. 33.

- [123] The parties made lengthy submissions with regard to whether or not there is a conflict in the law regarding the analysis on a summary trial application with regard to a single issue being determined. The defendants argued that *Quartet Forest Investments Corporation v. MacKenzie Fibre Management Corporation* 2022 BCSC 1354 was applicable however the plaintiffs argue that *Ferrer* is the law in British Columbia. I will simply say that the decision by the British Columbia Court of Appeal in *Ferrer* in my view is the law in British Columbia.
- [124] On this summary trial application I am unable to resolve the conflict in the evidence with regard to the condition precedent alleged by the defendants nor am I able to resolve the conflict in the evidence regarding whether or not there have been misrepresentations in relationship to the plaintiff's regulatory application.
- [125] I appreciate that there is some urgency in this matter being concluded however the plaintiffs have been successful in obtaining extensions for the License in the past and currently there is an extension to January 15, 2024.
- [126] In my view this matter is complex. This case does not involve a simple determination of whether or not the Lease was signed. There are many credibility issues and nuanced arguments with regard to the condition precedent and potential misrepresentations on the plaintiffs' regulatory application.
- [127] I am also of the view that the credibility issues are intertwined with the issue of whether or not the Lease is valid and any remedies that would be sought if the plaintiffs are successful.
- [128] Determining whether the Lease is valid on a summary trial application may reduce the length of the trial however I am not satisfied that a conventional trial would still not be necessary given the position of the parties on this application. It is still likely that there would be a prolonged trial for damages or specific performance of the Lease.
- [129] I am also concerned that if the issue of the Lease's validity is determined in isolation of the other issues in this action which include a claim by the plaintiffs for

specific performance of the Lease this could result in further court actions and appeals if it is ultimately determined that the plaintiffs' application for the License was flawed.

- [130] In my view there are further investigations which need to be taken particularly with regard to the regulatory process that the plaintiffs participated in.
- [131] It is also clear to me based on the number of affidavits that were filed by both parties shortly before this application commenced and after now having time to consider all of the extensive arguments made by the parties this matter was not ready to proceed as a summary trial application.
- [132] For all the above noted reasons in my view there is no good reason to decide the issue of the Lease's validity in isolation from the other issues in this trial.
- [133] This matter is not suitable for summary trial primarily because I am not able to find the facts necessary to determine the issues of the condition precedent nor the alleged misrepresentations by the plaintiffs in their application to the LCRB.
- [134] It would be unjust to determine the issue of the Lease's validity on a summary trial application for all of the above noted reasons.

### Conclusion

- [135] The plaintiffs Notice of Application filed July 26, 2022 is dismissed.
- [136] Costs of the application will be in the cause.

"The Honourable Mr. Justice Tindale"



This is the 2<sup>nd</sup> Affidavit of Dane Camley in this case and was made on November 28, 2022.

NO. S-2110430 VANCOUVER REGISTRY

### IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

NORTH ROOT CANNABIS LTD. and STEVEN BASKOTT

**PLAINTIFFS** 



663466 B.C. LTD. and GURMEL KAINTH

**DEFENDANTS** 

### **AFFIDAVIT**

- I. Dane Camley, businessman, 1450 13401 108<sup>th</sup> Avenue, Surrey, British Columbia, MAKE OATH AND SAY THAT:
- 1. Attached hereto and collectively marked Exhibit "A" are true copies of screen prints of messages exchanged from July 18, 2018 to April 19, 2019 between Steven Baskott and myself from the instant messaging platform called WhatsApp.
- 2. The messages Mr. Baskott sent to me are displayed in white. The messages I sent to Mr. Baskott are displayed in green.
- 3. The messages exchanged between us relate to, among other things, discussions we had about securing a lease on Mr. Kainth's premises to operate a cannabis retail store.

