



Cannabis Retail Zoning Amendments (Tabled October 6, 2021)

Date	November 3, 2021
To	Regina Planning Commission
From	City Planning & Community Development
Service Area	Planning & Development Services
Item No.	RPC21-60

RECOMMENDATION

Regina Planning Commission recommends that City Council:

1. Approve the proposed amendments to *The Regina Zoning Bylaw, 2019-19* as outlined in Appendix A of this report and which will result in reducing the restrictions applicable to cannabis retail developments within the city.
2. Instruct the City Solicitor to prepare the necessary bylaw to give effect to the recommendations, to be brought forward to the meeting of City Council following approval of the recommendations by Council and the required public notice.
3. Remove items CR18-49 and RPC20-24 from the Outstanding Items list.
4. Approve these recommendations at its meeting on October 13, 2021.

ISSUE

Zoning regulations for cannabis retail have been in place for approximately three years in Regina. This report is a follow-up to the update to City Council at their June 9, 2021 meeting in report CR21-97, which included an update on how the zoning regulations are performing for cannabis retail stores.

The proposed amendments are provided for approval in Appendix A. These are in addition to the

bylaw amendments approved at the September 15, 2021 City Council meeting.

IMPACTS

Policy/Strategic Impact

The recommendations of this report are consistent with the following policies from *Design Regina: The Official Community Plan Bylaw No. 2013-48* (OCP):

12.2 Minimize regulatory barriers to economic growth to the greatest possible extent while balancing the needs and aspirations of all Regina residents, fee-and taxpayers, and the sustainability of the city.

12.5.1 Identifying and leveraging opportunities to expand existing industries.

12.5.2 Identifying and encouraging the development of new economic opportunities.

The recommendations support the above OCP policies to foster and expand economic opportunities and have clear regulated processes.

OTHER OPTIONS

Alternative options would be:

1. Approve the amendments in part by removing individual proposed amendments from the bylaw (amendments numbered separately in Appendix A to allow for ease of reference).
2. Refer the report back to Administration. Should City Council have specific concerns with the report and proposed amendments, it may refer the report back to Administration and direct that it be reconsidered by Regina Planning Commission or brought directly back to Council following further review by Administration.
3. Deny the proposed amendments.

COMMUNICATIONS

Public notice of the public hearing to be conducted upon consideration of the proposed bylaw amendments will be given in accordance with *The Public Notice Policy Bylaw, 2020*. The proposed amendments and associated City Council meeting will be advertised on CityPage in the Regina Leader-Post and online at Regina.ca.

A copy of this report was provided to interested parties. Notice of the upcoming City Council meeting and Council's decision will also be provided to interested parties.

DISCUSSION

Background

The City of Regina, like most cities across Canada, took a cautious approach when establishing zoning regulations in 2018 leading up to federal legalization of cannabis. The primary goal of the regulations was to keep cannabis stores located away from sites frequented by youth.

Report CR21-97 on June 9, 2021 identified the following challenges and barriers to economic development with the existing zoning regulations for cannabis retail stores - referred to as 'Retail Trade, Cannabis' within *The Regina Zoning Bylaw, 2019-19* (Zoning Bylaw or 'the bylaw'):

1. **Limited Zones** – Cannabis retail stores are presently only permitted in six zones, whereas general retail or 'Retail Trade, Shop,' is permitted in 13 mixed-use and industrial zones and direct control districts.
2. **Separation Distance** – The Zoning Bylaw requires that new cannabis retail stores be separated by at least 182.88 metres away from other proposed or established cannabis retail stores and land uses deemed sensitive to cannabis retail including schools, parks, day care centres, enclosed rinks, public libraries, and community centres.¹ Cannabis stores are prohibited when located closer than 182.88 metres (600 feet) away from other cannabis stores and sensitive uses. Under the current regulations, Administration and City Council do not have any discretion to vary the separation distances.
3. **Reciprocal Separation Distance** – Regina is the only municipality in Canada that Administration is aware of that established a reciprocal buffer, meaning that proposed schools, parks, day care centres, enclosed rinks, public libraries, and community centres must also be separated from established cannabis stores.

