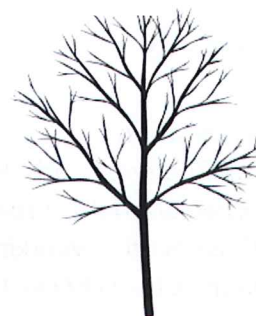


ATTACHMENT E
LETTER OF RATIONALE / COMMUNITY IMPACT STATEMENT

REZONING RATIONALE

#105-510 Fifth St, Nanaimo, BC



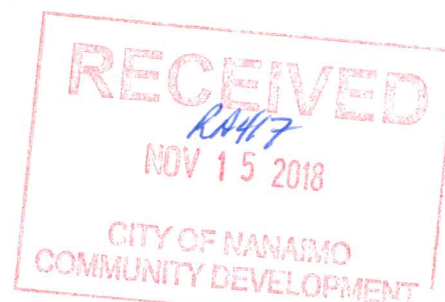
Rezoning rationale - must address potential impacts to neighbourhood and CRS rezoning criteria. Please refer to the Cannabis Retail Store Rezoning Criteria to ensure all points are addressed in this rationale.

It is a pleasure to be submitting this rezoning rationale along with our completed rezoning application as the proposed Cannabis Retail Store (CRS) is perfectly in keeping with the City of Nanaimo's Cannabis Retail Store Rezoning Criteria.

Trees ~ Island Grown takes great pride in being a local, responsible, and community-oriented cannabis retail operator. We seek to transform the image of the cannabis user in the public mind to someone who lives an athletic and artistic lifestyle, and we aim to be an exemplar of a trusted, reliable, transparent and professional neighbourhood cannabis retailer. Our current customer base is comprised of diverse gender, age, socio-economic, and ethnic demographic groups; we will continue to carry a diverse line of LDB-supplied products to appeal to this broad customer base. While Trees ~ Island Grown strives to publicly promote a West Coast, active lifestyle brand, with a focus on local craft cannabis, we cater to a broad market segment.

Our proposed CRS at #105-510 Fifth St. has been operating as a medical cannabis dispensary since July 2018. This location has 1,403 unique members and as of October 17, 2018, has processed 10,931 transactions. With seven locations in Nanaimo and Victoria, Trees ~ Island Grown has a total membership of 52,240. Our members visit our Nanaimo locations from all over the Vancouver Island and many of the neighbouring islands. The size of this proposed CRS is 175 square metres, and proposes to operate between the hours of 9 a.m. to 11 p.m.

All Trees ~ Island Grown locations are equipped with state of the art carbon filtration systems, which create a negative air pressure in the store, preventing any nuisance odours from escaping. Details on other potential negative community impacts and mitigation are addressed on a point-by-point basis in this Rezoning Rationale.



Criteria

1. Location

1.1 The proposed CRS should be located on, or in close proximity to, a provincial highway, urban arterial or urban major collector road, as defined in the City's Functional Road Classification Working Plan, or in an urban node, commercial centre or corridor, as designated in the City's Official Community Plan.

Trees ~ Island Grown response:

The proposed location is in the University Village Mall located at the intersections of Fifth St. and Bruce Ave. This location is ideal as it is an intersection of two urban corridors as envisioned in Nanaimo's Official Community Plan. According to the City's Official Community Plan, commercial services should be concentrated along these types of corridors that serve motorists, pedestrians, cyclists and public transit users. University Village has several anchor tenants including Quality Foods and Shoppers Drug Mart. The proposed CRS location would be convenient for customers, allowing them to find multiple retail and service providers in one location.

1.2 The proposed CRS should not be located directly or adjacent, or in close proximity to a school or licensed daycare facility. A minimum separation of 200m from these facilities is considered necessary, as measured from the front door of the CRS to the school or daycare property line.

Trees ~ Island Grown response:

Our location satisfies this condition with the nearest school, Georgia Avenue Elementary School, being 326m away as measured from the front door of the CRS to the property line of the school in accordance with the CRS criteria. At the time of application, there are no licensed daycare facilities within the 200m buffer zone. The nearest facility is the Trillium Montessori pre-school which is located at a distance greater than 400m (as the crow flies, from door to property line).

1.3 The proposed CRS should not be located within 200m of another CRS as measured from the front doors of the CRS. Where the CRS is to be located within a dense urban area (i.e. downtown) consideration shall be given to the urban density and context of the area.

Trees ~ Island Grown response:

The proposed CRS satisfies this criteria for both existing medical cannabis dispensaries as well as other applicants for provincial non-medical cannabis retail stores to the best of our knowledge at the time of submission.