SWORN BEFORE ME at Surrey, British

Columbia, on November 28, 2022

A Commissioner for taking affidavits for British

Columbia

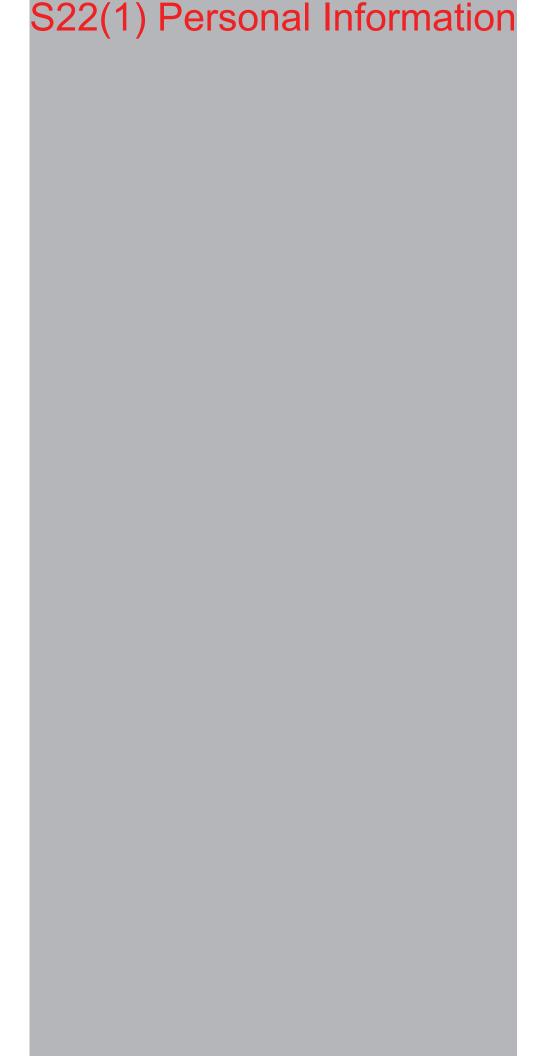
DANE CAMLEY

BRAO KIELMANN
Berrister & Solicitor
McOUARRIE HUNTER LLP
Suite 1500, 13450 - 102 Avenue
Surrey, BC V3T 5X3
694.581.7901

This is **Exhibit "A"** referred to in the Affidavit of Dane Camley sworn before me at Surrey, British Columbia, this 28<sup>th</sup> day of November, 2022.

A Commissioner for taking affidavits within

British Columbia



S-238401 VANCOUVER

#### IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

#### DANE CAMLEY

**PLAINTIFF** 

AND:

Vancouver REGISTRY

## STEVEN BASCOTT and NORTH ROOT CANNABIS Itd.

**DEFENDANTS** 

# **AMENDED NOTICE OF CIVIL CLAIM**

This action has been started by the plaintiff for the relief set out in Part 2 below.

If you intend to respond to this action, you or your lawyer must:

- (a) file a response to civil claim in Form 2 in the abovenamed registry of this court within the time for response to civil claim described below; and
- (b) serve a copy of the filed response to civil claim on the plaintiff.

If you intend to make a counterclaim, you or your lawyer must:

- (a) file a response to civil claim in Form 2 and a counterclaim in Form 3 in the above- named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim and counterclaim on the plaintiff and on any new parties named in the counterclaim.

JUDGMENT MAY BE PRONOUCED AGAINST YOU IF YOU FAIL TO FILE THE RESPONSE TO CIVIL CLAIM WITHIN THE TIME FOR RESPONSE TO CIVIL CLAIM DESCRIBED BELOW.

## Time for response to civil claim

A response to civil claim must be filed and served on the plaintiff:

- (a) if you reside anywhere in Canada, within 21 days after the date on which a copy of the filed notice of civil claim was served on you;
- (b) if you reside in the United States of America, within 35 days after the date on which a copy of the filed notice of civil claim was served on you;

# This action has been started by the plaintiff for the relief set out in Part 2 below.

If you intend to respond to this action, you or your lawyer must:

- (c) file a response to civil claim in Form 2 in the abovenamed registry of this court within the time for response to civil claim described below; and
- (d) serve a copy of the filed response to civil claim on the plaintiff.

If you intend to make a counterclaim, you or your lawyer must:

- (c) file a response to civil claim in Form 2 and a counterclaim in Form 3 in the above- named registry of this court within the time for response to civil claim described below, and
- (d) serve a copy of the filed response to civil claim and counterclaim on the plaintiff and on any new parties named in the counterclaim.

JUDGMENT MAY BE PRONOUCED AGAINST YOU IF YOU FAIL TO FILE THE RESPONSE TO CIVIL CLAIM WITHIN THE TIME FOR RESPONSE TO CIVIL CLAIM DESCRIBED BELOW.