Item #3 above (reciprocal separation distance) was recently addressed separately by City Council on September 15, 2021 through Bylaw 2021-55. As a result, there is no longer a reciprocal separation distance in the bylaw.

The limited number of zones that permit "Retail Trade, Cannabis" in combination with the current separation distances that restrict a new cannabis retail use from being developed in proximity to an established use that falls within the defined sensitive uses and the absence of the ability for the City

¹ The sensitive land uses that proposed cannabis stores must separate from are places frequented by youth and other cannabis stores. They are defined in the Zoning Bylaw as "Institution Education" (schools), "Open Space Active" (parks), "Institution Day Care" (daycare centres), "Institution Community" (enclosed rinks, public libraries and community centres) and "Retail Trade Cannabis" (cannabis stores). Within the downtown, cannabis retail stores are only required to separate from other cannabis stores and not the other sensitive land uses applicable to other zones where Retail Trade, Cannabis is permitted.

to use discretion to consider unique characteristics of sites, has resulted in limited remaining sites that could accommodate the cannabis stores. Appendix B-1 shows the current zones that permit cannabis stores and cannabis separation distances in the Zoning Bylaw. This map is provided for illustration purposes only.²

Proposed Changes

As noted in CR21-97, the legal cannabis retail industry is having a positive economic impact in Regina and allowing more legal stores to open will cut into the black market. Therefore, Administration recommends Zoning Bylaw amendments to improve economic opportunities for cannabis retail.

Proposed changes include³:

1. Increasing the number of zones that permit cannabis stores from six (6) to thirteen (13) zones consistent with how the Zoning Bylaw permits general retail, including liquor stores.
2. Reducing the required separation distance of proposed stores to sensitive land uses from 182.88 metres to 60 metres. A 60-metre separation distance will ensure that cannabis stores are not located on the same block or directly across a local street from another cannabis store or sensitive use. The City of Saskatoon's zoning bylaw applies a 60-metre separation distance between proposed cannabis stores and sensitive uses. Administration proposes to adopt this reduced separation distance between sensitive uses while also applying it between cannabis stores. A reduced separation distance in addition to increasing the number of zones that permit cannabis stores as per #1 above, will remove regulatory barriers and encourage the development of new economic opportunities in accordance with the OCP's economic development policies.
3. Adding a provision that will allow the City to evaluate proposed cannabis stores that are within 60-metres from another store or sensitive through a discretionary use application. Through discretionary use the City will be able to consider the location and visibility of the proposed store

² The maps attached as Appendix B-1 and B-2 may be used as a guide but should not be used for investment purposes as they are not comprehensive and are subject to change. For example, the map may be missing recent applications to the City that came in after the report was written and day care centres are not included on the map. Administration checks for any day care centres in proximity to a proposed cannabis store during the development permit review using a provincial database.

³ Numbering in this list does not correspond to the numbering of proposed amendments in Appendix A.

⁴ Bylaw 2021-44 introduced Zoning Bylaw amendments to delegate discretionary use authority to the Development Officer. Evaluation criteria that trigger the need for Council's consideration include any application that: i) is located within 30 metres of a residential property; and ii) will increase intensity or generate impacts beyond the site; or iii) any that raises significant public concern as determined by the Development Officer; or iv) any application that the Bylaw or the OCP specifically states that Council's consideration is required or that the Development Officer deems will require Council's attention due to potential impacts on the community.

to nearby sensitive uses. For example, a proposed store may be closer than 60 metres to a sensitive use such as a park, but not be visible from the park because there are other buildings blocking the view. Like other types of discretionary use, Administration (Development Officer) has the delegated authority to approve unless the evaluation criteria for delegation of discretionary uses in the Zoning Bylaw trigger the need for Council's consideration.⁴

4. Housekeeping improvement to consolidate the cannabis regulations into Chapter 1 of the Zoning Bylaw to reduce redundant text found throughout each applicable zone.
5. Minor changes to clarify that, for the sake of separating cannabis from schools, post-secondary and adult learning are exempt.
6. Providing some flexibility and clarity with respect to the types of open space (parks) that cannabis stores must separate from.

