

CITY OF LANGFORD
SPECIAL MEETING OF COUNCIL
Monday, April 30th, 2018 @ 5:30 p.m.
Council Chambers, 3rd Floor, 877 Goldstream Avenue

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Staff Report to Council

Date: April 30, 2018
Department: Administration / Planning
Subject: Retail Sales of Cannabis and Cannabis Related Products

Purpose

In light of impending changes to Federal and Provincial legislation with respect to the non-medicinal use of cannabis, Council may now wish to allow for the retail sale of cannabis, by way of Temporary Use Permits (TUP). The intent of this report is to outline guiding principles with respect to the potential issuance of TUP's for retail cannabis. This report also outlines a proposed approach for determining the businesses that may receive a TUP.

Background

The Province is in the process of unveiling its regulatory framework for cannabis. At present, the Province has made the following regulatory decisions:

- British Columbia's minimum age to possess, purchase and consume cannabis will be 19 years old (consistent with alcohol and tobacco);
- The Liquor Distribution Branch will be the wholesale distributor of non-medical cannabis in BC;
- Adults aged 19 and above will be allowed to possess up to 30 grams of non-medical cannabis in a public place;
- BC will generally allow adults to use non-medical cannabis in public spaces where tobacco smoking and vaping are permitted (however, to minimize child and youth exposure, smoking and vaping of non-medical cannabis will be banned in areas frequented by children, including community beaches, parks and playgrounds);
- Use of cannabis, in any form, will also be banned for all occupants in vehicles;

- Local governments will be able to set additional restrictions regarding both the retail and use of cannabis;
- Landlords and strata councils will be able to restrict or prohibit non-medical cannabis cultivation and smoking at tenanted and strata properties;
- BC will align with the proposed federal legislation and allow adults to grow up to four cannabis plants per household, but the plants must not be visible from public spaces off the property;
- Home cultivation of non-medical cannabis will be banned in dwellings that are also used as daycares;
- Drug impaired driving will continue to be illegal in BC (the Province will increase training for law enforcement and toughen provincial regulations to give police more tools to remove drug-impaired drivers from the road and deter drug-affected driving); and
- British Columbians of legal age will be able to purchase non-medical cannabis through privately run cannabis only retail stores or government-operated retail stores and online sales.

Many of the above regulatory decisions align with the feedback the City of Langford provided on the proposed cannabis regulatory framework in November and in February (attached).

Importantly (and further discussed below), the Province has of yet not stated that it will provide additional resources to local governments to offset the anticipated increase in administrative and policing costs.

Commentary on Retail Sales

As a result of the Province unveiling a high level overview of its regulatory framework for retail cannabis (attached), prospective retailers are beginning the process of vying for provincial licensing. A key part of this is local government approval.

Notwithstanding the impending changes at the Federal level with respect to cannabis being a controlled substance, nor the Province's forthcoming regulatory framework, Langford's current zoning regulation prohibiting the sale of cannabis (except as a licensed pharmacy, which the Province won't allow) will remain valid¹. The Supreme Court has upheld a municipality's right to regulate land use, notwithstanding a product's legal status.

As such, nothing will change for Langford once cannabis is no longer a controlled substance. A company or individual will not be able to obtain a business license for this form of retailing and the City can shut down any unlicensed business then as much as it can now. The only thing that will change will be the demand from retailers for Council to soften its zoning regulation.

If Council wishes to permit the sale of cannabis in Langford (per the Province's regulations), the best way forward may be to consider each retail store on a case by case basis through a temporary use permit (TUP). In this manner, Council could limit the overall number of outlets within the community, allow for

¹ Sec. 3.02.02(5) of Zoning Bylaw No. 300

a “pilot” period, impose conditions to mitigate possible negative effects, and lastly provide an opportunity for community feedback.

Should Council wish to proceed with allowing the retail of cannabis, establishing the following as guiding principles regarding the location of the retail sale of Cannabis Products could be helpful:

That the retail sale of Cannabis Products for non-medicinal use is preferred to not be located within:

- *500 metres of any other location where the retail sale of Cannabis Products for non-medicinal use has been authorized (with the exception of Goldstream Avenue, where two locations may be considered);*
- *300 metres of any school;*
- *300 metres of any group daycare;*
- *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,*
- *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 should allow for a limited number of retail cannabis outlets spread throughout the City in existing areas of commercial retail, depending on what property is available for lease or purchase. It is not possible to determine definitively how many outlets are possible given the above guiding principles, but staff recommend that during the “pilot” period, the total number of retail outlets be capped at five.

In addition to these geographic requirements, Council may also wish to establish an application process to ensure a rigorous but fair way of determining which cannabis retailers can locate within Langford.

The application process would require each applicant to provide/demonstrate a number of important factors, including:

- 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);
- 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;
- 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:

- Proposed hours of operation;
- Proposed plan for:
 - Ensuring that the retail sale of Cannabis Products for non-medicinal use is in compliance with the Regulatory Framework and all applicable City bylaws;
 - Providing appropriate security measures associated with the premises from which the retail sale of Cannabis Products for non-medicinal use will occur;
 - Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products for non-medicinal use;
 - Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes;
 - Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes; and,
 - Providing educational initiatives and materials associated with the above impacts and related social concerns;
- A description of the Proponent's ability to obtain bonding, if necessary, and a minimum of \$5 million insurance coverage;
- 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;
- 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;
- While not a requirement, information on the potential form, character and design of the proposed retail outlet; and,
- 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.

It should be noted that in addition to the above, Council will have the ability to further regulate, if it wishes, additional land use issues (e.g. signage) through the TUP process.

Staff recommend that the application process would open on May 1st and close on June 1st.

For full details of the proposed application process, please see the attached RFP.

Financial Implications

It is anticipated that the general decriminalization of cannabis will place an extra burden on policing and bylaw enforcement. For example, police officers may be required to perform more roadside checks, may need to provide additional education to the public, and may be given the authority to inspect cannabis

retailers to ensure conformance to legislation. Further, smoke and odor from cannabis consumption may elicit additional complaints at City Hall.

Despite this, the Province has of yet not stated that it will provide additional resources to local governments to offset the anticipated increase in administrative and policing costs.

Council, therefore, may wish to ask, as part of the application process, for each potential cannabis retailer to provide their proposed plan for financially assisting the City with policing and bylaw enforcement costs, including the costs of additional training and administrative costs, associated with:

- 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;
- Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products for non-medicinal use;
- Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes;
- Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes; and,
- Providing educational initiatives and materials associated with the above impacts are related social concerns.

Legal Implications

The attached RFP for the Retail Sales of Cannabis and Cannabis Related Products has been prepared in consultation with the City's lawyers.

