

CITY OF LANGFORD



'REQUEST FOR PROPOSAL'

(RFP)

FOR THE

**RETAIL SALES OF CANNABIS AND CANNABIS RELATED PRODUCTS**

IN THE

CITY OF LANGFORD, BC

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**REQUEST FOR PROPOSALS**

**RETAIL SALES OF CANNABIS AND CANNABIS RELATED PRODUCTS**

**Introduction**

Historically, the non-medicinal use of cannabis and cannabis related products (“Cannabis Products”) has been prohibited by federal law in Canada. As a result, the retail sale of Cannabis Products has been prohibited by the City of Langford (the “City”) under the City’s Zoning Bylaw No. 300.

The Government of Canada (“Canada”) and the Government of British Columbia (“British Columbia”) are currently in the process of establishing a regulatory framework (the “Regulatory Framework”) authorizing the retail sale of Cannabis Products for non-medicinal use. While the Regulatory Framework has not been finalized, Canada and British Columbia have established a number of guiding principles as follows:

1. The production of Cannabis Products for non-medicinal use will generally be regulated by Canada;
2. The distribution and retail sale of Cannabis Products for non-medicinal use will generally be regulated by British Columbia;
3. The minimum age to purchase, possess, and consume Cannabis Products for non-medicinal purposes will be 19 years old;
4. The maximum amount of Cannabis Products for non-medicinal use allowed to be in an individual’s possession in a public place will be 30 grams;
5. Drug impaired driving will continue to be illegal, with British Columbia toughening regulations to give police more tools to remove drug-impaired drivers from the road and to deter drug-affected driving;
6. The wholesale distribution of Cannabis Products for non-medicinal use will be through the British Columbia Liquor Distribution Branch;
7. The retail sale of Cannabis Products will be through retail stores operated by British Columbia and/or retail stores operated by the private sector; and,
8. The production and retail sale of Cannabis Products for non-medicinal use may further be regulated by local governments through their zoning and business licensing powers.

The City is in the process of considering how best to address for its community the impending legalization of the use of Cannabis Products for non-medicinal purposes, and whether to permit the retail sale of Cannabis Products.

The City recognizes that there is a desire by some of the City's residents to be able to purchase Cannabis Products for non-medicinal use from local businesses.

The City also recognizes that there are challenges to authorizing the retail sale of Cannabis Products for non-medicinal use within the City's boundaries. Those challenges include, but are not limited to, the following:

1. Determining the number of locations, if any, where the retail sale of Cannabis Products for non-medicinal use should be permitted within the City's boundaries;
2. Determining the appropriate location(s), if any, where the retail sale of Cannabis Products for non-medicinal use should be permitted within the City's boundaries;
3. Identifying and addressing the neighbourhood impacts of permitting in a particular location within the City's boundaries the retail sale of Cannabis Products for non-medicinal use;
4. Funding training costs for police and bylaw enforcement officers in addressing:
  - (a) Nuisance issues relating to public use of Cannabis Products for non-medicinal purposes; and,
  - (b) Impairment issues relating to public use of Cannabis Products for non-medicinal purposes;
5. Funding policing, bylaw enforcement, and administrative costs associated with:
  - (a) Ensuring that the retail sale of Cannabis Products for non-medicinal use in a particular location is in compliance with the Regulatory Framework and all applicable City bylaws;
  - (b) Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes; and,
  - (c) Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes; and,
6. Funding educational initiatives and materials associated with the above impacts and related social concerns.

As a first step in addressing for its community the impending legalization of the use of Cannabis Products for non-medicinal purposes, the City is considering moving forward with a pilot program (the “Pilot Program”) under which the City will, on a case by case basis, consider issuing temporary use permits authorizing the retail sale of Cannabis Products for non-medicinal use.

As a next step, if the Pilot Program is successful, the City may move forward with considering the amendment of the City’s Zoning Bylaw No. 300 to authorize the retail sale of Cannabis Products for non-medicinal use at particular locations within the City’s boundaries.