2. Building & Site

2.1 *The size of the proposed CRS should be consistent with the nature of the immediate area and the size of existing retail stores within the area.*

Trees ~ Island Grown response:

The proposed CRS is 175 square metres. While this retail space is smaller than neighbouring retail spaces such as Bosley's, it is in keeping with smaller tenants within the University Village mall. Due to the location of the proposed CRS as part of a commercial complex, the design of the building matches surrounding businesses.

2.2 *The design of the proposed CRS should enhance or improve the aesthetics of the surrounding area, not detract from them.*

Trees ~ Island Grown response:

The storefront will be beautifully presented in wood trim and a pleasant and welcoming aesthetic. We intend to maintain a plant-filled, wood laden, earthy aesthetic that is pleasing to customers. The exterior windows are tastefully covered in a black and white forest print to comply with the provincial regulation requirement that no cannabis product be visible from the exterior of the CRS.

2.3 *Outside the downtown core, consideration should be given to a requirement for onsite parking and loading for every CRS.*

Trees ~ Island Grown response:

The location provides 4 on street parking spaces. Additionally, the unit being part of University Village Mall provides access to ample off-street parking. Loading occurs through the entrance on Bruce St.

3. Community Impact

3.1 *The applicant must outline his or her awareness of potential negative impacts of the proposed CRS on the community, and must identify the specific measures that will be taken to minimize or prevent these impacts from occurring.*

Trees ~ Island Grown response:

Trees ~ Island Grown attracts a very diverse set of clientele at all of our locations and we have made positive contributions to the neighbourhoods we operate in. At one of our public hearings, Victoria Mayor Lisa Helps praised Trees ~ Island Grown for having "animated the streetscape," and noted that there were no objections from the community regarding our application. Mayor Helps has also stated that we have "set the bar high" for CRS's. Our record in Victoria should be noted as evidence of the minimal negative impacts that our storefronts have on the community. Throughout the four public hearings that have been held regarding our Victoria storefronts, there has not been a single person who has spoken negatively against our application for rezoning, and all of our public hearings have been successful and resulted in a motion to approve by the City Council. Our storefronts attract a large volume of traffic, increase

economic opportunity for nearby businesses, and provide consumer access for residents of the neighbourhood.

3.1.1 Possible measures could include efforts to prevent service to minors, minimize smells, prevent smoking or cannabis consumption on or near the premises, property maintenance and beautification programs designed to prevent unsightliness, etc.

Trees ~ Island Grown response:

Service to minors:

Sales are conducted by professionally trained employees who are highly practiced and experienced in requesting identification from all customers, identifying fake IDs, using appropriate and non-confrontational language when asking for ID, and providing expert cannabis knowledge and suggestions to our customers. All of our employees undergo mandatory criminal background checks and will be certified by the Cannabis Worker Qualification and undergo the training process once it is available. (See: <https://justice.gov.bc.ca/cannabislicensing/policy-document/worker-qualification-home>)

Minimize smells:

All Trees ~ Island Grown locations are equipped with state of the art carbon filtration systems, which create a negative air pressure in the store, preventing any nuisance odours from escaping.

Public Health:

Trees ~ Island Grown takes a proactive approach to minimizing the negative health impacts of cannabis use, and maximizing its beneficial impacts. We have, and will continue to offer public education series to our customers. We have presented information seminars as part of our Higher Learning Series including, "Getting the Most Out of Your Cannabis Experience: Safe Consumption and What's Right for You" and "Cannabis and Your Health: Learn How Cannabis Works with Your Body."

We are also working with major industry producers such as Canopy Growth who are working with M.A.D.D. on public education campaigns around safe consumption. These industry relationships are key in providing professional training to staff as well as to our customers.

Prevention of on-site consumption:

Once the province publicly releases additional information about its requirements and applications for the Cannabis Worker Qualification Program, all of our retail staff will undergo the training and certification program to ensure that their training complies to the standards set out by the province. This training will provide employees the tools necessary to prevent on-site consumption.

We also provide public notices on our stores' community bulletins to keep our customers apprised of all relevant bylaws, such as the prohibition of consumption in public spaces such as

city parks and in the vicinity of the CRS. Additionally, in-store signage reminds customers to be courteous to neighbours and not litter packaging or consume near the CRS. All staff are trained in non-confrontational communication to address any instances of customers breaking the rules.