It is anticipated that the Province will outline remaining details of BC's Non-Medical Cannabis Regulatory Framework in the coming months.

Options

That Council:

1. Establish as guiding principles that the retail sale of Cannabis Products for non-medicinal use is preferred to not be located within:
 - a. 500 metres of any other location where the retail sale of Cannabis Products for non-medicinal use has been authorized (with the exception of Goldstream Avenue, where two locations may be considered);
 - b. 300 metres of any school;
 - c. 300 metres of any group daycare;
 - d. 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,

- e. 50 metres of any land zoned R1 (One-family Residential) or R2 (One- and Two-Family Residential), except within the designated City Centre.

AND

2. That Council direct staff to issue the RFP for the Retail Sales of Cannabis and Cannabis Related Products to run from May 1st to June 1st;

AND

3. That Council direct staff to wait to see how the Province and the CRD will be regulating and enforcing issues of cannabis odour and nuisance prior to granting any temporary use permits related to Retail Sales of Cannabis and Cannabis Related Products.

Respectfully submitted,

Submitted by:	Braden Hutchins, MPA, Director of Corporate Services Matthew Baldwin, MCIP, RPP Director of Planning and Subdivision Lorne Fletcher, Manager of Community Safety and Municipal Enforcement
Concurrence:	Cory Manton, Manager of Parks and Recreation
Concurrence:	Michelle Mahovich, P.Eng, P.Geo, Director of Engineering
Concurrence:	Leah Stohmann, MCIP, RPP, Deputy Director of Planning
Concurrence:	Michael Dillabaugh, CPA, CA, Director of Finance
Concurrence:	Darren Kiedyk, Chief Administrative Officer

Attachment 1: Letter to Minister Farnworth dated November 1, 2017

Attachment 2: Letter to Minister Farnworth dated February 3, 2018

Attachment 3: B.C. Cannabis Private Retail Licensing Guide

Attachment 4: RFP for the Retail Sales of Cannabis and Cannabis Related Products



City of Langford

www.cityoflangford.ca

2017/11/01

The Honourable Mike Farnworth
Minister of Public Safety & Solicitor General
PO Box 9285 Stn Prov Govt
Victoria BC V8W 917

Dear Minister Farnworth:

RE: Feedback on a Marihuana Regulatory Framework for BC

On behalf of the City of Langford, I am writing to provide input on the forthcoming Provincial marihuana regulatory framework.

I would first like to note that Langford is supportive of the Province's efforts to seek input from all interested stakeholders on the forthcoming marihuana regulatory framework. This input is critical, as we know it will assist the Province in developing a framework that provides consistency and clarity for marihuana producers, distributors and retailers, while ensuring a regulatory approach that keeps our communities and our families safe.

Secondly, as this is a new initiative brought about by a change in Federal policy, the City of Langford encourages the Province to adopt a cautious approach, with the recognition that it is easier to relax than to tighten regulations in the future.

Thirdly, the City of Langford encourages the Province to adopt a regulatory framework that adheres to the following policies:

- The locations of commercial marihuana production facilities and marihuana dispensaries should fall under the jurisdiction of local governments in order to ensure that marihuana is not prevalent on every street corner, close to schools or close to other community facilities;
- The cultivation of marihuana in rental housing should be regulated in consultation with landlords;
- All marihuana sold, either for recreational or medical use, should come from Health Canada licensed producers to ensure a safe chain of supply;
- Commercial producers of recreational marihuana should have the ability to set up licensed dispensaries, which would also help to ensure a safe chain of supply;
- If the Province chooses to allow for recreational marihuana to be dispensed through liquor stores, then both private and public liquor stores should have equal opportunity to apply for a dispensary license;

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- Also if the Province chooses to allow for recreational marihuana to be dispensed through liquor stores, licensed commercial producers should have the ability to supply to liquor stores;
- Medical marihuana should be sold through licensed pharmacies;
- The Province should work with Health Canada to ensure there are enough licensed commercial producers in British Columbia to supply British Columbia dispensaries, instead of relying on Ontario producers to supply the British Columbia market, as this will create and maintain jobs locally, as well as reduce transportation costs;
- The Federal Government and the Province should fund local government policing, enforcement, legal and administrative costs through a dedicated revenue stream created through the direct sale and/or taxation of marihuana;
- There should be strict regulations on impaired driving;
- WorkSafeBC must protect both employees and employers from employees who come to work impaired, in particular those employees who come to work impaired and operate heavy equipment or transport people;
- The minimum age for legal consumption of marihuana should be 19; and
- Any regulatory framework created by the Province should be revisited in one year or sooner if there are any adverse effects from the implementation of the regulatory framework. During this initial period, any licensing granted through the regulatory framework should be able to be changed at any time.

Overall, I believe the Federal and Provincial governments need to do more work on the legalization of marihuana to ensure our families and our communities are kept safe. I also believe that local governments need to be further consulted to make sure that there will not a drain on police resources at the local level, as this is where all the costs of enforcement will occur.

Before the final version of the regulatory framework is released, we request a meeting with Minister Farnworth or the Premier. We also request continuous dialogue on this important issue, as the implications to our communities will be both very serious and very costly if not implemented correctly.

On behalf of the City of Langford, thank you for your consideration of the above feedback.

Sincerely,



Mayor Stewart Young
City of Langford



City of Langford

www.cityoflangford.ca

2018/02/03

The Honourable Mike Farnworth
Minister of Public Safety & Solicitor General
PO Box 9285 Stn Prov Govt
Victoria BC V8W 917

Dear Minister Farnworth:

RE: Feedback on a Marihuana Regulatory Framework for BC – Odour Control

Further to the City of Langford's feedback on a marihuana regulatory framework for BC sent to you on November 1, 2017, I am writing to provide additional input on the issue of odour.

The City of Langford has already been the recipient of marihuana odour inquiries and complaints resulting from the licensed production of medical marihuana. Given this, and once marihuana becomes legal across Canada on July 1st, 2018, it is anticipated that the number and frequency of complaints regarding the odour of marihuana will increase.

Therefore, the City of Langford encourages the Province to adopt a regulatory framework that ensures that odour from either the production or consumption of marihuana does not adversely affect neighboring businesses and/or residents.

Further, as managing complaints relating to odour will no doubt require additional resources, the City would also like to reiterate that both the Federal Government and the Province should fund related local government policing, enforcement, legal and administrative costs through a dedicated revenue stream created through the direct sale and/or taxation of marihuana.

Lastly, and as requested in the City's November 1st letter, we look forward to meeting with yourself or the Premier on this important issue prior to the final version of the regulatory framework is released.

