

To:	Planning Committee	Date:	February 7, 2014
From:	Wayne Craig Director of Development	File:	RZ 13-639815
Re:	Application by 1348 Productions Incorporated for	or Rezoi	ning at 11320 Horses

Re: Application by 1348 Productions Incorporated for Rezoning at 11320 Horseshoe Way from Industrial Business Park (IB1) to Licensed Health Canada Pharmaceutical Production (Zt11)

Staff Recommendation

- That Richmond 2041 Official Community Plan (OCP) Bylaw 9000, Amendment Bylaw 9110, to add land use policies in Section 3.0 of the OCP specific to the management of Health Canada licensed medical marihuana production facilities and medical marihuana research and development facilities in the City, be introduced and give first reading.
- 2. That Bylaw 9110, having been considered with:
 - the City's Financial Plan and Capital Program;
 - the Greater Vancouver Regional District Solid Waste and Liquid Waste Management Plans;

is hereby found to be consistent with said program and plans, in accordance with Section 882(3) (a) of the Local Government Act.

- 3. That Bylaw 9110, having been considered in accordance with Official Community Plan Bylaw Preparation Consultation Policy, be forwarded to the Agricultural Land Commission for comment in advance of the Public Hearing.
- 4. That Richmond Zoning Bylaw 8500, Amendment Bylaw 9109, to create the "Licensed Health Canada Pharmaceutical Production (ZI11)" zoning district and rezone 11320 Horseshoe Way from "Industrial Business Park (IB1)" to "Licensed Health Canada Pharmaceutical Production (ZI11)", be introduced and give first reading.

Wayne Craig Director of Development

WC:ke Att/5

REPORT CONCURRENCE					
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER			
Business Licences Finance Division Community Bylaws Fire Rescue RCMP Building Approvals Policy Planning Transportation Engineering	य द द द द द द	de Erceg			

Staff Report

Origin

1348 Productions Incorporated (MediJean) has applied to the City of Richmond for permission to rezone 11320 Horseshoe Way (Attachment 1 – the "subject site") from "Industrial Business Park (IB1)" to "Licensed Health Canada Pharmaceutical Production (ZI11)" in order to permit the development of a Health Canada licensed medical marihuana production facility.

Background

On December 16, 2013, Council adopted Richmond Zoning Bylaw 8500, Amendment Bylaw 9071, which inserted land use definitions for a "medical marihuana production facility" and "medical marihuana research and development facility" into the Zoning Bylaw. These additions together with other amendments result in both a medical marihuana production and/or research and development facility not being permitted in any zoning district in the City. Therefore, a rezoning application to be reviewed on a case-by-case basis and considered by Council through the normal statutory process is required for any such use.

Health Canada Marihuana for Medical Purposes Regulations

In June 2013, Health Canada's new Marihuana for Medical Purposes Regulations (MMPR) were enacted, which replace the former Marihuana Medical Access Regulations (MMAR). Health Canada is currently transitioning from the old MMAR (all licenses issued under the former program will expire by March 31, 2014) into the new MMPR. Health Canada is reviewing applications across Canada from proponents applying to become a licensed producer of medical marihuana. The new MMPR will result in the creation of a new commercial industrial sector responsible for research and development, commercial production, processing, packaging and shipping/distribution of medical marihuana. Highlights of Health Canada's new MMPR program include:

- Production in residential dwellings will no longer be permitted.
- All aspects of medical marihuana growth, cultivation, processing, storage, research and development, shipping/distribution and administrative functions are to be centralized and contained in a secured facility.
- A licensed producer will have the ability to conduct research and development, test and produce a wide-variety of strains.
- Storefronts and retail outlets will not be permitted.
- All medical marihuana distribution will be by a secured courier to a registered client.
- Key facility personnel must hold a valid security clearance to be reviewed and confirmed by Health Canada.
- The Health Canada license application process will ensure that a facility meets security, safety, quality control, record keeping, inventory and monitoring requirements to avoid product theft.

Project Description

The subject site is zoned "Industrial Business Park (IB1)" and is 4,047 sq. m (43,560 sq. ft.) in area and contains an existing 2,241 sq. m (24,126 sq. ft.) industrial building. The proposal involves the conversion of the existing light industrial building into a medical marihuana production facility, to be lawfully licensed by Health Canada through the MMPR.

The applicant is requesting to rezone the subject site to permit a "medical marihuana production facility", as currently defined in the City's Zoning Bylaw 8500, to cultivate medical marihuana. Additional activities accessory to the production of medical marihuana include research and development functions, product processing, storage, packaging, shipping/distribution and administrative offices. As regulated by Health Canada's MMPR, no retail/storefront activities are permitted.

The following is a floor area breakdown of the proposed activities in the existing building:

- Growing/Production: 511 sq. m (5,497 sq. ft.)
- Research and Development: 171 sq. m (1,840 sq. ft.)
- Processing/Drying/Storage: 395 sq. m (4,257 sq. ft.)
- Shipping/Distribution/Packaging: 237 sq. m (2,546 sq. ft.)
- Supporting Offices and Administration: 298 sq. m (3,204 sq. ft.)
- Circulation: 468 sq. m (5,039 sq. ft.)

