



To: New Westminster City Council
in Regular Council

Meeting Date: October 20, 2025

From: Blair Fryer, Director, Community
Services

Report No.: 2025-298

Re: **Response to Council Motion – Limiting Business Licences for Vape Stores**

Staff Recommendation

THAT staff prepare the necessary Zoning Bylaw amendment that would prohibit age-restricted vape retail as a use.

Purpose

To respond to Council's Notice of Motion regarding vape stores and provide Council with the background and rationale for amending the Zoning Bylaw that would limit new locations of age-restricted vape stores while existing businesses would be able to continue as legally non-conforming.

Executive Summary

Staff are recommending a bylaw amendment to the Zoning Bylaw to prohibit age-restricted vape stores as a permitted use in New Westminster. Vape stores currently fall under the general "retail stores" land use category, with no specific regulations in the Zoning Bylaw or Business Licence Bylaw that specify the number, location, or operational requirements of these businesses. The proposed bylaw amendment would limit new locations of age-restricted vape stores while recognizing that existing businesses may continue to operate until such time that the use is discontinued for six months or more. The amendment would support the City's efforts to create a balanced and community-based local retail market environment, help to reduce health risks for youth by managing access to vape products, and align with other City initiatives and policies, including the Retail Strategy.

Background

On December 2, 2024 the following motion was supported by Council for further review of work plan implications, timeline and budget impacts:

1. BE IT RESOLVED THAT Staff report back regarding what options are within Council's jurisdiction to limit the overall number and locations of business licences issued for new vape shops.

2. *BE IT RESOLVED THAT the following resolution be submitted to the Lower Mainland Local Government Association:*

- a. *WHEREAS Health Canada has stated that they share the concerns of parents, educators, youth and public stakeholders regarding the increase of youth vaping in Canada;*
- b. *WHEREAS The Liquor and Cannabis Regulation Branch (LCRB) oversees provincial liquor and cannabis regulations, including the licensing and monitoring of private cannabis retailers;*
- c. *WHEREAS individual municipalities and regional districts can decide to amend local zoning bylaws to exclude vape shops defined as retail stores used primarily for sale of electronic nicotine or e-cigarettes as permitted uses;*
- d. *BE IT RESOLVED that the Province include retail stores used primarily for sale of electronic nicotine or e-cigarettes under the Liquor and Cannabis Regulation Branch and thereby include restrictions that regulate where and how many of these retail stores are able to receive business licenses in a community.*

In April 2025, the Local Mainland Local Government Association endorsed that,

...UBCM ask that the Province of BC include retail stores used primarily for sale of electronic nicotine or e-cigarettes under the Liquor and Cannabis Regulation Branch and thereby include restrictions that regulate where and how many of these retail stores are able to receive business licences in a community.

This was followed by the Union of British Columbia Municipalities endorsing in September 2025 that,

...UBCM ask that the Province of BC include retail stores used primarily for sale of electronic nicotine or e-cigarettes under the Liquor and Cannabis Regulation Branch and thereby include restrictions that regulate where and how many of these retail stores are able to receive business licences in a community.

This report is in response to the first item of Council's Motion.

Analysis

Vape shops are permitted under the general "retail stores" land use category in the City's Zoning Bylaw and as such, are permitted in most commercial districts. Additionally, there are no category-specific regulations in the Business Licence Bylaw that regulate vape stores. Currently there are 14 active business licences where vapour products are the primary business focus (age-restricted premises), see *Attachment 1 for map*. There are two pending applications for age-restricted vape shops at this time. Staff are aware of 15 additional stores that offer vapour products as a minor or accessory part of the business (e.g. at a gas station, convenience store, etc.), however; it is noted this data is believed to be an undercount of what is likely available in the community as accessory vape sales are not noted on licensing data. While there have not been any formal complaints received, staff note that vape stores have been brought up by residents and businesses in conversations, both referencing the number of stores

and comments around the lack of visibility into stores (windows covered with decals/signage).

Regulatory Framework

The federal and provincial governments are responsible for the regulation of tobacco and vapes through the Tobacco and Vaping Products Act (Canada), Tobacco and Vapour Products Control Act (BC), Public Health Act (BC), Tobacco and Vapour Products Control Regulation and the new E-Substances Regulation (BC).