On behalf of the City of Langford, thank you for your consideration of this additional feedback.

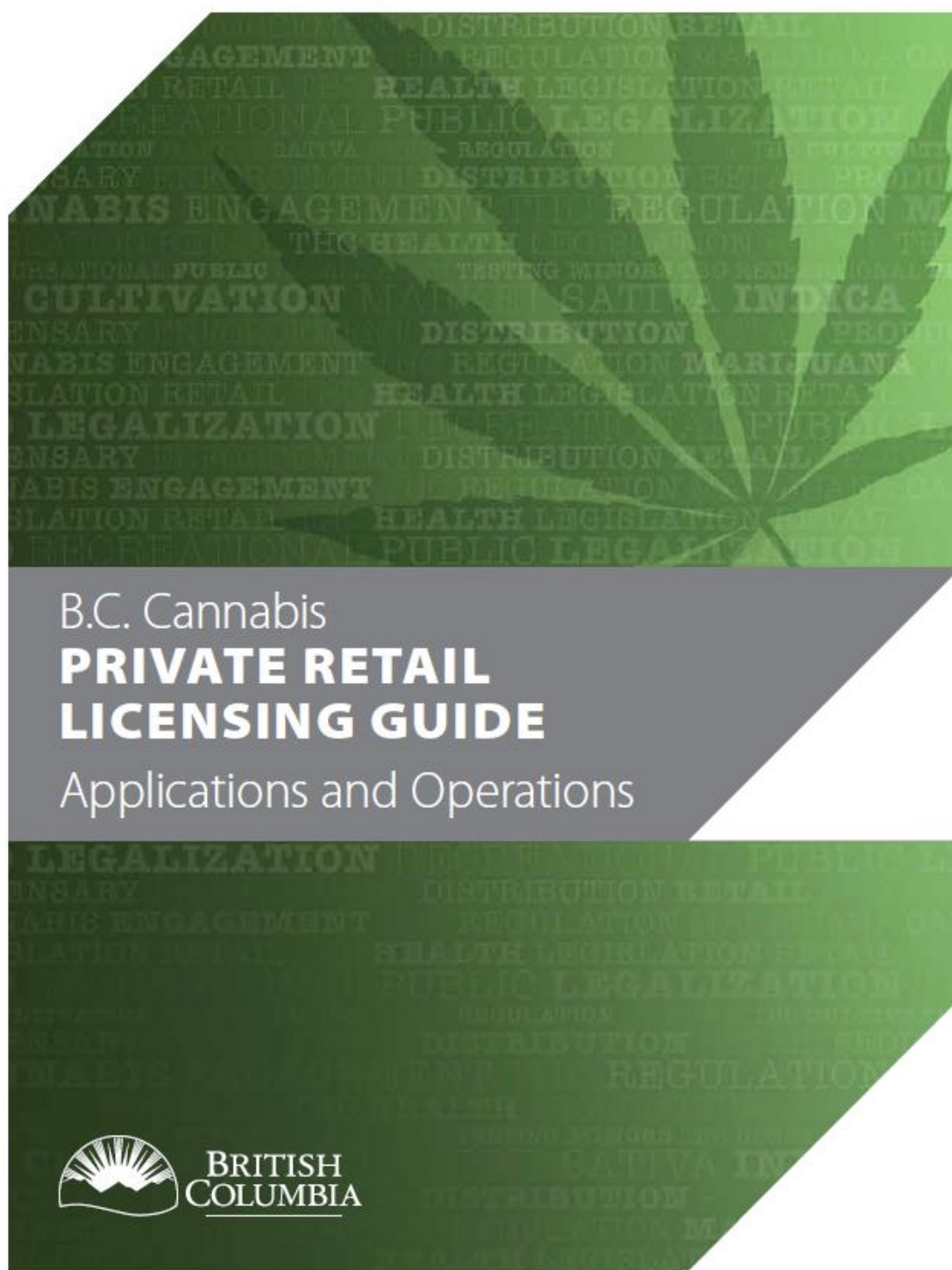
Sincerely,

A handwritten signature in black ink, appearing to be "Stewart Young".

Mayor Stewart Young
City of Langford

Attachment: Feedback on a Marihuana Regulatory Framework for BC dated November 1, 2017

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B.C. Cannabis **PRIVATE RETAIL LICENSING GUIDE**

Applications and Operations

In B.C., the wholesale distribution of non-medical cannabis will be solely through the Liquor Distribution Branch (LDB). The LDB will be the operator of government-run retail stores and the Liquor Control and Licensing Branch (LCLB) will be responsible for licensing and monitoring the retail sector using a mixed public/private model.

The rules governing retail stores will be similar to those currently in place for liquor, and public and private retailers will have similar operating rules. Note that while this document sets out Government's intentions for B.C.'s retail framework, it is subject to legislation yet to be passed at both the federal and provincial levels.

Who is this guide for?

This guide provides information for those who are considering applying for a provincial licence to retail non-medical cannabis. It contains preliminary information to help applicants make business decisions and describes the application process. This information will also assist local governments in preparing for potential retail store applications within their communities.

The Province recognizes that retail access in rural areas will require a different approach than the one employed in urban communities. There is a separate section related to rural areas at the end of this document.

Engagement with Indigenous governments and organizations is an important element in the development of the provincial regulatory framework for non-medical cannabis. To ensure the retail model appropriately addresses the unique considerations that must be taken into account with respect to Indigenous peoples, the Province remains committed to working in partnership with Indigenous peoples, governments and organizations. These discussions are ongoing and will continue beyond the initial date of federal legalization of cannabis.

Who is eligible?

All applicants will be assessed using the same evaluation criteria, which includes obtaining local government support and background checks of police/criminal records which will be examined on a case by case basis.

Application Process

In spring 2018, the Province will launch an online application portal for individuals and businesses who are interested in applying for a non-medical cannabis retail licence. Additional information on applicant registration will be posted on the website <https://www2.gov.bc.ca/gov/content/employment-business/business/liquor-regulation-licensing/cannabis-regulation> as it becomes available.

■ What is the process for applying for a non-medical cannabis retail licence?

When the application portal opens, you may start the application process by entering the required information and documents. This will allow you to provide the required information early so that the assessment of your application can begin as soon as possible once the applicable legislation is passed.

■ How long will the application process take?

The Province is committed to conducting thorough reviews of applicants and applications in order to ensure that licensed retailers will operate in a safe and lawful manner. A significant number of applications are anticipated, and plans are being put in place to enable the applications to be processed as efficiently as possible.

■ Will there be an application fee?