Tenant improvements to the interior of the building will be made to convert the building to a proposed medical marihuana production facility. A small upper floor mezzanine (183 sq. m or 1,973 sq. ft.) will be added to the existing mezzanine and is proposed to be utilized for medical marihuana production/research and development. The total proposed floor area of the facility will be 2,425 sq. m (26,100 sq. ft.). Upgrades to the building's heating, ventilation and cooling systems, addition of sprinklers throughout and new mechanical systems and facility security infrastructure to accommodate this type of business will also be completed (Attachment 2).

Findings of Fact

A Development Application Data Sheet providing details about the development proposal is contained in Attachment 3.

Building Permit Issued and Existing Use of the Building

In October 2013, a building permit was issued to the proponent to undertake interior tenant improvements works to the building to be used for an office and storage space to support research and development activities.

The applicant has confirmed they have the appropriate authorizations from Health Canada to undertake these medical marihuana research and development activities. This research and development permit granted by Health Canada does not allow for any commercial production and sale of medical marihuana.

Surrounding Development

- To the North: A site zoned "Industrial Business Park (IB1)" that contains an existing light industrial building.
- To the East: A site zoned "Industrial Business Park (IB1)" that contains an existing light industrial building. Directly to the north east of the subject site is the RCMP Richmond Detachment headquarter building.
- To the South: A site zoned "Industrial Business Park (IB1)" that contains an existing light industrial building.
- To the West: Across Horseshoe Way, light industrial buildings on "Industrial Business Park (IB1)" zoned properties.

Related Policies & Studies

<u>2041 Official Community Plan (OCP) – Existing Land Use Designations</u> The subject site is designated "Mixed Employment" in the 2041 OCP:

Those areas of the City which provides for residential, commercial, industrial, office and institutional uses. Marina uses and waterborne housing are permitted on the waterfront, in which case the retail sales is limited to boats, boating supplies and equipment, and related facilities and services for pleasure boating and the general public.

The proposed rezoning complies with the existing 2041 OCP land use designation as it is primarily an industrial operation and no OCP amendment is required to re-designate the site.

Proposed 2041 Official Community Plan Text Amendments

As currently all medical marihuana production and medical marihuana research and development facilities are not a permitted use in any zoning district City-wide, the proposed facility requires a cautious management approach, as it would be a new land use and its potential impacts are unknown. To protect the City's social, economic, land use and environmental interests, avoid possible long term negative effects and ensure minimal City costs, staff recommended that the City first establish OCP policies and review the facility proposal based on them. The proposed OCP amendment policies have been prepared based on a review of the rezoning proposal details. They will assist in protecting the City's interests, enabling one medical marihuana production facility (which includes research and development activities), minimizing any negative impacts and ensuring community safety. The proposed OCP amendment policies, and zoning and other regulatory requirements. No OCP map designation changes are required. It is noted that Council may consider other facility proposals on a case-by-case rezoning basis.

Flood Plain Designation and Protection Bylaw 8204

In accordance with the City's Flood Plain Designation and Protection Bylaw 8204, a flood plain covenant identifying a minimum flood construction level of 2.9 m will be secured and registered on title as a rezoning consideration attached to this proposal.

Consultation

Official Community Plan Bylaw Preparation Consultation Policy 5043

Staff reviewed the rezoning and OCP amendment proposal in accordance with OCP Bylaw Preparation Consultation Policy 5043. Based on this review, staff recommend that OCP Amendment Bylaw 9110, be forwarded to the Agricultural Land Commission (ALC) for review and comment in advance of the Public Hearing.

Referral to the Ministry of Transportation and Infrastructure

This rezoning was referred to the Ministry of Transportation and Infrastructure (MOTI) staff for review and preliminary approval based on the distance from the subject site to the Highway 99/Steveston Highway interchange. Preliminary approval has been granted by MOTI staff. Final approval from the MOTI will be a rezoning consideration to be completed as part of the proposed development.

Public Input

City staff have received 5 pieces of correspondence submitted by the proponent in relation to the proposal as follows (refer to Attachment 4 for copies of the correspondence):

- Letter from proponent (Jean Chiasson Chief Executive Officer, MediJean) providing a general overview of the proposed facility and vision towards this new industrial sector.
- Letter from Colin Leech-Porter, M.D. summarizing his clinical experience with patients and administration of medical marihuana as a means of effective treatment and his interactions and professional relationship with MediJean.
- Three letters from patients who have provided testimonials about the benefits of medical marihuana.

Staff Comments

Planning and Land Use

The subject site is surrounded by a mix of light industrial and office business park activities and no sensitive land uses (i.e., residential, schools, parks, conservation areas and other community institutional uses) are located adjacent to or within close proximity to the subject site. The nearest residential area is located approximately 450 m (1,475 ft.) to the north in the Shellmont neighbourhood. There are no other sensitive land uses within an approximate 400 m (1,312 ft.) radius from the subject site.

