

Separation Distances from Cannabis Stores to Places of Worship, Pawn Shops and Payday Loans

EXECUTIVE SUMMARY

This report discusses the pros and cons of separation distances from Cannabis Stores to Payday Loans, Pawn Shops and Places of Worship. It proposes amendments to the Cannabis Store Guidelines, outlined in Attachment 1, that suggest Cannabis Stores should be located a minimum of 10 metres away from Pawn Shops and Payday Loans. Administration is not recommending a separation distance from Cannabis Stores to Places of Worship because these uses are already well separated from locations where Cannabis Stores are anticipated. The goal of the amendments is to maintain broad opportunities for cannabis retailing balanced by guidelines to manage the impacts that grouping these uses may have on a community in terms of aesthetics, public perceptions, and ensuring opportunities for a variety of commercial uses.

ADMINISTRATION RECOMMENDATION:

That the Standing Policy Committee on Planning and Urban Development recommends that Council adopt, by resolution, the amendment to the Cannabis Store Guidelines shown in Attachment 1.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2018 April 5 Council adopted a motion arising with respect to report PUD2018-0056 (Enabling Cannabis Retail Stores and Facilities), moved by Councillor Carra, Seconded by Councillor Davison, as follows:

That Council direct administration to consider amendments to the bylaw and/or district and/or use rules for cannabis stores to consider the pros and cons of separation distances from pay day lending operations and/or pawn shops and/or places of worship and report back to Council through the SPC on Planning and Urban Development, no later than 2018 June.

On 2018 April 5 Council gave three readings to Bylaw 25P2018, first reading to Bylaw 26P2018 and adopted by resolution the Cannabis Store Guidelines (Attachment 2), which established definitions, rules and policy to enable cannabis retailing in Calgary when federal and provincial legalization legislation is passed by Parliament and the Legislature respectively, as follows:

Moved by Councillor Woolley
Seconded by Councillor Magliocca

That with respect to Report PUD2018-0056, the following be adopted, after amendment:

That Council:

1. Give three readings to Proposed Bylaw 25P2018 (Attachment 1);
2. Give first reading to Proposed Bylaw 26P2018 (Attachment 2);

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3. Withhold second and third reading of Proposed Bylaw 26P2018, until the date of legalization is known; and
4. Adopt, by resolution, the proposed Cannabis Store Guidelines, as amended and as distributed at today's meeting, as follows:
 - to delete references to post-secondary learning;
 - to delete references to Liquor Stores.
 - to allow the development authority to consider the approval of time limited development permits when relaxing the separation distance to MSR and SR parcels.
5. That Attachment 5 of Report PUD2018-0056 be amended on page 2 of 2, final paragraph in the title, by deleting the words "Payday Loan, Pawn Shop" following the words "Location near a" and in the paragraph prior to the words "or Child Care Service".

BACKGROUND

On 2018 April 5 Council directed Administration to consider the pros and cons of separation distances from Cannabis Stores to Payday Loans, Pawn Shops and/or Places of Worship. The purpose of this review was to see if separation distances were needed between these uses in order to balance business opportunities for Cannabis Stores with the cumulative social and aesthetic impacts of these uses when in close proximity to one another.

On 2018 April 5, Council also approved the following separation distances in the Bylaw:

Table 1: Separation Distances from Cannabis Stores

Schools	150 metres
Emergency Shelter	150 metres
Cannabis Store	300 metres
Liquor Store	Not abutting

Separation distances in the Bylaw help limit convenient access to a use by reducing its frequency along a block; limit visibility and influence on persons who live or study in sensitive uses (schools and Emergency Shelters); and manage clustering and aesthetic impacts on corridors (e.g. Cannabis Stores located beside Liquor Stores). Separation distances also help ensure that opportunities for a variety of commercial uses occur in communities.

Separation distances are not absolute and can be reduced. Separation distances can also be placed in the Bylaw or in a policy (e.g. the Cannabis Store Guidelines). When a separation distance is placed in the Bylaw it is a rule and must be either met, or may be 'relaxed' at the discretion of the Development Authority if sufficient rationale is provided to support a relaxation.