Yes, each applicant will be required to pay an application fee and a licensing fee. The amount of the fees has not yet been determined. Once the fees have been determined, they will be posted here <https://www2.gov.bc.ca/gov/content/employment-business/business/liquor-regulation-licensing/cannabis-regulation>.

Eligibility

■ If I operated an illegal dispensary prior to legalization, am I prohibited from receiving a licence to operate legally?

Having operated an illegal dispensary will not, on its own, exclude you from being considered for a licence. All applicants will be assessed using the same evaluation criteria, including background checks and local government support. Persons who have operated dispensaries prior to legalization will not receive preferential treatment in the provincial application process.

■ Does having a record of criminal activity exclude me, or a shareholder in my company, from obtaining a non-medical cannabis retail licence?

Having a record of criminal activity will not necessarily exclude you from obtaining a licence. As part of the required background check, police/criminal records will be examined on a case by case basis and evaluated in relation to their relevance to the application and the recentness of the activity or offence(s) committed. For example, low risk criminal activity may not exclude a person from becoming a licensee whereas associations with organized crime will exclude a person from becoming a licensee.

■ **I already have a liquor and/or tobacco licence. Am I automatically allowed to sell non-medical cannabis at my liquor store?**

No, you must apply for a non-medical cannabis retail licence. In addition, if you are granted a licence, you will be required to operate the non-medical retail cannabis store in a completely separate business location from any liquor and/or tobacco sales.

■ **If I, a family member, or a business partner, have an interest in a federally licensed producer or processor, can I be considered for a retail licence?**

Yes, a person or company may have an interest in both a producer and a retailer. However, the LCLB will place restrictions on the business relationship between the producer and the retailer. Where there is a close association (financial or otherwise) between a licensed producer and a non-medical cannabis retail business, the retail business will be prohibited from selling any products from the licensed producer. This restriction ensures that the market remains diverse and larger participants do not consolidate and control the market. The Province may create exceptions in the future to support micro-producers.

Application: Required Information

■ **Will I have to undergo a background check?**

Yes, you will be required to consent to a background check in order to be considered for a licence. Policy work is currently underway to determine which members of a corporation, partnership, or other legal business will be required to undergo a background check.

■ **What kind of information do I need to supply to the Province about my company?**

Depending on the type of entity your company is (corporation, partnership, society, etc.) the application system will prompt you to supply the related documents and names of partners, shareholders, directors, officers, and/or senior management.

■ **What information do I have to provide about my proposed location?**

You will need to provide the parcel identifier number (PID), proof of ownership or a copy of a fully executed lease that does not expire for at least 12 months from the date of licence approval, and a floor plan. If additional information is necessary it will be requested during the application process.

■ **Does my store have to be a certain distance from schools or other retailers?**

The Province will not impose distance requirements for non-medical cannabis retailers. However, local governments will have the authority to impose additional requirements. Therefore, you should inquire with your local government about local requirements before committing to a location.

■ **Are there any rules about what I can name my store?**

Your store name must be approved by the LCLB. The name of your store cannot be misleading as to what type of business you operate. As a non-medical cannabis retailer, you cannot choose a name that would lead people to believe you are a provider of medical cannabis. For example, the words "pharmacy", "apothecary", and "dispensary" all have meanings linked to the selling of medicines, so these words cannot be used in association with a non-medical cannabis store.

You must also comply with federal legislation and regulations respecting advertising and promotion.

Application: Local Government Requirements

The Province will permit local governments to decide whether they wish to have a non-medical cannabis retail store in their community. For the Province to issue a licence, applicants must have the support of the local government in the community where the proposed store would be located.

■ What is the process for obtaining local government support?

The local government must ask residents in the vicinity of the proposed retail location to comment on how the store would impact the community. The local government must consider this public input when deciding whether or not to support the application and must notify the LCLB of their decision by way of a council resolution.

■ Can I get local government support in advance of the provincial application?

The Province is working with local governments and the Union of B.C. Municipalities to develop the application process, including what information local governments will need to have in order to provide informed comments on the application. Further details will be announced once they are available. In the interim, it is recommended you check with your local government to ensure that you meet any criteria that are specific to your jurisdiction and to ensure that proper zoning is in place.

■ Do public stores have to go through the local government process?

Yes, public stores must also have local government support.

Licences

To sell non-medical cannabis in British Columbia, retailers will be required to obtain a licence from the Province. There will be two types of retail licences for:

- ▶ self-contained cannabis stores, and
- ▶ stores in rural communities.

■ Will there be a cap on the number of non-medical cannabis retail licences issued in B.C.?

The Province is not capping the number of licences issued. However, local governments will have the authority to make local decisions based on the needs of their communities. This means that some local governments may choose not to allow retail cannabis stores, while others may choose to cap the number of stores that are permitted to operate within their jurisdiction.

■ I only want to sell medical cannabis; can I apply for a medical cannabis retail licence?

No, medical cannabis will continue to be sold online by federally licensed producers only. However, like other Canadians, medical users will be able to buy cannabis from retailers of non-medical cannabis.

The federal government has committed to conducting a review of the medical cannabis system in five years.

■ **Will there be any restrictions on where a non-medical cannabis retail outlet can be located?**

The Province is not regulating the location of stores. However, local governments may choose to do so. For example, local governments may set requirements about the proximity of a store to another cannabis store, schools, daycares or other places.

■ **Will the Province be licensing consumption lounges?**

No, not at this time. The Province is focussed on introducing a safe and responsible retail non-medical cannabis sector; consideration will be given to other types of licences at a later date.

■ **Will sales of non-medical cannabis be permitted at outdoor festivals and other events?**

Initially, non-medical cannabis sales will only be permitted at the licenced retail site. Offsite sales may be considered in the future.

Operations

Provincial and federal governments are committed to ensuring that non-medical cannabis is sold in a lawful, responsible manner. To this end, a range of requirements will be put in place; from who a retailer can buy product from, to who may enter a store, to what type of products may be sold.

Operations: Physical store

■ **Are there any rules about the physical layout or construction of my store?**

To protect youth, the federal government requires that cannabis products must not be visible from outside your store. There will be many different ways for you to achieve this requirement (e.g. window designs). In addition, please remember that you must comply with federal requirements respecting advertising and promotion.

■ **Are there any security requirements for my location?**

You have a strong incentive to secure your premises both during and after operating hours to protect your inventory from theft. The Province is considering what security requirements will be necessary. In addition, local governments may also choose to impose security requirements.

■ **Can I sell non-medical cannabis as part of another business such as a liquor store or pharmacy?**

Not at this time. The Province may consider exceptions in the future, but for now, your non-medical cannabis retail store must be a self-contained business.