The proposed OCP policies specific to Health Canada licensed medical marihuana production facilities and medical marihuana research and development facilities support the approach which requires rezoning applications to be reviewed and considered on a case-by-case basis. As this is a new land use in the City and its potential impacts are not fully known, a cautious approach is recommended in the proposed OCP policies by allowing only one medical marihuana production facility and not permitting any additional facilities City-wide. In future, should other rezoning applications be submitted for another medical marihuana production facility or a medical marihuana research and development facility, they will be reviewed on a case-by-case basis and additional amendments to the proposed OCP policies will be needed.

Zoning Approach

On December 16, 2013, Council adopted Zoning Amendment Bylaw 9071, which created land use definitions for "medical marihuana production facility" and "medical marihuana research and development facility". This Bylaw also added land use regulations in Zoning Bylaw 8500 to not allow these uses City-wide, thus requiring a rezoning application to be considered by Council through the normal statutory process (including a Public Hearing).

In order to address the subject application, staff propose the creation of a new site-specific zoning district, as follows:

- The zone is based on the subject site's existing "Industrial Business Park (IB1)" zoning, with additional uses permitted.
- As permitted uses, "medical marihuana production facility" and "medical marihuana research and development facility", as currently defined in the City's zoning bylaw will be included. An additional zoning regulation is proposed that does not allow any other unrelated permitted uses to occur in a building that is being used for medical marihuana production and/or research and development facilities.

Engineering

No upgrades to City sanitary, storm and water systems are required due to the proposed use on the site. New connections to the City water, storm and sanitary sewer systems will be required to service the subject site through the forthcoming building permit for the proposed uses. Fire flow calculations are also required to be submitted and confirmed by the applicant's engineering consultant at future building permit to confirm there is adequate flow.

Transportation

A Traffic Impact Assessment (TIA) has been submitted by a professional traffic engineer to examine transportation related issues associated with the proposal. Transportation staff have reviewed the submitted TIA and generally concur with the consultant's assessment that the traffic impacts to the surrounding area are minimal and that the on-site parking and loading provisions are adequate based on Zoning Bylaw 8500 requirements and proposed operations of the facility.

Transportation staff have also identified the need to implement additional pedestrian infrastructure upgrades across the frontage of the development site in the form of a 1.5 m paved pathway to be located behind the existing curb within the City road allowance. Design and construction of this walkway will be done through a City Work Order and must be completed prior to final inspection of the Building Permit.

Business Licensing

Should City Council approve the proposed rezoning, Business License Division staff will bring forward a separate report for Council consideration of various Bylaw amendments to administer and regulate this type of Business. Those Bylaw amendments would include the Business Licence Bylaw to identify the Business Licence Application requirements for this type of business, regulatory bylaws to support community safety efforts and to establish a Licence Fee. This separate report will be brought forward for Council consideration at a future date.

RCMP Comments

RCMP staff reviewed the overall facility security measures and protocols for the proposed medical marihuana production facility on the subject site and are satisfied that the proponent's security proposal meets the RCMP's standards for this type of facility operation.

Richmond Fire Rescue

To address fire, life and safety issues as required in Fire Protection and Life Safety Bylaw 8306, a fire safety plan is required to be approved by Richmond Fire Rescue staff prior to completing the building permit. The following are requirements and components to be included in the fire safety plan:

- Prepared by an appropriate fire safety consultant, with supporting information from a building code consultant where deemed necessary.
- Demonstrate compliance with applicable *BC Building Code*, *BC Fire Code*, Building Regulation Bylaw 7230 and other applicable federal, provincial and municipal regulations.
- Emergency procedures to be used in case of fire.
- Training and appointment of designated supervisory staff to carry out fire safety duties.
- Documents showing the type, location and operation of fire emergency system(s).
- The scheduling and holding of fire drills, supported with documentation.
- The control of fire hazards.
- Inspection and maintenance of facilities for the safety of the building's occupants.

Building Approvals

If rezoning approval is granted to permit a medical marihuana production facility on the site and in accordance with Building Regulation Bylaw 7230, submission of a building permit is required to undertake tenant improvement works and modifications to the building and to address the change of use in the building.

Analysis and Examination of Issues

Facility Security Provisions

Health Canada requires medical marihuana production and/or research and development facilities to be contained in a fully secured building. Facility security requirements are identified in the Health Canada's MMPR and *Directive on Physical Security Requirements for Controlled Substances*. Through the licensing application with Health Canada, an applicant must demonstrate how a proposed facility will meet and/or exceed Federal regulations and the specific security measures to be implemented. Health Canada approval to become a licensed producer will not occur until they are satisfied that the proposed security measures comply with the Federal regulations and are fully implemented (confirmed through on-site inspections undertaken by Health Canada staff). Health Canada has also confirmed that licensed production facilities will be inspected annually to ensure security measures remain.

The security measures included for the proposed medical marihuana production facility on the subject site involve multiple, overlapping layers of physical measures and active/electronic surveillance. RCMP staff have reviewed the proposed security measures and are satisfied that the proponent's security proposal meets the RCMP's standards for this type of facility operation.

Mitigating Impacts to the Surrounding Area

Minimal impacts to the surrounding businesses and industrial operations are anticipated. The proponent has outlined that the operations of the proposed medical marihuana production facility will be fully contained in the existing secured facility.