For the Pilot Program, the City has adopted some guiding principles to be considered in determining the location(s), if any, in respect of which the City will consider issuing temporary use permits authorizing the retail sale of Cannabis Products for non-medicinal use. In this regard, the retail sale of Cannabis Products for non-medicinal use is preferred to not be located within:

1. 500 metres of any other location where the retail sale of Cannabis Products for non-medicinal use has been authorized;
2. 300 metres of any school;
3. 300 metres of any group daycare;
4. 150 metres of Centennial Park, Veterans Memorial Park, City Centre Park, Westhills YMCA, any regional or Provincial park, or Langford, Glen or Florence Lakes; and,
5. 50 metres of any land zoned R1 (One-family Residential) or R2 (One- and Two-Family Residential), except within the designated City Centre.

These guiding principles are expected to limit the number of locations where the retail sale of Cannabis Products for non-medicinal use would be considered appropriate, but are expected to allow for a number of locations spread throughout the City’s boundaries, in existing areas of commercial retail, to meet the needs of the City’s residents. It should be noted that at this time that City will only be considering up to 5 such locations for the retail sale of Cannabis Products.

The City is interested in receiving proposals from individuals and/or organizations interested in undertaking the retail sale of Cannabis Products for non-medicinal use within the City’s boundaries.

### **Proposal Requirements**

Individuals and/or organizations (“Proponents”) interested in undertaking the retail sale of Cannabis Products for non-medicinal use within the City’s boundaries should submit a proposal (a “Proposal”) to the City in accordance with this Request for Proposals (the “RFP”).

Proposals should be received in a sealed envelope labeled “RFP for Retail Sales of Cannabis and Cannabis Related Products” addressed to the attention of Braden Hutchins, Director of Corporate

Services, at the City's offices at 2<sup>nd</sup> Floor, 877 Goldstream Avenue, Victoria, B.C., V9B 2X8, by 3:00 p.m. (Pacific Standard Time), on June 1, 2018. Proposals not received in time will not be considered unless, in the complete, sole, and unfettered discretion of the City, the City determines it to be in the City's best interests to consider the Proposal.

Proposals should include the following information:

1. Name of Proponent;
2. Where the Proponent is a society:
  - (a) The names of the Proponent's directors; and,
  - (b) A copy of the Proponent's incorporation documents;
3. Where the Proponent is a company:
  - (a) The names of the Proponent's directors and shareholders; and,
  - (b) A copy of the Proponent's incorporation documents;
4. A detailed description of the Proponent's current business undertakings, including a description of the Proponent's experience in retail sales in a commercial sector specifically regulated by Canada or British Columbia (e.g., age restricted sales and/or controlled substance sales);
5. A detailed description of any enforcement actions or proceedings brought by Canada, British Columbia, a local government, or an agent or branch of either of them against the Proponent in relation to the past or current business undertakings of the Proponent or its principals, or against the past or current business undertakings of third parties with whom the Proponent or its principals were or are associated;
6. A detailed description of the Proponent's proposed business plan for undertaking the retail sale of Cannabis Products for non-medicinal use within the City's boundaries, including a detailed description of the following:
  - (a) Proposed hours of operation;
  - (b) Proposed plan for:
    - (i) Ensuring that the retail sale of Cannabis Products for non-medicinal use is in compliance with the Regulatory Framework and all applicable City bylaws;

- (ii) Security measures associated with the premises from which the retail sale of Cannabis Products for non-medicinal use will occur;
    - (iii) Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products for non-medicinal use;
    - (iv) Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes;
    - (v) Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes; and,
    - (vi) Providing educational initiatives and materials associated with the above impacts and related social concerns.
  - (c) Proposed plan for assisting the City, including through financial contributions, with policing and bylaw enforcement costs, including the costs of additional training, and other increased City costs, including administrative costs, associated with:
    - (i) Ensuring that the retail sale of Cannabis Products for non-medicinal use in a particular location is in compliance with the Regulatory Framework and all applicable City bylaws;
    - (ii) Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products for non-medicinal use;
    - (iii) Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes; and,
    - (iv) Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes;
    - (v) Providing educational initiatives and materials associated with the above impacts and related social concerns.
7. A description of the Proponent's ability to obtain bonding, if necessary, and a minimum of \$5 million insurance coverage;
  8. While not a requirement, a description of the Proponent's preferred location or locations for undertaking the retail sale of Cannabis Products for non-medicinal use within the City's boundaries;
  9. Where the Proponent has a legal interest in the preferred location or locations, or has an enforceable commitment to acquire a legal interest in the preferred location or locations, details of the legal interest or enforceable commitment;