There will be exceptions for rural stores, similar to rural liquor stores. The criteria for determining rural areas are currently under development.

Operations: General

■ Can minors enter my store?

No. Unlike liquor stores, where minors are permitted if they are accompanied by a parent or guardian, minors must not enter your cannabis retail store.

There will be exceptions for rural stores to allow entrance by minors. The criteria for determining rural areas are under development.

■ What hours can I be open?

Cannabis retail stores can operate between 9 am to 11 pm unless further restrictions are put in place by your local government.

■ Are there any rules around pricing?

Policy work is ongoing and information on pricing will be made available as soon as possible.

■ Is there a limit on how much non-medical cannabis I can sell to a person?

The proposed federal *Cannabis Act* prohibits an individual from possessing in a public place a total amount of non-medical cannabis, in any authorized form, that is equivalent to more than 30 grams of dried cannabis. Non-medical cannabis must not be sold in amounts greater than this.

This means that if you sell different forms of non-medical cannabis to a single customer, the combined total amount sold must not exceed the equivalent amount of 30 grams of dried cannabis.

Equivalent amounts to 30 grams of dried non-medical cannabis for other cannabis products are listed in Schedule 3 of the proposed federal *Cannabis Act*.

■ Can I sell products online?

No, only the public retailer will be permitted to sell non-medical cannabis products online at this time. Consideration may be given to allowing private online sales in the future.

■ Can people consume non-medical cannabis in my store?

No. Consumption of any kind will not be permitted in the store, and providing samples will not be permitted.

■ Can I deliver my products?

No, retailers will not be permitted to offer a delivery service.

■ Do my employees and/or I need any special training or background checks?

In collaboration with industry, the Province will develop a mandatory training program for non-medical cannabis retail employees, which will be implemented over time. The Province will also be developing a registration requirement for employees which will include background checks. Details of this program are still being developed. Information will be provided as soon as that work is complete.

■ **Where do I have to store my inventory?**

All cannabis products will be required to be stored at your retail site. No offsite storage will be permitted.

■ **Will I be required to have a certain product tracking/inventory control system?**

The federal government has committed to creating a national seed-to-sale tracking system. This is currently under development and more information on retailers' responsibilities in relation to this system will be announced as it becomes available.

■ **Can I advertise my product?**

The federal government is regulating the advertisement of cannabis under the proposed *Cannabis Act* (Bill C-45). See the "Further Resources" section at the end of this document for a link to the Bill.

■ **Can my store sponsor events or teams?**

The federal government is regulating sponsorship under the proposed *Cannabis Act* (Bill C-45). See the "Further Resources" section at the end of this document for a link to the Bill.

Supply

■ **How do I obtain non-medical cannabis to sell in my store?**

The LDB will be the only source of legal wholesale non-medical cannabis. Retailers will not be permitted to purchase any cannabis products directly from licensed producers or any other source.

■ **Can I make financial arrangements with federally licensed producers?**

You cannot accept or request any inducement from a producer. This means you must not:

- ▶ pay money to secure access to a supplier's product;
- ▶ request money from a supplier in return for providing benefits such as preferential shelf space;
- ▶ accept money in exchange for agreeing not to stock a competitor's product.
- ▶ make agreements that give a retailer exclusive access to a producer's product, or product line.

■ **What types of non-medical cannabis can I sell?**

You can sell dried cannabis, cannabis oils and seeds that comply with federal requirements.

■ **Can I sell edibles?**

No, the proposed federal *Cannabis Act* does not permit the commercial production of edibles at this time. Therefore, you cannot legally sell them. The federal government has stated that edibles will be regulated within 12 months of legalization.

■ **What else can I sell besides dried cannabis and cannabis oil?**

You may sell "cannabis accessories," as defined in the proposed federal *Cannabis Act*:

"Cannabis accessory" means a thing, including rolling papers or wraps, holders, pipes, water pipes, bongs and vaporizers that is represented to be used in the consumption of cannabis or a thing that is represented to be used in the production of cannabis.

You cannot sell snacks, tobacco or other non-cannabis related items.

■ **What format will cannabis products be distributed in?**

LDB will distribute pre-packaged product only, with labelling compliant with federal standards, in ready-to-sell formats (no bulk products). The product brands belong to the licensed federal producers.

Retailers will not be authorized to re-package the product with their own branding. Information about specific size formats will be confirmed at a later date.

Inspections and Compliance

To ensure that non-medical cannabis is being sold in a lawful and responsible manner, the Province will establish a compliance program that will include education, inspection and enforcement activities. The focus will be on encouraging voluntary compliance.

■ **How often will I be inspected?**

Your store will be inspected at least once annually and any time the LCLB investigates a complaint about your store.

■ **What happens if I am found to be out of compliance?**

If an inspector observes a contravention of the provincial legislation at your establishment, you will be issued a Contravention Notice and the inspector may recommend enforcement action. Penalties for contraventions are under development, but could include a monetary penalty or a licence suspension or cancellation. There will be a reconsideration process for licensees that wish to challenge the result of an enforcement hearing.

■ **Can the police enter and inspect my store?**

Yes, police can enter and inspect your store to ensure you are operating in compliance with the legal requirements.

■ **What should I do with any product I have obtained from unlicensed sources?**

Once you have been issued your licence you must not sell cannabis obtained from a source other than the LDB.

Rural Areas

The Province is aware that it may be necessary to introduce special provisions for rural areas in order to provide access to non-medical cannabis to rural populations.

■ **Can an existing business in a rural area be authorized to sell non-medical cannabis, like they are for liquor?**

The Province is considering this possibility because a self-contained non-medical cannabis retail store may not be a viable business in some rural areas.

■ **Will the rural agency store model (RAS) used for liquor be used for cannabis?**

Many of the operational requirements of the RAS model used for liquor may be applied to non-medical cannabis. However, the Province is still evaluating how to best meet the need for rural access.