The proponent's building engineer consultant has confirmed that all beating, ventilation and air conditioning (HVAC) equipment to be installed on the proposed facility will comply with the provisions of the City's Noise Regulation Bylaw 8856. Furthermore, the proponent's consultant has also noted that the HVAC system is designed to filter all air exhausted from and drawn into the facility through a series of charcoal filters and that no odour outside of the facility is anticipated.

Health Canada - Confirmation of Approval

The proponent submitted an application to Health Canada to become a licensed producer under the MMPR in August 2013. Health Canada is currently reviewing the application. To ensure that rezoning approval is not granted to allow a medical marihuana production facility in advance of approval from Health Canada, a rezoning consideration is included in this report to receive confirmation of license approval by Health Canada under the MMPR (Attachment 5).

Financial Considerations - Tax Assessment

In November 2013, the BC Assessment Authority (BCAA) provided clarification that a Health Canada licensed medical marihuana production facility will qualify for farm classification for property tax purposes. A property owner must submit an application for a farm class review to determine eligibility.

A property obtaining farm class status through the BCAA for portions of the property under this classification would result in a decrease in assessed value and a reduction in the amount of municipal taxes collected for the subject property. It is anticipated that a medical marihuana production facility that is located in a designated industrial area will require typical access to City infrastructure and potentially result in increased service demand for City services (i.e., police, fire and community safety resources). This would shift the tax burden of providing these services to other tax payers if the site was granted farm class status.

The proponent has identified that they do not intend to apply to BCAA for farm classification and they intend to pay the property taxes based on the current assessment classification. The subject site is currently classified as Class 6 – Business/Other. To secure this approach, a legal agreement will be required that identifies the property owner will not apply to the BCAA to obtain farm class status on the subject site and will pay City taxes in keeping with the applicable tax rate based on the current classification for the property by the BCAA. This legal agreement will be secured as a rezoning consideration.

Change of Use and Remediation of Building

If the rezoning application is approved, the existing building will contain a number of specific building improvements and systems to support the operation of a medical marihuana production facility. If at any time in the future, the medical marihuana production facility ceases operations on the subject site, the remediation of the building to ensure health and safety standards remains a priority so that it can be used/occupied by other tenants in accordance with zoning. Therefore,

staff recommend that a legal agreement be registered on the subject site (as a rezoning consideration) that will:

- Place notice on title of the subject property that the site and building has been used as a medical marihuana production facility.
- Upon cessation of the use of the facility as a medical marihuana production facility, require the business operator of the medical marihuana production facility to:
 - Engage an appropriate professional consultant to assess the building and all supporting mechanical, electrical, plumbing and HVAC systems and make recommendations to remediate the building and site to address any environmental health, building safety and other issues as determined by the professional consultant;
 - o Undertake all necessary works to fully remediate the building and site; and
 - Submit verification from the professional consultant that the building and site has been remediated to the satisfaction of the professional consultant and to inform any potential purchasers of the subject site of this remediation.
- The City will not process any subsequent permit or license applications on the subject site until the City receives confirmation that the required assessment of the building has been completed by a professional consultant and that all recommended remediation works have been completed to the professional consultant's satisfaction.

Financial Impact or Economic Impact

None anticipated.

Conclusion

The rezoning proposal is for a Health Canada licensed medical marihuana production facility on the subject site to enable the growing, production and cultivation of medical marihuana and supporting activities that include research and development functions, product processing, storage, packaging, shipping/distribution and administrative offices. Overall, the proposal is consistent with the existing 2041 OCP Mixed Employment land use designation and all community safety and technical issues surrounding the proposed facility have been addressed.

In conjunction with the rezoning application for the subject site, staff are recommending amendments to the 2041 Official Community Plan to strategically manage Health Canada licensed medical marihuana production and/or research and development facilities City-wide and includes policies to ensure community safety and minimize any negative impacts to the surrounding area and community. The proposed rezoning complies with the proposed amendments to the 2041 OCP.

On this basis, staff recommend that Richmond 2041 Official Community Plan Bylaw 9100, Amendment Bylaw 9110 be introduced and given first reading. It is further recommended that Richmond Zoning Bylaw 8500, Amendment Bylaw 9109, be introduced and given first reading.