Federal

In 2020, the Government of Canada introduced several measures under the Tobacco and Vaping Products Act to restrict the promotion of vaping products to youth. The regulations prohibit the promotion of vaping products through advertising that could be seen or heard by young persons. Advertising in places such as recreational facilities, public transit facilities, broadcast media, and in publications, including those online, are prohibited, if the ads can be seen or heard by anyone under eighteen years of age.

Other measures include:

- Limiting youth exposure to promotion of vaping products at points of sale
- Requiring a health warning statement on all ads for vaping products
- Enhanced vaping compliance and enforcement actions

Provincial

In 2020, the Province of BC enacted the E-Substance Regulation and made amendments to existing regulations as part of its vaping action plan to strengthen the regulatory framework around youth vaping. In BC, both the vaping device and the E-substance are subject to Provincial restrictions on sale, display, promotion and use. Business owners must notify the Ministry of Health of their intent to sell restricted E-substances by submitting a Notice of Intent to sell E-Substances to the Ministry of Health. There are two types of premises in which vapour products may be sold and requirements for the types of products that each retailer-type can sell:

- *Age-restricted sales premises* – where minors (those under 19 years of age) are not permitted to enter. Age-restricted stores include specialized vapour product stores. Tobacco flavoured E-substances and other flavoured restricted E-substances may be sold in an age-restricted sales premises.
- *All-ages sales premises* – where minors (those under 19 years of age) can enter. These premises include gas stations, convenience stores, and any other retail establishment where youth are permitted. Only restricted E-substances that taste or smell of tobacco may be sold at all-ages sales premises. The purpose of this restriction is to limit the range of choice in vapour products in stores where youth have access.

Municipal

While senior levels of government are responsible for the regulation of the sale, advertising and marketing of tobacco and vapes, control on the location and, by extension, the number of new stores rests with local municipalities.

Cities can prohibit any use in a zone, such as the use of the land for vape retail stores, through the Zoning Bylaw. Additionally, business licenses regulations are often intertwined with zoning compliance, ensuring that businesses operate in areas where their specific use is permitted.

Zoning Bylaw

In order to facilitate restricting this business type, typically a new use category in the Zoning Bylaw that is distinct from retail stores would be created. This would include identifying where, if anywhere, appropriate locations (and zoning districts) should be, or alternatively listing it as a prohibited use across all zones. Changes to the Zoning Bylaw such as this would impact new stores opening, while existing businesses would be able to continue operating as legally-nonconforming.

Business Licence Bylaw

The *Community Charter* outlines the authority of municipalities to regulate and impose requirements in relation to business, although it is important to note it does not allow the prohibition of business under this authority. Within the business regulation authority, municipalities are able to specify conditions that apply to certain business types within their business licensing powers, as well as set business licensing fees. This could include permitted hours of operation, security requirements, or other operational regulations deemed appropriate. Business licensing fees can also be established to cover the cost of administration, enforcement, and reviews and inspections by City staff. This is the City's approach for other controlled substances such as alcohol and cannabis, which have a variety of operational requirements they must meet to have a valid business licence as well as higher licensing fees in recognition of the staffing required for their regulation (e.g. planning approvals, inspections, bylaw enforcement, etc.).

In New Westminster, vape stores are not currently defined separately from general retail uses in the Zoning Bylaw and there are no specific regulations outlined in the Business Licence Bylaw. Vape stores are permitted anywhere in the city as a commercial use and all retailers selling vape products are forwarded to Fraser Health for their review and approval. This includes an on-site inspection from Fraser Health. The Ministry of Health is responsible for ensuring vape stores are compliant with their regulations.

Window Transparency Regulations

As part of the Provincial vapour legislation, vapour products cannot be advertised or displayed in stores where those under 19 years of age have access. Additionally, operators of age-restricted vape stores must ensure that people looking into the store from outside cannot see vapour products or advertisements. However, the Provincial regulation is outcome based (i.e. ensuring people cannot see product when looking in) and not prescriptive (i.e. does not stipulate that windows must be covered). Similar to the City's approach with cannabis retailers, there are other ways that business operators can achieve this objective while not entirely disconnecting interior store activities with the exterior streetscape, and also enhancing employee workspace. This includes consideration of the store layout and product placement or handing out menu cards with the product stored in a back room. Successful implementation of this in New

Westminster can be seen at a cannabis retail store on 12th Street that has been able to merchandise their product without obscuring their windows.