Separation distances could deter commercial landlords from leasing space to a use that a Cannabis Store needs to be separated from (e.g. a Place of Worship). This would be out of

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concern that it would mean reduced opportunities, or the need for a relaxation, to lease nearby space later on to a Cannabis Store, which could be a more profitable tenant.

The purpose of the approved Cannabis Store Guidelines is to ensure opportunities for Cannabis Stores are balanced with their impacts (clustering, social and aesthetic impacts) on communities. The Guidelines also assist the Development Authority in making decisions on requests for relaxations of the separation distances and decisions on whether to approve a Development Permit application for a Cannabis Store based on the overall concentration of them in a community. The advantage to placing separation distances in the Guidelines is that it still allows both uses in a multi-bay commercial location at the discretion of the Development Authority, without triggering a formal relaxation to a Bylaw rule. Since a rule is meant to be applied to each application, requiring a relaxation could result in a refusal, or an appeal to the Subdivision Development Appeal Board.

Guidelines are flexible and allow the Development Authority to use discretion in applying the separation distance from a Cannabis Store. For example, in some areas there may be many Payday Loans and Pawn Shops and approving a Cannabis Store beside them may not be appropriate. There may only be one Payday Loan or Pawn Shop in another area, in which case it may be appropriate to locate a Cannabis Store beside one. The Development Authority is not required to apply it in all cases and can choose to apply it when there is a need and not to apply it in circumstances where it is not needed.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Possible Separation distances from Cannabis Stores to Places of Worship

The map in Attachment 3 identifies the locations of most Places of Worship in Calgary. The districts where Places of Worship occur are listed in the table below. It shows they mostly occur outside of the commercial districts, which is where most Cannabis Stores will be located.

Table 2: Place of Worship Locations

Place of Worship Locations	
District	Per cent
Centre City	2.2
Commercial	3.5
Direct Control	12.2
Industrial	0.4
Mixed Use	1.7
Residential	27.9
Multi-Residential	12.7
Special	39.3

Administration conducted an analysis regarding the impacts of various separation distances from Places of Worship on potential locations where a Cannabis Store could be located. The table below indicates the percentage of the area of land that would currently allow a Cannabis Store,

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which would be affected by a separation distance, thereby eliminating the potential for a Cannabis Store if it were to be adopted into the Bylaw.

Table 3: Percentage of Area Affected by Potential Separation Distance

Separation Distance	% of Land Area per District Type		
	Commercial Districts	Centre City Districts	Industrial Districts
10 metres	0.01	0.11	0.00
30 metres	0.07	0.88	0.00
100 metres	1.46	6.89	0.00
150 metres	3.57	13.90	0.00

The table shows that a 10 or 30 metre separation distance would have little impact on the ability to accommodate a Cannabis Store in the Commercial, Industrial or the Centre City districts, while a 100 metre or greater separation would mainly impact the Centre City districts, reducing the potential for Cannabis Stores. The analysis indicates that Places of Worship are already well-separated from districts that can accommodate Cannabis Stores outside of the downtown. Administration has reviewed Cannabis Store applications received to date and estimates that no applications would be impacted by a 10 metre separation distance and 2 applications would be affected by a 30 metre separation distance from Places of Worship.

Although young people sometimes gather in Places of Worship for religious, educational and recreational activities, they are not exclusively for young persons as is the case for schools or Child Care Services. Places of Worship are more similar to indoor and outdoor recreation facilities and community association buildings than schools, as they cater to persons of all ages.

The table below summarises the pros and cons of requiring a separation distance from a Cannabis Store to a Place of Worship.