#### Time for response to civil claim

A response to civil claim must be filed and served on the plaintiff:

(c) if you reside anywhere in Canada, within 21 days after the date on which a copy of the filed notice of civil claim

#### was served on you;

 if you reside in the United States of America, within 35 days after the date on which a copy of the filed notice of civil claim was served on you;

#### **CLAIM OF THE PLAINTIFF**

## **Part 1: STATEMENT OF FACTS**

#### The Parties

- 1. The Plaintiff, Dane Camley ("Camley"), is a businessman who resides at 7623 118st, Delta, British Columbia, V4C 6G9.
- 2. The Defendant, Steven Baskott ("Baskott"), is a businessman who resides at 20594 94B Avenue, Langley, British Columbia, V1M 1H9.
- 3. The Defendant, North Root Cannabis Ltd. ("North Root"), is a company duly incorporated under the laws of British Columbia with its registered and records office located at 20594 94B Avenue, Langley, British Columbia, V1M 1H9.

## **Business Agreement**

- 4. In or around 2018, Camley became interested in the possibility of forming a legal cannabis retail business. Camely approached Baskott, whom he had known as a friend for many years, to discuss the possibility of forming a business venture for that purpose.
- 5. Following various discussions, Camley and Baskott entered into an oral agreement (the "Agreement") to create a legal cannabis retail business in New Westminster, British Columbia (the "Business").

  The Agreement provided that, among other things:
  - (a) Camley would provide funding for the Business and take various steps to facilitate its formation;
  - (b) Baskott would act as the applicant, either directly or through a corporation, for the purpose of applying for retail cannabis licenses as required;
  - (c) Camley would have a 90% interest in the Business and Baskott would have a 10% interest in the Business; and
  - (d) If the Business were incorporated, then Camley and Baskott's

- respective shareholdings in the corporation would reflect, or in due course be adjusted to reflect, their respective ownership interests pursuant to the Agreement.
- 6. As the parties were aware at the time, carrying on the Business required the parties to seek and obtain retail cannabis licenses from the City of New Westminster (the "City") and the Province of British Columbia (the "Province").

## **Camley's Performance of Agreement**

- 7. At all material times, Camley performed his obligations under the Agreement diligently and professionally. In doing so, Camley invested considerable funds and resources into the Business.
- On or around April 4, 2018, Camley incorporated North Root, which was then known as 1159253 BC Ltd. On or around November 16, 2018, Camley changed the name of North Root to its existing name.
- 9. At the time, it was decided between Camley, Baskott and North Root that North Root would act as the formal applicant for the purpose of applying for a retail cannabis license from the City. At Baskott's request, Baskott formally acted as the sole director and shareholder of North Root on the basis that the formal shareholdings would subsequently be altered to reflect the interests as agreed between Baskott and Camley pursuant to the Agreement.
- 10. Camley bestowed trust and confidence in and relied upon Baskott.
  Baskott exercised discretion over Camley and his interest in the Business and North Root and thereby owed Camley fiduciary duties.
- 11. Following North Root's incorporation, Camley retained and paid for the services of Rising Tide Consultants ("Rising Tide"), a company experienced with cannabis license applications, to assist with the cannabis license application process.
- 12. Camley also found a retail location for the Business' operations, namely 416 East Columbia Street, New Westminster, British Columbia (the "Retail Space"). Camley also made contract with the landlord of the Retail Space (the "Landlord") and negotiated a letter of intent (the "First LOI") to lease the Retail Space, pursuant to which Camley paid the Landlord \$8,400 in order to temporarily secure the leasing opportunity.
- 13. Camley also retained and paid for CBD Strategy Group ("CBDSG") to organize the steps necessary for the cannabis license applications

- with the City and the Province, and to prepare an associated business plan required by the City. Camley also later invested considerable resources in improving the business plan prepared by CBDSG in order to increase the odds of approval by the City.
- 14. Camley also retained for and paid for Draft On Site, later known as DOS Design Group, to prepare the required architectural drawings for the cannabis lisence applications.
- 15. Camley also retained and paid for Karly Khristina Design to design the layout of the Retail Space in order to ensure compliance with the requirements of the City and the Province.
- 16. Camley also retained a mortgage broker to secure a mortgage-backed line of credit against Baskott's residence, in order that Baskott could show sufficient financial resources to proceed with the Provincial cannabis license application.
- 17. Camley also retained and paid for the services of Tesseract Security