The Business Licence Bylaw, as a recommendation from the Retail Strategy, includes a regulation on visibility into stores. This aligns with the Sign Bylaw regulation, and ensures that at least 80% of windows/glazed areas at the street frontage remain unobstructed during operating hours from signs, graphics, decals, frosting or grillwork. As noted during the review of the Business Licence Bylaw, an education and awareness campaign for existing businesses is being undertaken in 2025 to help achieve the intent of the bylaw regulations. This work is occurring in September/October 2025, in collaboration with the Chamber of Commerce. New business licence applications continue to be expected to comply with the regulations.

Municipal Scan

A scan by City staff, and in discussion with Fraser Health, shows the following municipalities have enacted regulations on vape stores:

- West Vancouver – prohibits age-restricted vape retail in any zone.
- Maple Ridge – prohibits all forms of vape retail in all zones.
- Port Coquitlam – requires a minimum distance of 2.5km between premises that sell vapour or e-substance products.
- Township of Langley – prohibits age-restricted vape retail in all zones.

Other municipalities such as Burnaby, Richmond, Vancouver, Coquitlam, and the City and District of North Vancouver classify vape stores as general retail merchants and as such don't have specific restrictions concerning vape stores.

Policy Alignment

2023-2026 Strategic Priorities Plan

Council's 2023-2026 Strategic Priorities Plan contains the following outcome, supports the People-Centered Economy area of focus, "Active Commercial Areas: Implement the Retail Strategy to support active and welcoming commercial areas with a mix of diverse and vibrant business and cultural offerings."

Retail Strategy

The City's Retail Strategy identifies the importance of active streetscapes in vibrant, successful retail streets. The Strategy identifies to leverage planning tools, economic development policies and business support strategies to create the conditions and environment needed for the city's commercial areas to evolve into thriving business and social hubs.

Engagement

Staff have met with Fraser Health during the research and preparation of this report. Fraser Health supports increased regulation of age-restricted vape stores, as outlined in their letter, *see Attachment 2*. In particular, based on their enforcement data, age-restricted vape stores in New Westminster have had more enforcement violations than all-ages stores.

On June 18, 2025 a Retail Strategy implementation workshop has held for businesses, business organizations and commercial property owners. One of the table themes included discussion on active uses at grade, which included vape stores. Feedback from this workshop included frustration over the concentration of certain uses including vape stores, with 53% of participants indicating they supported not permitting the use, 40% in favour of more stringent conditions (e.g. second floor, transparent windows, etc.) and only 3% of participants indicating vape stores should continue to be allowed.

The Arts, Culture and Economic Development Advisory Committee has also provided general support for activating streetscapes, and encouraging a more diverse and vibrant mix of businesses at the street level in the city's commercial areas.

Policy Options

Staff have undertaken a review of options in response to the Notice of Motion, see *Attachment 3*. Staff are recommending that a Zoning Bylaw amendment be implemented that would prohibit age-restricted vape shops as a use. This would limit the number of vape shops operating across the city, while existing age-restricted vape stores would be 'grandparented' and continue to have legal non-conforming status.

At this time, staff do not recommend an increase in vape-related business licensing fees as there have not been extraordinary costs associated with municipal staffing resources (Police, Bylaws, etc.) or program initiatives related specifically to vape stores. Bylaws staff anticipate that if their 2026 staff enhancement request is implemented, they would have the necessary staff to take on a more proactive enforcement approach with the Sign Bylaw.

Financial Implications

Administration of the recommendations in this report, including bylaw amendment work and review of permit and licence applications in relation to the proposed bylaw amendments, would be undertaken by existing staff.

Next Steps

If directed, staff will bring forward the necessary amendments to the Zoning Bylaw to limit age-restricted stores.

Interdepartmental Liaison

Staff in the Community Services Department – Business Licensing are leading this response, with input from staff in the Planning and Development Department.

Attachments

- Attachment 1 – Location of existing age-restricted vape shops
- Attachment 2 – Letter from Medical Health Officer, Population & Public Health, Fraser Health Authority

Attachment 3 – Policy Options

Report Approval

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