Table 4: Pros & Cons – Places of Worship

Pros	Cons
Limits access and visibility of cannabis to young persons that use a Place of Worship.	Not all persons who use a Place of Worship are young persons.
Limits access and visibility of cannabis to groups that use Places of Worship to meet.	Not all Places of Worship rent space to other groups.
Limited impact as most Places of Worship are not located in commercial districts where Cannabis Stores locate.	May deter commercial landlords from leasing space to Places of Worship.
Separation distances are already a tool in the Bylaw, so they are understood and easily calculated.	Additional requirement for businesses and rule or guideline for staff to administer.
Separation distance in the Guideline could be applied when needed.	Bylaw rule would be applied in all cases.

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Separation Distances from Cannabis Stores to Pawn Shops and Payday Loans

The maps in Attachment 4 show the locations of Pawn Shops and Payday Loans. There is some clustering of these uses, notably along 17 Avenue SE. A separation distance rule would primarily affect opportunities for Cannabis Stores in the areas shown on these maps, including 17 Avenue SE, 17 Avenue SW, 16 Avenue North, and Macleod Trail.

An analysis of how various separation distances from Pawn Shops and Payday Loans would affect the land use that might accommodate a Cannabis Store is shown in the tables below.

Table 5: Percentage of Area Affected by Potential Separation Distance – Pawn Shops

Separation Distance	% of Land Area per District Type - Pawn Shops		
	Commercial Districts	Centre City Districts	Industrial Districts
10 metres	0.00	0.02	0.00
30 metres	0.08	0.20	0.00
100 metres	0.52	2.20	0.00
150 metres	0.96	3.98	0.00

Table 6: Percentage of Area Affected by Potential Separation Distance – Payday Loans

Separation Distance	% of Land Area per District Type –Payday Loans		
	Commercial Districts	Centre City Districts	Industrial Districts
10 metres	0.03	0.01	0.00
30 metres	0.22	0.12	0.00
100 metres	1.82	1.68	0.00
150 metres	3.44	3.29	0.00

The tables show that a 10 and 30 metre separation distance from a Cannabis Store to a Pawn Shop and Payday Loan would have a small impact on opportunities for Cannabis Stores. Administration has reviewed Cannabis Store applications received to date and estimates that approximately 2 applications could be impacted by a 10 metre separation distance and 4 applications would be affected by a 30 metre separation distance from Pawn Shops and Payday Loans. Should either separation distance be adopted into the Cannabis Store Guidelines, Administration would have the discretion to determine if and where this distance should be applied.

The purpose of a separation distance from Cannabis Stores to Pawn Shops and Payday Loans would be to ensure that opportunities for Cannabis Stores are balanced by the cumulative social and aesthetic impacts when they occur in combination with these other uses. The separation distance also helps to ensure opportunities are maintained for a diverse range of businesses to serve the needs of the nearby residents. When clustered, these types of businesses can reduce opportunities for other types of businesses and reduce the potential for a diverse and accessible business community. It is important to ensure that opportunities for a broad mix of commercial uses and positive community perceptions are created in all Calgary communities.

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Payday Loans and Pawn Shops can have an impact on perceptions people have about a community. A clustering of some uses together, such as Liquor Stores, Pawn Shops, Payday Loans, bars and nightclubs, can communicate perceptions about the suitability and desirability of a community as a place to live and invest.

The table below summarises the pros and cons of requiring a separation distance from a Cannabis Store to a Pawn Shop and Payday Loan:

Table 7: Pros & Cons – Separation Distance to Payday Loans & Pawn Shops

Pros	Cons
Helps manage clustering and the social impact of some uses along corridors.	Not all corridors have the same clustering and social issues.
Helps manage the aesthetic impacts of the clustering of some uses.	Not all corridors have the same degree of aesthetic issues.
Supports diversity of commercial areas.	Additional requirement for businesses and rule or guideline for staff to administer.
Separation distance in the Guideline could be applied in some locations when needed.	Bylaw rule would be applied in all cases.
Many other opportunities for Cannabis Stores in strategic locations along corridors.	Would reduce opportunities for Cannabis Stores near Payday Loans & Pawn Shops.