  Consulting Inc. to develop a comprehensive security plan in relation
  to the Business and the Retail Space.
- 18. Camley also consulted with an experienced builder regarding the necessary steps and costs of building the Retail Store.
- 19. On or around December 5, 2018, Camley submitted North Root's cannabis application to the City (the "City Application") on behalf of Baskott and North Root.
- 20. In or around early December 2018, Rising Tide submitted North Root's cannabis application to the Province (the "Provincial Application") on behalf of Baskott and North Root. Camley did not review the Provincial Application before it was filed and had no part in its preparation or any input as to its content.
- 21. Neither Baskott nor North Root paid any portion of the expenses associated with the activities described in paragraphs 8-20 above.

  To the extent that Baskott or North Root paid a portion of those expenses such portion was paid using funds provided by Camley.

#### **Outcome of City Application**

22. On or around March 8, 2019, the City announced that, in connection with the City Application, North Root had come in second place relative to another applicant who had also applied for a license to operate a cannabis retail store in the same area.

- 23. Following discussions between Baskott and Camley, the parties decided to preserve the City Application so as to ensure that North Root would continue to have a valid application in the event that the first place applicant was unable to proceed for any reason.
- 24. On or about February 18, 2021, Baskott informed Camley that North Root had received correspondence from the City advising that the first place applicant might be unable to proceed and inquiring as to whether North Root remained able to proceed with its application.
- On or about February 19, 2021, Camley engaged in further discussions with the Landlord and negotiated a further letter of intent to lease the Retail Space (the "Second LOI"). Pursuant to the Second LOI, North Root was required to pay the Landlord further funds in other to secure the leasing opportunity. Camley prepared the Second LOI and provided Baskott with funds in the amount of \$7,500 to use as partial payment in order to secure the leasing opportunity. Camley also later entered into a loan agreement with a third party to borrow \$7,400 which was advanced to the Landlord in order to secure the leasing opportunity.
- On or around April 19, 2021, the City held a public consultation and council meeting which resulted in the approval of the City Application. On or around July 15, 2021, the City informed North Root that the Retail Space had been rezoned to permit the Business to operate in the Retail Space.

# **Baskott's Breach of Agreement and Fiduciary Duties**

- 27. In or around September 2021, after North Root had achieved the above-noted business milestones with the benefit of the financial and other contributions of Camley, Baskott expressed to Camley his displeasure with the terms of the Agreement. However, at that time Baskott continued to comply with the terms of the Agreement and recognize Camley's interest in the Business and North Root.
- 28. Baskott subsequently conducted himself in such a manner as to create a dispute with the Landlord, which resulted in the Landlord asserting that North Root did not have a valid lease for the Retail Space due to alleged misrepresentations and breach of contract.
- 29. The dispute between North Root and the Landlord resulted in litigation in this Court with action number S-2110430 between North Root, Baskott, the Landlord, and the Landlord's principal (the "Lease Action"). In the course of the Lease Action, Baskott:

- (a) Acknowledged that he and North Root received considerable financial and other assistance, either directly or indirectly, from Camley in order to support the Business, permit North Root to proceed with the cannabis license applications and secure a leasing arrangement with the Landlord;
- (b) Acknowledged that neither he nor North Root had repaid any of the funds which had been provided to them by Camley;
- (c) Acknowledged that neither he nor North Root had otherwise compensated Camley for his contributions; and
- (d) Denied that Camley had any interest in the Business.
- 30. During the Lease Action, it was also revealed that Baskott, or Rising Tide at Baskott's instruction, structured the Provincial Application to conceal Camley's interest in the Business. In particular, the Provincial Application failed to disclose sources of funding or make any reference to Camley or to the funds received and expenses paid by Camley on behalf of Baskott and/or North Root.
- 31. Camley became aware for the first time of Baskott's denial of Camley's interest in the Business and North Root in or around 2022, during the course of the Lease Action. Baskott has since excluded Camley from all aspects of the Business and North Root.
- 32. By denying Camley's interest in the Business and North Root and excluding Camley from all aspects of the Business and North Root, Camley breached the Agreement and his fiduciary duties to Camley.
- 33. Neither Baskott nor North Root have repaid any of the funds provided by Camley to Baskott and/or North Root or otherwise compensated Camley for his significant contributions and lost opportunities, notwithstanding repeated demands by Camley.