Terry Growe Manager, Policy Planning

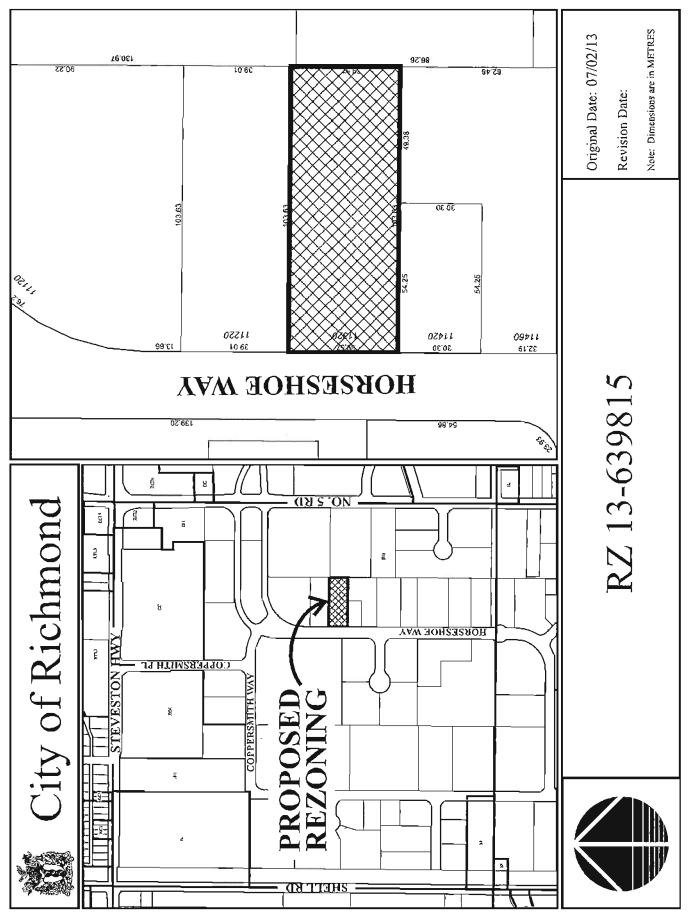
Kevin Eng

Planner 2

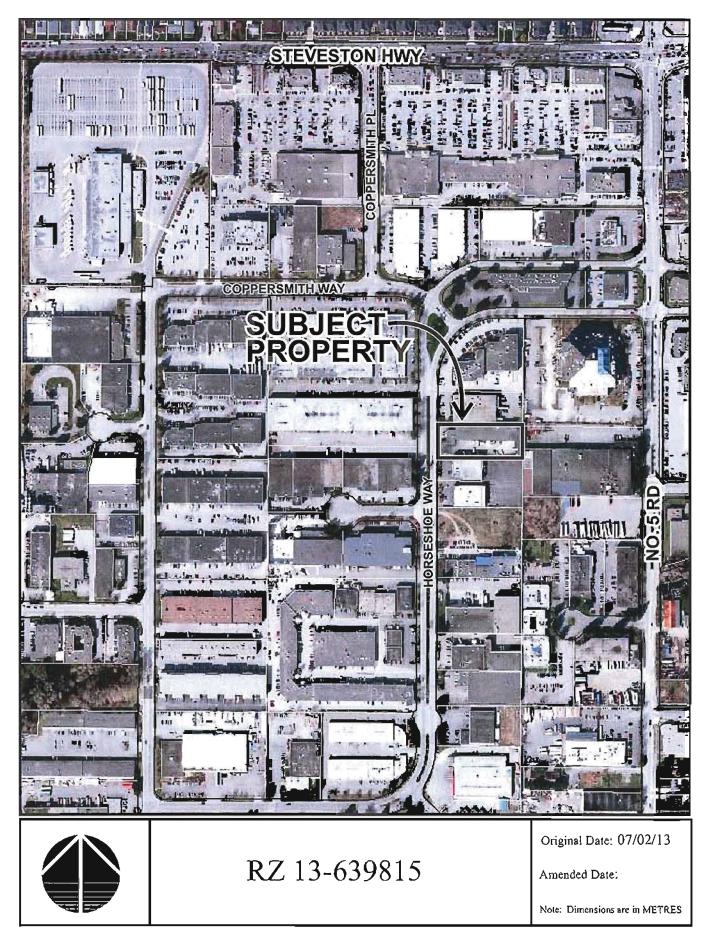
KE:cas

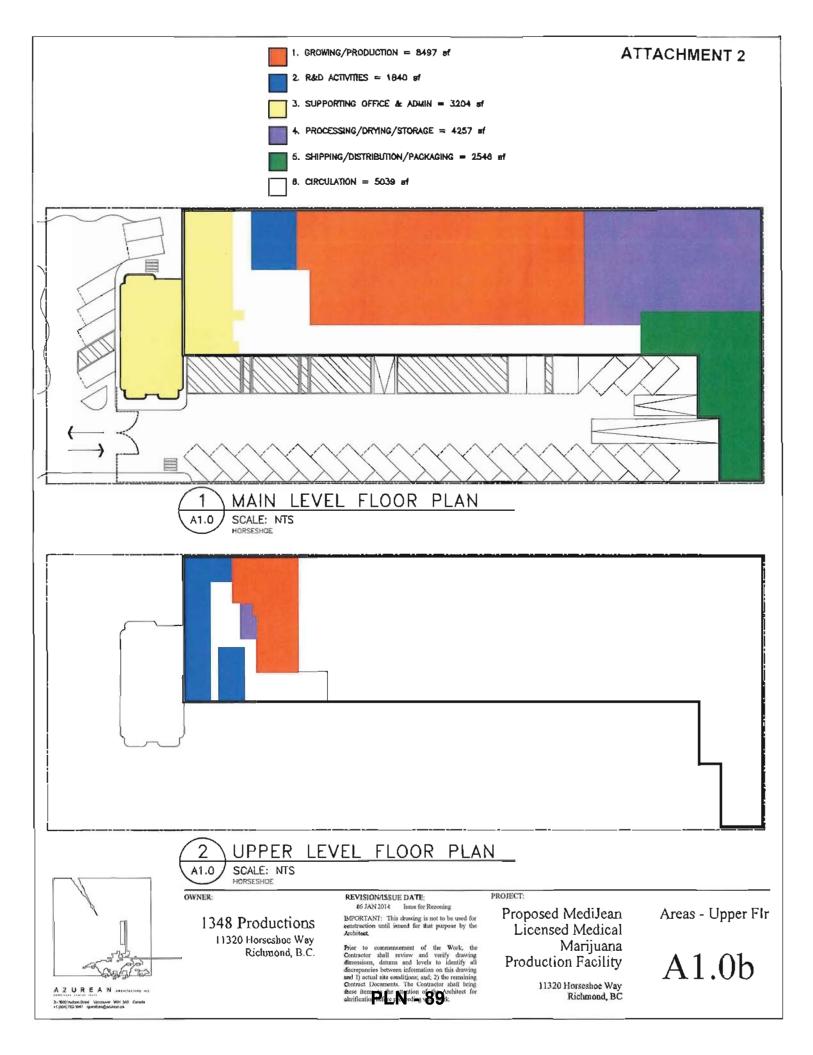
Attachment 1: Location Map Attachment 2: General Site Plan and Floor Area Breakdown Attachment 3: Development Application Data Sheet Attachment 4: Public Correspondence Attachment 5: Rezoning Considerations Concurrence

