

MOTION

8. Additional Requirements to the City of Vancouver Medical-Marijuana Related Businesses Licensing Process to Deter Organized Crime

At the Regular Council meeting on May 15, 2018, Vancouver City Council referred the following matter to the Standing Committee on Policy and Strategic Priorities meeting on May 16, 2018, to hear from speakers.

MOVER: Councillor De Genova

WHEREAS

1. The federal government has not yet finalized a legal framework for marijuana in Canada and the federal government has delayed the announcement of the final legal framework that was to be released on July 1, 2018;
2. June 2015, Council passed TEXT AMENDMENT: Regulation of Retail Dealers-Medical Marijuana-Related Uses;
3. The text amendment to the zoning by-law to allow Marijuana related businesses may have to be changed when federal and provincial regulations are announced;
4. The only legal avenue for an individual to obtain medical marijuana is to receive a prescription from a doctor with an exact dosage, register with a licensed producer (approved by Health Canada), place an order online or via phone and have it delivered directly to the person the cannabis was prescribed for;
5. The majority, if not all, retail stores licensed by the City of Vancouver MMRU, as well as those open without a license, do not obtain their supply from Licensed Producers regulated by Health Canada;
6. Currently, the City requires applicants for Marijuana-Related businesses to meet many requirements, including locations that are at least 300 meters from schools, community centres, neighbourhood houses, youth facilities that serve vulnerable youth and other marijuana related businesses;
7. The City of Vancouver website states that regulations aim to achieve a careful balance between ensuring community health, safety, security aesthetics, equity and enjoyment of property;
8. Currently police information checks are required for the applicant and all staff (including directors and health professionals); however there is no requirement for the applicant to conduct police information checks for suppliers and/or growers;
9. There is currently no requirement in the City of Vancouver application or license process for marijuana-related businesses that requires the business or compassion club to be supplied with cannabis by only licensed producers, approved by Health Canada;

10. Zoning and development by-law requirements for Marijuana-Related Businesses listed on the City of Vancouver website do not require either medical marijuana-related retail dealers or compassion clubs to produce financial statements for their business and the financial statements for their suppliers;
11. Marijuana-Related businesses must provide proof of lease or ownership of the address they are applying to license as a Marijuana-Related business;
12. There have been at least eight robberies of Marijuana-Related businesses in the City of Vancouver;
13. Organized crime and gangs are known to participate in the sale of illegal drugs and substances, including marijuana;
14. Allowing organized crime and/or gangs to participate in business in the City of Vancouver could put public safety at risk, and could put strain on police resources;
15. The City of Vancouver requires financial statements from organizations and companies applying for several grants including but not limited to: Cultural Infrastructure Grants, Public Art Community Grants, Childcare Enhancement Grants, Community Arts Grants;
16. The Vancouver Police Department has a strong commitment to public safety and have previously demonstrated they will not tolerate any activities related to organized crime and gang violence;
17. City of Vancouver policy, zoning, licensing and by-laws that allow access to drug traffickers, supplying controlled substances illegally could contribute to the economic success of organized crime groups and/or gangs;
18. The City of Vancouver's Deputy Chief License Inspector has previously made decisions to revoke business licenses for reasons including criminal matters. Council has previously upheld these decisions when brought forward as appeals, pursuant to Section 275 of the Vancouver Charter that allows council discretionary powers to uphold or overturn the decision of the Deputy Chief License Inspector.

THEREFORE BE IT RESOLVED

- A. THAT Council direct staff to change the requirements necessary for a Marijuana-Related Business to include annual audited financial statements that are resubmitted and self-reported on an annual basis.
- B. THAT Council require all marijuana-related businesses licensed by the City of Vancouver to obtain marijuana only from Licensed Producers approved by Health Canada.
- C. THAT Council direct staff to work with the Vancouver Police Department and particularly the Major Crime Section, to ensure that all City of Vancouver Marijuana-Related Business applications and License requirements are

recommended with attention to deterring major crime that is directly or indirectly related to any business where an illegal and controlled substance is sold.

- D. THAT Council direct staff to share any information found on the correlation between Marijuana Growers and Suppliers; and organized crime and gangs with senior levels of government, as they continue to prepare a legal framework for marijuana in Canada.

FURTHER THAT staff report back to Council by July 2018 with any findings and recommendations to strengthen requirements in licensing marijuana-related businesses in the interest of public safety.

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