

ATTACHMENT F
LETTER OF RATIONALE / COMMUNITY IMPACT STATEMENT

Rezoning Rationale: Community Impact Statement

Proposed Cannabis Retail Store: 5-6404 Metral Dr.
Presented to: The City of Nanaimo, British Columbia
Presented by: Mood Cannabis Co.

Mood is defined as a “state of mind”, and our proposed Cannabis Co. Cannabis Retail Store (CRS) was named to reflect our core team’s belief that everyone should be able to exist freely within their desired mood, supported by legal, high-quality cannabis.

Mood Cannabis Co. seeks to bring a sense of belonging within the legal cannabis space that will be created and fostered, extending the sense of community most residents and visitors of Nanaimo feel within the city.

As a CRS in the new era of legal cannabis, Mood Cannabis Co. honours the privilege of legal cannabis by dedicating ourselves to social responsibility, community engagement, and most importantly education to support safe and mindful cannabis consumption.

Mood Cannabis Co. will not only exist as a resource for legal cannabis but will take significant measures towards positive community engagement, reducing and even eradicating the potential and perceived negative impacts of legal cannabis.

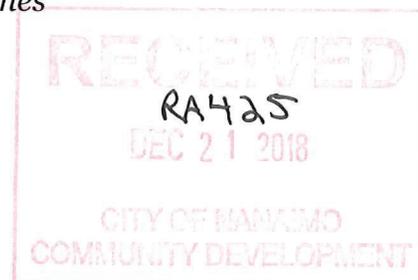
Positive Impacts

Leading in Compliance

Mood Cannabis Co. (herein referred to as “the CRS”) recognizes first and foremost that legal cannabis is a privilege to be recognized within the province of British Columbia and the nation of Canada. As such, legal compliance is key for the operations of the CRS.

Our business model is built on the legal compliance regulations set forth by:

- *Bill C-45: The Cannabis Act*
- *Adult Use Cannabis Advertising and Marketing Guidelines*
- *Cannabis Control and Licensing Act*
- *Cannabis Distribution Act*
- The Liquor & Cannabis Regulation Branch (LCRB)



- The Province of British Columbia
- The City of Nanaimo

As such, our legal cannabis compliance strategy will include, but is not limited to, the following elements:

- Preventing the sale of cannabis to minors;
- Point of sale and advanced accounting;
- Seed-to-sale traceability;
- Advanced reporting for profits, taxes, and operations costs;
- Budtender training and continual professional development;

Further to this, one of our business advisors is a cannabis lawyer, holding a position on the *City of Nanaimo Cannabis Task Force Committee*. Within this CRS' operations, this partner ensures that the operations are not only fully in line with, but exceeding, the expectations of this Task Force and the abovementioned regulatory bodies.

Cannabis Education

Cannabis education should be at the forefront of any CRS's strategy retail strategy. Mood Cannabis Co. puts cannabis education as an integral program that is weaved into every part of the cannabis retail experience.

Cannabis education programming at Mood Cannabis Co. includes:

- a dedicated area for cannabis education and consultations,
- in-store tablets with cannabis education programming,
- in-store display media and digital menus;
- advanced product and strain descriptions,
- budtender training with Lift & Co. Canada, which has built an exclusive partnership with MADD Canada, the training covers topics like safety, responsible usage and public health, with inputs from medical experts on scientific fundamentals of cannabis.
- in-store, topic- and demographic-specific education sessions,
- informative and educational web and social media content, customer reviews ("strain reviews"), and customer experiences

Our cannabis education program recognizes that everyone has different learning styles, ways of understanding information, backgrounds, and languages; thus, our programming uses a variety of techniques and styles to ensure education reaches all visitors to the CRS. Translation services will be available in some cases to ensure information is available to French-language and people of other languages.

Safe consumption is key, as well as taking every precaution to warn against driving under the influence of cannabis along with national concerns. Cannabis education does not glorify cannabis use, instead, intentional programming takes the

cannabis plant back to basics to better help the user understand the effects of cannabis on their mind and body.

Cannabis education helps people use cannabis better, safer, and more responsibly.

Property Beautification and Maintenance

The site that we have chosen will allow a new community and safe space to be built in a North Nanaimo location.

Located in Nanaimo at 5-6404 Metral Dr., Mood Cannabis Co. presents a discreet, yet friendly and inviting legal cannabis location in a familiar location. The aesthetic will add architectural beauty to the area with its contemporary design.