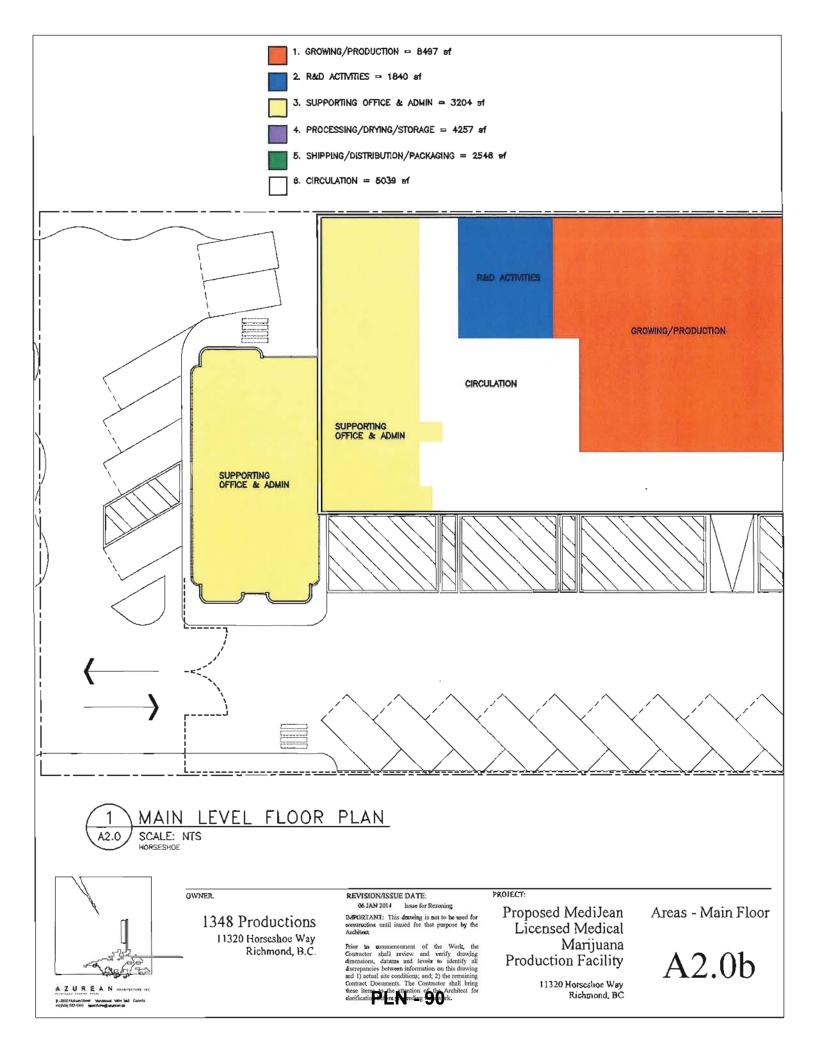
ATTACHMENT 1

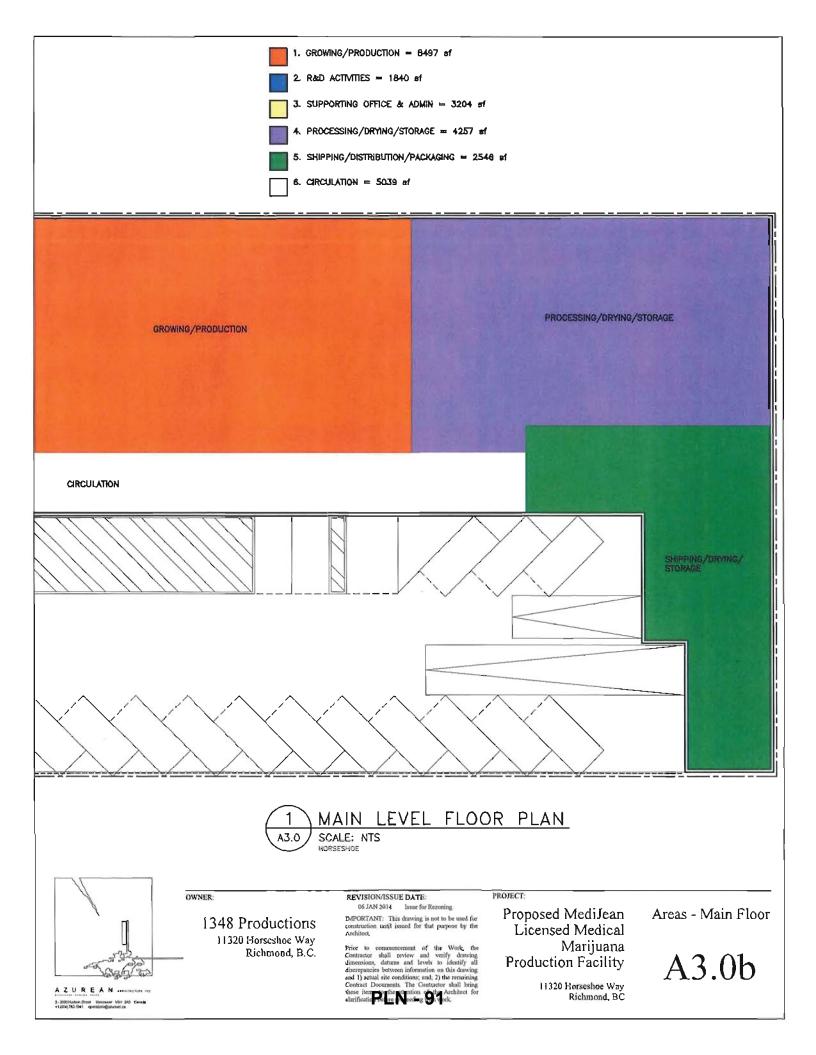


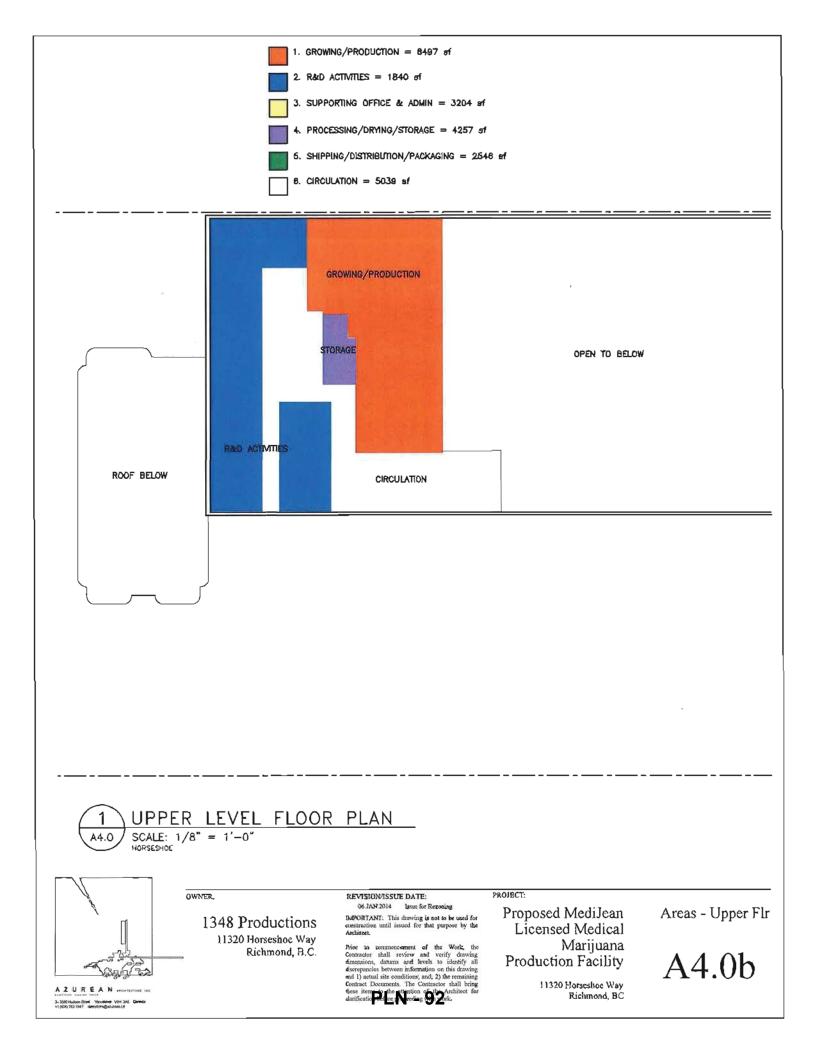
PLN - 87













Development Application Data Sheet

Development Applications Division

RZ 13-639815

Attachment 3

Address: 11320 Horseshoe Way

Applicant: 1348 Productions Incorporated (MediJean)