Additionally, the presence of 24-hour video monitoring and motion detection lighting deters loitering or consumption near the CRS. Staff are trained to observe cameras on the outside, and go out to ask customers not to smoke in the vicinity if they are seen doing so.

Property maintenance and beautification:

The exterior windows are tastefully covered in a black and white forest print to comply with the provincial regulations requirement require that no cannabis product be visible from the exterior of the CRS. This imagery simultaneously serves to promote our brand and invoke a west coast feel familiar to Island residents.

Security:

Security is a concern for all retailers of high value products. All of our storefronts are secured with durable, commercial-grade doors and locks to protect the premises as well as security film on windows. All cannabis products are securely locked behind the counter in staff-only areas of the store, locked at night, and out of the sightline of any minors or passer-bys from any doors or windows. Backstock inventory and cash are safely locked away in a secondary secure cannabis storage room to provide an extra layer of protection. Trees ~ Island Grown locations are equipped with 24/7 intrusion and fire monitoring, and supplemented with video surveillance cameras that monitor all retail areas, cannabis storage areas, entrances, exits, and exteriors. These cameras retain the data for a minimum of 28 days after it is gathered. On-premise signage indicating our security systems are prominently displayed at all of our locations to provide further deterrence for theft or criminal activity. Stores are also equipped with exterior motion-activated security lighting to discourage trespassing, theft, and loitering.

During hours of operations, we ensure that at least two employees are present on the premises at all times. Trees ~ Island Grown locations are also equipped with discreet, under-the-counter panic buttons, which immediately notify Prices Alarm Company, which then notifies the RCMP. All of our employees undergo mandatory criminal background checks and a rigorous training process. As part of our training and employee induction, employees must read our standard operating procedures for incident reporting, maintaining the integrity of their passwords and security codes, and robbery prevention.

Trees ~ Island Grown's presence in the area has contributed to the safety and security of the neighbourhood and may contribute to a decrease in overnight petty crime in the immediate area. The increased foot traffic in the area as a result of Trees business has attracted customers to other nearby businesses, and our staff have kept the area surrounding our business well maintained, clean, and free of litter and other refuse. Our 24-hour high-definition camera

system have also been used to provide information on crimes that have occurred in the neighbourhood after hours.

3.1.2 Consideration must be given to the impact CRS's will have when they are located in close proximity to libraries, public recreation centres, public community centres, parks, places of worship and other family-oriented facilities.

Trees ~ Island Grown response:

The proposed CRS is in an ideal location as it is not in close proximity to any of the above mentioned sites. Harewood Activity Centre is 250m measured from the CRS door to the property line of the park (as the crow flies). St. Paul's Lutheran Church is 317m away, and Harewood Community Church (located in Georgia Avenue Elementary School) is 326m away. Old Harewood School Sports Field is 305m away.

To address any concerns regarding the impact on family-oriented spaces, we have taken several measures. Our signage does not include any reference to cannabis, thus children will not be encouraged to ask their parents questions about the business operation. Our windows are covered with attractive forest imagery that prevents minors from seeing inside the operating store. Our store is also not visible from the park.

As discussed above, in addition to provincially mandated educational literature, we provide pamphlets and bulletin notices on cannabis consumption etiquette to provide information and reminders to not consume in public parks, near the CRS, and to not litter cannabis packaging. One of Trees ~ Island Grown's greatest strengths is our existing workforce who have first-hand, professional knowledge regarding cannabis. This means that they are experienced and well-versed in informal cannabis etiquette, and have worked diligently to ensure that our existing neighbours are happy with our presence in the community.

3.2 Projected traffic volumes and on-street parking demands associated with a proposed CRS should not adversely impact nearby residential and commercial areas.

Trees ~ Island Grown response:

As noted above, the proposed location has adequate on-site and on-street parking. The benefit of this proposed CRS is that we have historical traffic data. On a busy Friday, the location has historically processed 260 transactions in a day. This customer volume has had no negative impact on nearby residential and commercial areas.

3.3 The support of the local community, neighbouring property owners and the local neighbourhood association for the proposed CRS is important to Council's decision.

Trees ~ Island Grown response:

As noted previously, Trees ~ Island Grown has a long history of community engagement and support for our existing locations. We have cultivated community support through financial

support of various local non-profits including: Nanaimo Women's Centre, Nanaimo Foodshare, SPCA, United Way, Unitarian Homeless Center, Island Crisis Care Society, Nanaimo Community Hospice, KidSport, Loaves and Fishes Food Bank, Holistic Wellness Association and the First Unitarian Fellowship, and Crimson Performing Arts Center for Children, and Wisteria Community Association.