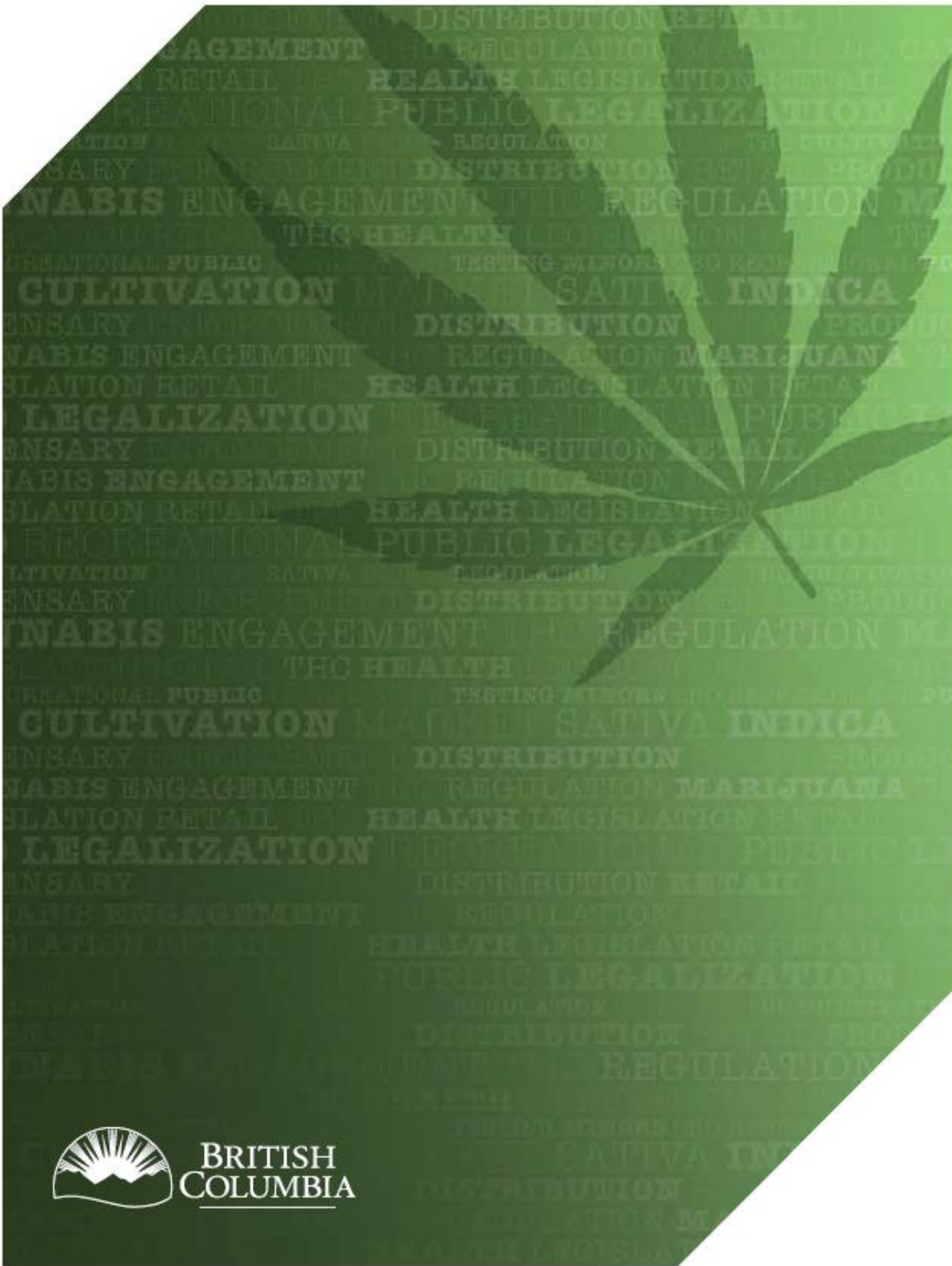
■ **If I operate a RAS, will I automatically be able to sell non-medical cannabis?**

No, if a current RAS operator is interested in retailing non-medical cannabis, they will be required to apply for a licence specifically for non-medical cannabis.

Further Resources

Bill C-45 the draft federal Act can be found here <http://www.parl.ca/LegisInfo/BillDetails.aspx?billId=8886269>

Contact information: cannabisregs@gov.bc.ca



CITY OF LANGFORD
REQUEST FOR PROPOSALS

DRAFT

RETAIL SALES OF CANNABIS AND CANNABIS RELATED PRODUCTS

CITY OF LANGFORD
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 (with the exception of Goldstream Avenue, where two locations may be considered);
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 2nd 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, and must be received by no later than 3:00 p.m. (Pacific Standard Time) on May 30, 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-medicinal 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-medicinal use;
3. Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes;
4. Addressing impairment issues relating to public use of Cannabis Products for non-medicinal 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 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.

CITY OF LANGFORD

BYLAW NO. 1778

A BYLAW TO REQUEST IMPOSITION OF AN ADDITIONAL ACCOMMODATION TAX UNDER THE PROVISIONS OF THE PROVINCIAL SALES TAX ACT

The Council of the City of Langford, in open meeting assembled, hereby enacts as follows:

WHEREAS City Council wishes to use additional revenue to finance marketing of the City of Langford as a tourist destination; and

WHEREAS pursuant to Section 240 of the Provincial Sales Tax Act, S.B.C. 2012, c. 35 the City may request, by bylaw, that the Lieutenant Governor-in-Council may make regulations providing for an additional tax levy, not exceeding 2%, on the sales of accommodation within the City;

NOW THEREFORE, the Council of the City of Langford enacts as follows:

1. The Lieutenant Governor-in-Council is requested to make a regulation pursuant to Section 240 of the Provincial Sales Tax Act, declaring that effective November 1st, 2018, Section 123(1) of the Act applies in respect of accommodation purchased within the City.
2. The tax to be imposed under the provisions of the regulation is requested to be 2.0% of the purchase price of the accommodation.
3. The funds paid to the City under the provisions of the regulation shall be applied to marketing of the City of Langford as a tourist destination.
4. "Hotel Room Tax Requisition Bylaw No. 1491" is repealed.
5. This Bylaw may be cited for all purposes as "Hotel Room Tax Requisition Bylaw No. 1778".

READ A FIRST TIME this 16th day of April, 2018.

READ A SECOND TIME this 16th day of April, 2018.

READ A THIRD TIME this 16th day of April, 2018.

ADOPTED this 30th day of April, 2018.

MAYOR

Certified Correct
CORPORATE OFFICER



Staff Report to Council

Date: 30/04/2017
Department: Finance
Subject: 2018-2022 Five-Year Financial Plan Bylaw No. 1780 and
2018 Tax Rates Bylaw No. 1781

Background

The *Community Charter* requires councils to adopt a Five-Year Financial Plan (the Plan) each year and, after the adoption of the Plan but before May 15th, to adopt a tax rate bylaw. Bylaws No. 1780 and No. 1781 satisfy these requirements. Copies of these bylaws are attached.

Commentary

At the Regular Council Meeting on April 3, 2018, Council approved the 2018-2022 Five Year Financial Plan and directed staff to bring forward the 2018-2022 Five Year Financial Plan Bylaw, 2018 and the Tax Rates Bylaw 2018.