Administration believes the changes summarized above and listed in Appendix A will significantly improve the cannabis retail regulations. The map in Appendix B-2 is provided for illustrative purposes to visualize what the recommendations would look like with increased permissive zones to 13 and reduced separation distances to 60 metres.

A jurisdictional review of other Western Canadian cities was undertaken to compare zoning rules and the number of stores per city (Appendix C).⁵ Of the cities researched, the proposed recommendations most resemble Saskatoon's zoning regulations that apply a 60-metre separation distance between proposed cannabis stores and sensitive uses and allows for discretionary use when closer than the required distance to consider unique circumstances with the site location and visibility. The City of Saskatoon has retained a 160-metre separation distance between cannabis stores.

Of the cities researched in Appendix C, only the City of Winnipeg has amended their regulations for cannabis retail following implementation of their original regulations. The City of Winnipeg has recently removed any separation distances for cannabis retailers to treat it no differently than other forms of retail.

Stakeholder Consultation

The proposed changes were sent to a variety of stakeholder groups for review and comment. A stakeholder contact list (interested parties) of 113 individuals and groups was consulted on the proposed changes notified, which included the following:

⁵ There were fourteen fully licensed cannabis stores by SLGA in Regina at the time this report was written. There were also an additional eleven applications that are either under review by the City or that have development permits issued and are awaiting final approval by SLGA.

1. Existing cannabis retail operators and applicants of proposed stores;
2. Individuals or groups who have inquired about opening stores;
3. Individuals who requested to be interested parties or those who submitted service requests to the City about cannabis;
4. Organizations and agencies with an interest in the regulations such as the Downtown and Warehouse Business Improvement Districts (BIDs), Economic Development Regina and the Regina Realtors Association;
5. Saskatchewan Liquor & Gaming Authority (SLGA);
6. Public and separate school boards;
7. Ministry of Education, Early Years Branch; and
8. Community Associations.

The stakeholders represent individuals or groups that may be directly or indirectly impacted by the cannabis regulations such as those in the industry, those who are simply interested in the outcome, and organizations representing sensitive land uses.

Out of the 113 individuals and groups who were sent the proposed changes, Administration received comments from seven stakeholder groups:

1. Two existing cannabis retailers expressed concerns with relaxing the zoning regulations, believing these changes could result in a saturated market and negatively impact their businesses. Both retailers recommended the City of Regina should maintain a tightly regulated framework by keeping the 182.88 metre separation distance while one of them expressed support for introducing the discretionary use as an option to consider unique sites.
2. Two groups representing developers provided written support for the changes – particularly the proposed discretionary use tool as an option. Support was also expressed for improvements to separating from schools and parks.
3. Two groups interested in developing a day care centre expressed support for removal of the reciprocal buffer (addressed separately in bylaw 2021-55).
4. The Cathedral Community Association responded that they have no comments or concerns with the proposed changes.

DECISION HISTORY

On August 27, 2018, City Council passed *Bylaw 2018-41, The Regina Zoning Amendment Bylaw, 2018 (No. 18)* to incorporate land use regulations regarding cannabis retail stores. (CR18-49)

On August 25, 2020, City Council approved Zoning Bylaw amendments to better align the City's processes with SLGA processes. The amendments clarified that applicants for cannabis retail stores must provide written confirmation that they have been pre-approved by SLGA for a cannabis license before applying to the City for a development permit and building permit (CR20-67).

City Council unanimously passed a motion at the August 11, 2021 meeting of Council to amend the Zoning Bylaw to remove the reciprocal separation distance for proposed sensitive uses to established cannabis stores. *Bylaw 2021-55* brought the amendments into effect on September 15, 2021.

Respectfully Submitted,

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Aurora Dawson, A/Executive Director

9/20/2021


Diana Hawryluk, Executive Director, City Planning & Community Dev.

9/29/2021

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ATTACHMENTS

Appendix A - Proposed Cannabis Retail Zoning Amendments
Appendix B-1 Map Current Separation Distances for Cannabis Stores
Appendix B-2 Map Recommended Separation Distances for Cannabis Stores
Appendix C - Jurisdictional Comparison