Recommended Separation Distances

Administration recommends that a minimum 10 metre separation distance from a Cannabis Store to a Pawn Shop and a Payday Loan should be adopted in the Cannabis Store Guidelines to help facilitate healthy community building in the areas where there is a clustering of Pawn Shops and Payday Loans. A 10 metre separation distance limits nearby clustering, while a 30 metre separation would have a larger impact on where Cannabis Stores could locate. Implementation of the separation distance in the Guidelines gives the Development Authority the flexibility to apply the Guidelines on Main Streets where issues may exist and not to apply it in other areas where the same issues do not exist.

Administration does not recommend a separation distance from a Place of Worship to a Cannabis Store because most Places of Worship are well separated from commercial areas and because Places of Worship are not similar to schools as they are not solely used by young people.

Stakeholder Engagement, Research and Communication

No further engagement has been completed for this report. Engagement was conducted for the initial report proposing the rules and guidelines and included a telephone survey of adult residents of Calgary from November 6 to November 19 regarding cannabis legalization. The survey included opinions on the siting of cannabis retailers and producers. An online survey was held from November 20 to December 10, 2017 and received more than 13,000 responses. The City also held three stakeholder workshops November 22 and 23, 2017 to understand key themes from stakeholders, including opinions on retail and cannabis production locations and separation distances. There was generally high support for separation distances from schools but lesser support for other separation distances.

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Strategic Alignment

Two objectives of the Municipal Development Plan are to create a city attractive to both people and business. City-wide policy 4.1.2.e of the plan states The City should:

Create and retain viable local and mixed-use areas that encourage business creation, residential development and community services, while maintaining compatibility with the neighbourhood-oriented character of the retail.

And that The City should:

Facilitate the development of retail areas within communities, by providing:
i. A full mix of uses to be developed over time;

Some Area Redevelopment Plans address the mix of commercial use on corridors. As an example, the Forest Lawn-Forest Heights Area Redevelopment Plan states:

Commercial uses associated with high crime activities are to be discouraged. These uses included amusement arcades, billiard parlours, private clubs, striptease bars, and pawn shops.

Social, Environmental, Economic (External)

Social

Separation distances from Cannabis Stores to sensitive uses prevent clustering and may help manage the social impacts of the grouping of these uses along Main Streets.

Environmental

Appropriately located Cannabis Stores will help enhance the aesthetics of Main Streets providing a variety of services and amenities in one location.

Economic (External)

Additional guidelines will mean Cannabis Store applicants will need to locate away from existing Pawn Shops and Payday Loans, creating opportunities for multiple types of commercial or service uses. Appropriately located Cannabis Stores on Main Streets assist the local economy by drawing in more customers to the area.

Financial Capacity

Current and Future Operating Budget:

No impacts have been identified.

Current and Future Capital Budget:

No impacts have been identified.

Risk Assessment

No significant long-term planning risks have been identified with including a separation distance for Pawn Shops and Payday Loans within the Cannabis Store Guidelines. If this separation

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distance is not added, there is the risk that businesses may be unintentionally pushed out of commercial areas. Additional separation distances; however, do have an impact on prospective Cannabis Store owners as they add an additional application requirement and some uncertainty to the decision-making process, and they may impact commercial owners leasing to other uses for fear they may miss out on the potential to accommodate a Cannabis Store. There is risk that separation distances implemented in guidelines rather than through a rule in the Land Use Bylaw may result in more clustering, as a rules hold more significance if a decision on a Cannabis Store is appealed to the Subdivision and Development Appeal Board.

REASONS FOR RECOMMENDATION:

The proposed amendments to the Cannabis Store Guidelines align with Municipal Development Plan policy that promotes a full mix of uses over time in local and mixed-use areas by guiding cannabis retail sales to not locate beside Pawn shops and Payday Loans.

ATTACHMENT(S)

1. Attachment 1 - PROPOSED AMENDMENTS TO THE CANNABIS STORE GUIDELINES
2. Attachment 2 – CANNABIS STORE GUIDELINES
3. Attachment 3 – LOCATIONS OF PLACES OF WORSHIP
4. Attachment 4 – PAWN SHOP AND PAYDAY LOAN LOCATIONS