The Metral Dr. location design is simple, yet modern and inviting using subdued colours to help consumers feel at ease. With areas dedicated to educating about cannabis, budtenders showing customers products on tablets, and the transaction being completely odorless with cannabis out of view, the experience at Mood Cannabis Co. is discreet, friendly, informative, convenient, and professional.

Negative Impacts

Working Against Stigma

For too long, cannabis has been stigmatized and held to the idea that only “stoners” use cannabis. This couldn’t be further from the truth. Our CRS intends to help shift the image of the cannabis user to be truly reflective of the modern-day user: professional, responsible, educated, and contributing members of society who simply want to achieve their desired state of mind by affecting a change of mood through cannabis.

Language matters greatly in cannabis retail, and the tone, style, and nomenclature we use within the CRS will help move away from the stigma of the stoner and re-label cannabis as the wellness product it is.

Part of the way we reduce stigma is in the conversations we have with customers around their reasons for accessing recreational cannabis: “What are you looking for in your cannabis experience?” will be a question that we will ask all customers. Their answer will dictate our approach.

Instead of focusing on “how high” they will get from a particular strain, we will focus more on the cerebral and physical effects of the cannabis, by pointing out the important strain traits. In this approach, we continue to hold the value of cannabis high,

not as a plant to get someone intoxicated, but rather to promote wellness and help others achieve their desired mood.

Attractiveness to Minors

One of the challenges that we may face is the location of our space in North Nanaimo, which is a busy location with many passersby.

In accordance with Bill C-45, none of our outside signage or marketing will have depictions of persons, characters or animals that are appealing to youth, recognizing that this could lead to a glamorization of cannabis use.

Our billboards, signboards, or outside signage will be designed in a way that avoids the risk of exciting consumers, encouraging risk or daring, or connects cannabis to recreation.

Our sales strategy will not contain any inducements towards cannabis such as giveaways or contests in accordance with Bill C-45.

Measures to Address Potential Negative Impact

Service to Minors

In addition to the abovementioned considerations for our marketing to ensure our CRS doesn't appeal to minors, we will be implementing the following measures:

- Place an age gate on our website;
- Place 19+ messaging on our social media as a condition for following;
- Clearly display messaging outside our store, inside the doors, and at cash about showing ID and the frequency of ID checks;
- Ensure that our social marketing promotes the Mood Cannabis Co. brand and not cannabis in general;
- ID swipe into the Point of Sale system to permit purchasing;
- Consistently checking ID before purchase, even if someone looks over 25

Smells

Not only will cannabis be not visible within our design space, but there will be very limited odors in the store, with inventory being pre-packaged by the Licensed Producers, and distributed the BC Liquor Distribution Branch in sealed, odor-proof containers. It will be dispensed to customers within odor-proof bags, clearly labeled in line with the Health Canada regulations.

The ability to smell products will be limited to Health Canada approved "Sniff Jars", which offer strain descriptions and terpene profiles as described by our budtenders and cannabis education program. By helping our customers understand

terpenes, we can help them choose the best strain, with an aroma and flavour they'll be pleased with during use.

In order to further mitigate odors, Mood will be exceeding requirements by installing a high-end charcoal air filtration system, which constantly filters the air throughout the store.

Prevent Consumption

Mood Cannabis Co. will not permit cannabis consumption on site, or near our premises. The CRS embraces its role in helping consumers understand consumption restrictions in B.C. We will remind customers at point of sale, during cannabis education, and through visible signage and display media of the B.C. guidelines for cannabis consumption.

Mood Cannabis Co. in its mission promotes allowing everyone to achieve their desired state of mind with cannabis, without infringing on others finding their desired state of mind without it. As such, we promote respectful consumption and remind customers to not consume where tobacco use is prohibited and to be mindful of the company they are in while consuming, especially minors and children.

We promote mindfulness in cannabis consumption, recognizing "mood" is greatly tied to the environment and what you take into your body. As such, we promote a "less is more" approach, where more can always be added to achieve one's desired state of mind.

Our Community Impact

Overall, Mood Cannabis Co. is a space that encourages belonging, safety, and honouring the privileges of legal cannabis.

With our dedication to cannabis education, giving back to the community, exceeding compliance standards, and encouraging safe and mindful consumption we play our part in modeling the way for cannabis retail stores across B.C. and Canada.

We are certain the impact of Mood Cannabis Co. on the City of Nanaimo, its people, its projects and its visitors will be nothing but positive.