#### **Damages**

- 34. As a result of Baskott's breaches of the Agreement and his fiduciary duties, Camley has suffered, and continues to suffer, losses, damages, costs, and expenses arising from the defendants' conduct as pled herein, including, but not limited to the following:
  - (a) Loss of his interest in the Business and North Root;
  - (b) Loss of his share of profits for the anticipated life of the Business and North Root;

- (c) Loss of his share of any future sale of the Business or North Root, or their assets; and
- (d) Loss of any and all monies advanced to or for the benefit of the Business and North Root, either directly or indirectly.
- 35. Alternatively or additionally, Baskott and North Root have been enriched by Camley's financial and other contributions as pled herein. There is no juristic reason for the enrichment of Baskott and North Root and Camley has suffered a corresponding detriment.

## Part 2: RELIEF SOUGHT

- 36. Camley claims as follows:
  - (a) General damages for breach of contract;
  - (b) General damages for breach of fiduciary duty;
  - (c) General damages for unjust enrichment;
  - (d) An accounting and disgorgement of all benefits, profits, interests and advantages received by the defendants, either directly or indirectly;
  - (e) Special damages:
  - (f) Aggravated and punitive damages:
  - (g) Interest pursuant to the Court Order Interest Act, RSBC 1996, c 79;
  - (h) Special costs or, alternatively, ordinary costs pursuant to the Supreme Court Civil Rules; and
  - (i) Such further and other relief as this Honourable Court deems just.

# **PART 3: LEGAL BASIS**

37. Baskott owed Camley contractual duties under the Agreement.

Camley also owed Baskott fiduciary duties by virtue of Camely's bestowal of trust and confidence in and reliance upon Baskott's exercise of discretion and expertise.

- 38. By denying Camley's interest in the Business and North Root and excluding Camley from all aspects of the Business and North Root, Baskott breached the Agreement and his fiduciary duties to Camley
- 39. Baskott and North Root have been enriched by Camley's financial and other contributions. There is no juristic reason for their enrichment and Camley's corresponding deprivation.

<u>Plaintiff's address for service:</u> <u>c/o Matthew Nied</u>

Nied Law - Litigation Counsel 600 - 777 Hornby Street Vancouver BC V6Z 1S4

Fax number address for service (if any): N/A

E-mail address for service (if any): matthew@niedlaw.com

<u>Place of trial:</u> <u>Vancouver, BC</u>

The address of the registry is: 800 Smithe Street

Vancouver, BC

V6Z 2E1

Date: December 5, 2024

Signature of plaintiff
Lawyer for plaintiff

Matthew Nied

## Rule 7-1 (1) of the Supreme Court Civil Rules states:

- (1) Unless all parties of record consent or the Court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,
  - (a) prepare a List of Documents in Form 22 that lists
    - (i) all documents that are or have been in the party's possession or control and that could, if available, be used by any party at trial to prove or disprove a material fact, and
    - (ii) all other documents to which the party intends to refer at trial, and
  - (b) serve the list on all parties of record.

# **APPENDIX**

# Part 1: CONCISE SUMMARY OF NATURE OF CLAIM:

<u>Claim for damages resulting from breach of contract, breach of fiduciary duty and unjust enrichment.</u>

Part 2: THIS CLAIM ARISES FROM THE FOL	<u>LOWING:</u>
A personal injury arising out of:	
a motor vehicle accident	
medical malpractice	
another cause	
A dispute concerning:	
contaminated sites	
construction defects	
real property (real estate)	
personal property	
the provision of goods or services	or other general commercial matters
investment losses	
the lending of money	
an employment relationship	
a will or other issues concerning t	ne probate of an estate
a matter not listed here	
Part 3: THIS CLAIM INVOLVES:	
a class action	
maritime law	
aboriginal law	
constitutional law	
conflict of laws	
none of the above	
do not know	
<u>Part 4:</u>	
Court Order Interest Act, RSBC 1996, c 79	
Supreme Court Civil Rules, BC Re	eg 168/2009