City of Langford 2018-2022 Financial Plan Bylaw No. 1780, 2018 gives authority for the City to spend for operating and capital purposes in 2018.

City of Langford Tax Rates Bylaw No. 1781, 2018 gives authority for the City to levy taxes for municipal, regional district and hospital purposes in 2018.

Council also considers the distribution of taxes among property classes with the objective of maintaining a stable and equitable burden. Council has determined that the burden on commercial properties is not competitive and has embarked on a program of reducing the commercial multiple by 0.05 each year for 10 years. The multiple has been set at 2.9 for 2018.

Options

That Council:

1. Give City of Langford 2018-2022 Financial Plan Bylaw No. 1780, 2018 three readings, **and**
2. That commercial class multiples in 2018 be set at 2.90, **and**
3. Give City of Langford Tax Rates Bylaw No. 1781, 2018 three readings

Respectfully Submitted,

Submitted by:	Michael Dillabaugh, CPA, CA, Director of Finance
Concurrence	Darren Kiedyk, Chief Administrative Officer

**CITY OF LANGFORD
BYLAW NO. 1780**

A BYLAW TO ADOPT A FINANCIAL PLAN FOR 2018 – 2022

WHEREAS under the *Community Charter* the municipality must have a financial plan adopted by bylaw before the annual property tax bylaw is adopted;

AND WHEREAS through a public process the financial plan has been presented and the public has had an opportunity to comment;

AND WHEREAS Council deems this to be a process of public consultation as required by the *Community Charter*,

NOW THEREFORE the Council of the City of Langford, in open meeting assembled, enacts as follows:

1. Schedule “A” attached hereto and forming part of this bylaw comprises the City of Langford Consolidated Five Year Financial Plan for 2018 – 2022
2. Schedule “B” attached hereto and forming part of this bylaw comprises the City of Langford Revenue and Property Tax Policy Disclosure.
3. This bylaw may be cited for all purposes as “City of Langford 2018-2022 Financial Plan Bylaw No. 1780, 2018”.

READ A FIRST TIME this day of April, 2018.

READ A SECOND TIME this day of April, 2018.

READ A THIRD TIME this day of April, 2018.

ADOPTED this day of May, 2018.

MAYOR

(Certified Correct)
CORPORATE OFFICER

					Schedule "A"				
Bylaw No. 1780									
Consolidated Financial Plan 2018-2022									
					2018	2019	2020	2021	2022
REVENUES:									
	External Revenues								
	Development Fees								
		Development Cost Charges			\$ 4,085,700	\$ 2,810,000	\$ 3,285,000	\$ 2,690,000	\$ 1,220,000
		Developer Contributions			6,260,200	750,000	50,000	400,000	850,000
		Other Capital Contributions			450,000	-	-	-	-
	Development Fees Total				10,795,900	3,560,000	3,335,000	3,090,000	2,070,000
	Municipal Property Taxes				28,774,946	30,814,620	34,386,286	37,638,089	39,716,126
	Parcel Taxes				1,990,500	1,962,500	2,021,500	2,071,000	2,042,300
	Fees and Charges				7,216,300	7,318,800	7,137,820	6,753,762	6,793,429
	Interest				395,000	405,000	415,000	425,000	435,000
	Grants From Other Governments				23,796,667	2,415,100	7,197,455	2,536,400	2,557,600
	Other Sources				2,060,400	1,900,680	1,903,600	2,081,500	2,334,500
Total External Revenues					75,029,713	48,376,700	56,396,661	54,595,751	55,948,955
EXPENDITURES:									
	External Expenditures								
	Operating Expenditures				37,511,548	38,569,200	40,224,006	41,610,951	43,464,655
	Interest Payments on Debt				810,300	798,000	850,700	898,800	871,000
	Capital Expenditures				38,215,150	9,973,800	10,621,555	6,493,800	4,045,000
Total External Expenditures					76,536,998	49,341,000	51,696,261	49,003,551	48,380,655
CHANGE IN NET FINANCIAL POSITION					(1,507,285)	(964,300)	4,700,400	5,592,200	7,568,300
OTHER REVENUES:									
	Borrowing Proceeds				-	-	750,000	750,000	-
OTHER EXPENDITURES:									
	Principal Payments on Debt				2,157,900	1,631,500	1,656,400	1,651,400	1,650,500
TOTAL REVENUES LESS EXPENDITURES					-\$ 3,665,185	-\$ 2,595,800	\$ 3,794,000	\$ 4,690,800	\$ 5,917,800
INTERNAL TRANSFERS:									
	Transfer from Reserve Funds								
	Affordable Housing				10,800	11,100	11,400	11,700	12,000
	Capital Works & Equipment				\$ 3,442,135	\$ 3,310,000	\$ 800,000	\$ 1,000,000	\$ 975,000
	Equipment Replacement				381,750	3,219,400	157,000	-	50,000
	Parks & Open Space				50,000	-	-	-	-
	Park Improvement				-	-	-	-	-
	Sidewalk Capital				-	-	-	-	-
	Police Building Capital				157,000	33,800	-	33,800	-
	General Amenity				1,973,500	1,711,500	386,500	102,000	102,000
Transfer from Reserve Fund Total					6,015,185	8,285,800	1,354,900	1,147,500	1,139,000
Less: Transfer to Reserve and Capital Funds									
	Reserves:								
	Police Building Capital				14,500	5,000	15,300	11,200	7,200
	Capital Works & Equipment				1,165,600	1,665,600	1,835,000	2,105,000	2,405,000
	Equipment Replacement				650,000	700,000	800,000	850,000	900,000
	Infrastructure Sustainability				828,000	2,325,000	1,300,000	2,300,000	2,800,000
	General Capital Fund				270,500	118,000	118,000	118,000	118,000
					2,928,600	4,813,600	4,068,300	5,384,200	6,230,200
Transfers from(to) Surplus					902,000	50,000	-	750,000	300,000
Transfers from(to) Reserve Accounts					(323,400)	(926,400)	(1,080,600)	(1,204,100)	(1,126,600)
TOTAL INTERNAL TRANSFERS					\$ 3,665,185	\$ 2,595,800	-\$ 3,794,000	-\$ 4,690,800	-\$ 5,917,800

Schedule "B"

Bylaw No. 1780
Revenue and Property Tax Policy Disclosure

REVENUE DISCLOSURE

Revenue Proportions

	<u>2018</u>		<u>2019</u>		<u>2020</u>		<u>2021</u>		<u>2022</u>	
	(\$'000s)	%	(\$'000s)	%	(\$'000s)	%	(\$'000s)	%	(\$'000s)	%
Property Taxes	28,775	38%	30,815	65%	34,386	61%	37,638	67%	39,716	71%
Parcel Charges	1,991	3%	1,963	4%	2,022	4%	2,071	4%	2,042	4%
Fees	7,216	10%	7,319	15%	7,138	12%	6,754	12%	6,793	12%
Other Sources	37,048	49%	8,282	17%	12,851	22%	8,132	16%	7,397	13%
Proceeds From										
Borrowing	0	0%	0	0%	750	1%	750	1%	0	0%
	<u>75,030</u>	100%	<u>48,379</u>	101%	<u>57,147</u>	100%	<u>55,345</u>	100%	<u>55,948</u>	100%

Other Sources includes grants from other governments and agencies, development contributions to capital, interest and penalties and miscellaneous sales of services.

