



REQUEST FOR PROPOSAL

RFP 2019-02
January 1, 2019

FOR THE

RETAIL SALES OF CANNABIS AND CANNABIS RELATED PRODUCTS

City of Duncan
Attention: Manager of Planning
City of Duncan, 200 Craig Street,
Duncan, BC, V9L 1W3

Submission Deadline: February 1st, 2019



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 Duncan (the “City”) under the City’s *Zoning Bylaw No. 3166*.

The Government of Canada (“Canada”) and the Government of British Columbia (“British Columbia”) have established a regulatory framework (the “Regulatory Framework”) authorizing the retail sale of Cannabis Products. The Regulatory Framework establishes a number of guiding principles as follows:

1. The production of Cannabis Products will generally be regulated by Canada;
2. The distribution and retail sale of Cannabis Products use will generally be regulated by British Columbia;
3. The minimum age to purchase, possess, and consume Cannabis Products will be 19 years old;
4. The maximum amount of Cannabis Products 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 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 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 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 from local businesses.

The City also recognizes that there are challenges to authorizing the retail sale of Cannabis Products 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 should be permitted within the City’s boundaries;
2. Determining the appropriate location(s), if any, where the retail sale of Cannabis Products 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;
4. Funding training costs for police and bylaw enforcement officers in addressing:

- a. Nuisance issues relating to public use of Cannabis Products; and,
- b. Impairment issues relating to public use of Cannabis Products;
- 5. Funding policing, bylaw enforcement, and administrative costs associated with;
 - a. Ensuring that the retail sale of Cannabis Products 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 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 (TUP) authorizing the retail sale of Cannabis Products.

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. 3166* to authorize the retail sale of Cannabis Products 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. In this regard, the retail sale of Cannabis Products is preferred to not be located within:

- 1. 400 metres of any other location where the retail sale of Cannabis Products has been authorized by the City or a neighbouring jurisdiction;
- 2. 300 metres of any school;
- 3. 300 metres of any group daycare;
- 4. 150 metres of Centennial Park, McAdam Park, Rotary Park, Charles Hoey Park or any adjacent municipal park;
- 5. 50 metres of any land zoned LDR (Low Density Residential) zones,

These guiding principles are expected to limit the number of locations where the retail sale of Cannabis Products 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, the City may only be considering a very limited number of 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 within the City's boundaries.

Proposal Requirements

Individuals and/or organizations (“Proponents”) interested in undertaking the retail sale of Cannabis Products 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 **Development Services, at the City’s offices at 200 Craig Street, Duncan, B.C., V9L 1W3, by 3:00 p.m. (Pacific Standard Time), on Friday, February 1st, 2019.** Proposals not received in time may 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;
 - a. Where the Proponent is a society:
 - I. The names of the Proponent’s directors; and,
 - II. A copy of the Proponent’s incorporation documents;
 - b. Where the Proponent is a company:
 - I. The names of the Proponent’s directors and shareholders; and,
 - II. A copy of the Proponent’s incorporation documents;
2. 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);
3. A detailed description of any enforcement plan, 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;
4. A detailed description of the Proponent’s proposed business plan for undertaking the retail sale of Cannabis Products 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 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 will occur;
 - III. Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products;
 - IV. Addressing nuisance issues relating to public use of Cannabis Products;

- V. Addressing impairment issues relating to public use of Cannabis Products; and,
 - VI. Provision of educational initiatives and materials associated with the above impacts and related social concerns.
- a. 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 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;
 - III. Addressing nuisance issues relating to public use of Cannabis Products;
 - IV. Addressing impairment issues relating to public use of Cannabis; and,
 - V. Providing educational initiatives and materials associated with the above impacts and related social concerns.
5. A description of the Proponent's ability to obtain bonding, if necessary, and a minimum of \$5 million insurance coverage;
6. While not a requirement, a description of the Proponent's preferred location or locations for undertaking the retail sale of Cannabis Products within the City's boundaries;
7. 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;
8. While not a requirement, information on the potential form, character and design of the proposed retail store; and,
9. A description of the Proponent's expected timeframe for commencing the retail sale of Cannabis Products 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 Manager of Planning, at developmentsservices@duncan.ca, and must be received by no later than 3:00 p.m. (Pacific Standard Time) on February 1st, 2019. Responses to enquiries related to this RFP will be posted on the City of Duncan website and will regularly updated for the duration of the RFP. 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 interest to consider the Proposal.

Evaluation of Proposals

It is expected that this RFP will be used to identify up to three (3) 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 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 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;
3. Addressing nuisance issues relating to public use of Cannabis Products;
4. Addressing impairment issues relating to public use of Cannabis Products; 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.

No Legal Rights

No action by the City in any manner whatsoever related to this RFP, including without limitation to 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.

Inquiries

Proponents shall carefully examine the RFP documents and shall fully inform themselves as to the intent, existing conditions and limitations which may affect their Proposal submission. No consideration will be given after submission of a Proposal to any claim that there was any misunderstanding with respect to the conditions imposed.

Proponents finding discrepancies or omissions in the contract or RFP, or having doubts as to the meaning or intent of any provision, should immediately notify the above listed project contact.

If there are any changes, additions, or deletions to the Proposal scope, conditions, or closing date, Proponents will be advised by means of an Addendum issued by the City and posted on BC Bid. It is the responsibility of the Proponent to check for Addenda.

All Addenda will become part of the Proposal Documents and receipt of Addenda should be acknowledged by the Proponent in the submission. Verbal discussion between the City, the Municipality or staff and a Proponent will not become a part of the RFP or modify the RFP unless confirmed by written Addendum. A Proponent must not attempt to influence the outcome of the RFP process by engaging in lobbying activities. Any attempt by the Proponent to communicate for this purpose directly or indirectly with any employee, contractor or representative of the City or Municipality, including members of the evaluation committee and any elected officials of the City or Municipality, or with the media, may result in disqualification of the Proponent.