10. While not a requirement, information on the potential form, character and design of the proposed retail store; and,
11. A description of the Proponent's expected timeframe for commencing the retail sale of Cannabis Products for non-medicinal use within the City's boundaries.

All enquiries to the City in any manner whatsoever related to this RFP must be directed in writing by email to Braden Hutchins, Director of Corporate Services, at [bhutchins@langford.ca](mailto:bhutchins@langford.ca), and must be received by no later than 3:00 p.m. (Pacific Standard Time) on June 1, 2018. Proponents are asked not to communicate with Mayor or Council in relation to this RFP.

The City asks that Proponents make best efforts to provide all of the information requested above. However, a Proposal which does not include some of the requested information, or does not include significant details in relation of some of that information, may be considered by the City where, in the complete, sole, and unfettered discretion of the City, the City determines it to be in the City's best interests to consider the Proposal.

### **Evaluation of Proposals**

It is expected that this RFP will be used to identify up to 5 Proponents (the "Preferred Proponents") with whom the City will enter into further discussions in relation to the consideration of the issuance of temporary use permits authorizing the retail sale of Cannabis Products for non-medicinal use at locations identified in the Proposals of the Preferred Proponents or in subsequent discussions between the City and the Preferred Proponents.

In evaluating the Proposals, the City has the complete, sole, and unfettered discretion to determine which Proposals are in the best interests of the City's residents and to select the Preferred Proponents on that basis.

Where two or more Proponents identify the same preferred location, or identify preferred locations that do not comply with the spacing requirements set out in the guiding principles identified by the City for the Pilot Program, the City will give priority, in its complete, sole, and unfettered discretion, to the Proponent whose Proposal is otherwise considered by the City, in its complete, sole, and unfettered discretion, to be in the best interests of the City's residents.

A Proponent who identifies more than one preferred location in its Proposal may be selected by the City as a Preferred Proponent. However, that Proponent may be required to elect a single preferred location and all further discussions between the City and the Preferred Proponent will be in relation to that preferred location.

Proponents should be aware that, while not determinative, the City places importance on a Proponent's proposed plan to assist the City, including through financial contributions, with policing and bylaw enforcement costs, including the costs of additional training, and other increased City costs, including administrative costs, associated with:

1. Ensuring that the retail sale of Cannabis Products for non-medical use in a particular location is in compliance with the Regulatory Framework and all applicable City bylaws;
2. Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products for non-medical use;
3. Addressing nuisance issues relating to public use of Cannabis Products for non-medical purposes;
4. Addressing impairment issues relating to public use of Cannabis Products for non-medical purposes; and,
5. Providing educational initiatives and materials associated with the above impacts and related social concerns.

Proponents should also be aware that if they are identified as a Preferred Proponent, that they would be responsible for all costs related to a Temporary Use Permit application and that the submission of such Temporary Use Permit application requires public notification and Council approval. As such, being identified as a Preferred Proponent does not guarantee approval of a Temporary Use Permit.

Proponents should also be aware that Provincial approval of through the forthcoming B.C. Non-Medical Cannabis Regulatory Framework will also be required.

### **No Legal Rights**

No action by the City in any manner whatsoever related to this RFP, including without limitation the City's authorization of the issuance of this RFP, the City's receipt of a Proposal, the City's consideration of a Proposal, the City's rejection of a Proposal, and the City's discussions with a Proponent, gives rise to any legal or other obligations enforceable against the City. By submitting a Proposal, a Proponent acknowledges that it has no rights, whether in law or otherwise, to make any claim against the City in any manner whatsoever related to this RFP.