Objectives and Policies

Property tax revenue is the City's primary revenue source, and one which is heavily reliant on the residential class. Diversification of the tax base and generation of non-tax revenue are ongoing objectives. Except in extraordinary circumstances, tax increases are kept to cost of living or less.

Parcel Charges are comprised of local area service debt servicing costs for roads.

Fees & Charges are a tool used for cost recovery. Various fees are reviewed every 1-5 years to ensure that they are adequate to recover costs of providing specific services.

Other Sources will vary greatly from year to year as it includes such items as:

- Development cost charges used to fund DCC capital projects,
- Contributions from others for capital,
- Interest earned on funds invested in accordance with the City's investment policy,
- Grants, which are sought from other governments and government agencies, often to be leveraged with City funds,
- Casino revenue sharing income.

Proceeds from Borrowing – Debt is used where it makes sense such as for urgent projects or to leverage grants where internal funding is not available. Caution is necessary when considering debt as it commits future cash flows to debt payments, restricting the ability to use those funds to provide other services. The source of the debt payments needs to be considered as does the justification for advancing the project

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Schedule "B" Continued Revenue and Property Tax Disclosure

PROPERTY TAX DISCLOSURE

Property Tax Revenue Distribution

The table below presents tax revenue and tax rates based on the 2018 Revised Assessment Roll:

Property Tax Distribution

Property Class	Taxation Revenue		Net Taxable Assessed		Tax Rate (\$/1000)	Multiple (Rate/Res. Rate)
	(\$'000s)	%	Value (\$'000s)	%		
1. Residential	18,541	65.6%	7,529,620	84.77%	2.4624	1.00
2. Utility	143	0.5%	7,846	0.09%	18.2218	7.40
3. Supportive Housing	-	0.0%	-	0.00%	2.4624	1.00
4. Heavy Industry	-	0.0%	-	0.00%	7.9043	3.21
5. Light Industry	261	0.9%	34,220	0.39%	7.6335	3.10
6. Business/Other	9,274	32.7%	1,298,683	14.62%	7.1411	2.90
7. Managed Forest	-	0.0%	163	0.00%	2.4624	1.00
8. Rec./Non-Profit	38	0.1%	12,737	0.14%	2.9673	1.21
9. Farm	-	0.0%	117	0.00%	2.4624	1.00
	<u>28,257</u>		<u>8,883,386</u>			

Objectives and Policies

Council sets tax rates to maintain tax stability between property classes. Property class multiples are reviewed periodically to ensure that the burden of tax among property classes is not distorted by differing market value changes between classes. In 2017 Council embarked on a 10-year program to reduce the burden of business properties by reducing the multiple by 0.05 each year so that by 2026 the business multiple will be 2.5.

Permissive Tax Exemptions

Policy with respect to permissive tax exemptions under section 224 of the Community Charter is that exemption will be considered where the organization has demonstrated proof of community access to citizens of Langford at a nominal charge and community benefit in the previous year.

Council supports the establishment of assisted living seniors' housing in Langford and has granted 10-year exemptions to three such developments.

Council has established a revitalization tax exemption program under section 226 of the *Community Charter* which grants a five-year or 10-year exemption for eligible buildings. An exemption certificate was issued for one property in 2011 for which the exemption expires in 2021

CITY OF LANGFORD

BYLAW NO. 1781

A BYLAW TO LEVY PROPERTY VALUE TAXES TO MEET MUNICIPAL OBLIGATIONS FOR THE YEAR 2018.

WHEREAS, pursuant to Section 197 of the Community Charter, the Council must adopt a tax rate bylaw after the adoption of a financial plan, but before the fifteenth day of May;

NOW THEREFORE, the Council of the City of Langford, in open meeting assembled, enacts as follows:

1. The following rates are hereby imposed and levied for the year 2018:
 - a) For all lawful general purposes of the Municipality on the assessed value of land and improvements taxable, for general municipal purposes, rates appearing in Column "A" of Schedule 'A' attached hereto and forming part hereof.
 - b) For all lawful purposes of the Regional District on the assessed value of lands and improvements taxable for general municipal purposes, rates appearing in Column "B" of Schedule 'A' attached hereto and forming a part hereof.
 - c) For all lawful purposes of the Regional Hospital District on the assessed value of land and improvements taxable for hospital purposes, rates appearing in Column "C" of Schedule 'A' attached hereto and forming a part hereof.
2. The minimum amount of taxation upon a parcel of real property shall be One Dollar (\$1.00).
3. This bylaw may be cited for all purposes as "City of Langford Tax Rates Bylaw No. 1781, 2018."

READ A FIRST time on this day of April, 2018.

READ A SECOND time on this day of April, 2018.

READ A THIRD time on this day of April, 2018.

ADOPTED this day of May, 2018.

MAYOR

(Certified Correct)
CORPORATE OFFICER

Schedule 'A' to Bylaw 1781

2018 Tax Rates (Dollars of Tax Per \$1000 Taxable Value)

Description	Class	General	Capital	Regional
		Municipal	Regional	Hospital
		"A"	"B"	"C"
Residential	1	2.4624	0.5736	0.2298
Utilities	2	18.2218	4.2446	0.8043
Major Industry	4	7.9043	1.8413	0.7813
Light Industry	5	7.6335	1.7782	0.7813
Business/Other	6	7.1411	1.6634	0.5630
Managed Forest	7	2.4624	0.5736	0.6894
Recreational/Non Pro	8	2.9673	0.6912	0.2298
Farm	9	2.4624	0.5736	0.2298



City of Langford

www.cityoflangford.ca

April 30th, 2018

In-Camera Resolution

- a) That it is the opinion of Council that the public interest requires that persons other than members of Council and Officers be excluded from the meeting to consider confidential information regarding the potential provision of a municipal service under Section 90 (1) (k) of the Community Charter.
- b) That Council continues the meeting in closed session.