	Existing	Proposed
Owner:	1348 Productions Incorporated	No Change
Site Size (m ²):	4,097 m ²	No Change
Land Uses:	Office, storage and research and development	Medical marihuana production facility including accessory research and development, processing, storage, shipping/distribution and administrative offices.
OCP Designation:	Mixed Employment	No change - complies
Zoning:	Industrial Business Park (IB1)	New Licensed Health Canada – Pharmaceutical Production (ZI11) zoning district

On Future Subdivided Lots	Proposed New Zoning District	Proposed	Variance
Floor Area Ratio:	Max. 1.0 FAR	0.59 FAR	none permitted
Lot Coverage - Building:	Max. 60%	50%	none
Setback – Front Yard (m):	Min. 3.0 m	10.5 m Min.	none
Height (m):	12 m	6.4 m	попе
Off-street Parking Spaces - Total:	31	31	none

On-Site Bicycle Parking Requirements – Seven Class 1 spaces; Eight Class 2 spaces

 On-Site Loading Space Requirements – 1 large size loading space and 2 medium size loading spaces are required. The large loading space can be used to accommodate 2 medium sized loading spaces if the medium sized spaces are placed front-to-back.

Other:

ATTACHMENT 4

COPY



Mayor Malcolm Brodie City of Richmond Mayor's Office 6911 No. 3 Road Richmond, British Columbia V6Y 2C1 Canada

January 21, 2014

Hand Delivered

Dear Mayor Brodie,

Happy New Year to you and your family. This year offers all of us a great opportunity to continue to make a positive difference in people's lives.

First, let me begin by thanking you for the professionalism and support MediJean has received from you, your colleagues and your staff at the city. Developing effective protocols to properly deal with the medical marijuana initiative is by no means a simple matter. You, along with the efforts of your colleagues and staff, have gone to great strides to work out a process that may well become a precedent for other municipalities across the country as they also strive to work out solutions for this new industry. In doing so, you are ensuring the protection of your constituents' best interests by giving the municipality the opportunity to evaluate the merits of every proposed business participant and every potential site. This is a smart, well thought out approach and we support you in these efforts.

We believe that this industry has the potential to offer great value to the community-at-large, and as we have stated from the beginning, it is our intention to develop and continue developing a long-term partnership with all stakeholders, including: the different levels of government, Law Enforcement professionals, Doctors, Nurses, patients, prospective patients and the entire community. Medilean has a clear vision: to be the gold standard by which all companies in this industry will be compared. We will not rest in our efforts to always ensure that:

- we are providing the best medicine for the patients who rely on us,
- we are doing our part to ensure the public is protected,
- we are contributing to the science and body of research to help all Canadians,
- we earn the right to be considered an important part of the community.

We chose the City of Richmond as the location for our headquarters because we recognized that this is a municipality that has a long history of working with pharmaceutical and technology companies. MediJean is a bio-pharmaceutical company and technology development company, and the R&D we are conducting is cutting edge in this field. We employ Ph.Ds and other specialists to ensure we are leading the industry, both in the research we are doing on cannabis medicine and the quality standards we employ in our processes. In fact, our goal is to consistently exceed the requirements of the Canadian Food and Drug Act and the quality standards established by the World Health Organization (W.H.O.).

One of the elements that distinguishes us from other approaches in this industry is the IT "ecosystem" we have developed to make certain that our operation is fully auditable from seed to harvest to packaging to the courier delivering the finished product to the patient. This ecosystem is designed to protect the privacy of the patient and allow them to contribute their "nonpersonal" data to be used in on-going clinical trials. Through the R&D we are doing on the plant itself to the clinical trials we will be conducting, Medilean will be presenting the Canadian public



with an offering that is unlike any other and we are proud to be doing this from within the City of Richmond.

As you are aware, we have worked diligently with your staff to ensure our facility, which houses our headquarters is state-of-the-art; the laboratory, vault, IT eco-system, distribution components and grow technology exceed all of the City's requirements. As a result, we are well positioned to meet the demands of you and your constituents as we proceed through rezoning in the coming weeks. We are looking forward to the upcoming Planning Committee meeting and the subsequent Council meetings thereafter.

We have stated that it is clear to us that any medical marijuana facility that operates within the City of Richmond must be in an industrial area and must not impact the usable agricultural land, nor residents in residential zones. Furthermore, it is our belief that an industrial facility must exceed the expectations of Fire and Rescue, Hydro, and have no Impact on the community in any noticeable shape or form. We also believe it is helpful to place any facility of this nature in close proximity to the RCMP to help fight against the stigma associated with the expiring regulations and therefore showing openness and transparency. We are serious about developing a strong and positive relationship with the Law Enforcement community, and continue to make efforts to invite the RCMP to tour our operations whenever they are available to do so; this invitation is also open to Fire and Rescue and, of course, yourself.

In addition to being open and transparent with our partners, we will be paying our taxes, unveiling corporate responsibility measures, and creating jobs. Currently we employ over 30 people directly and double that when you consider all of our sub-contractors; several of whom are local businesses. Add up all of the points I have already mentioned with the fact that to date our business investment tops over \$10 million and you see why we are and will continue to be considered leaders in this industry.

Health Canada has developed these new regulations for this industry and we have accepted the challenge of being leaders in it. We understand we were among the first to receive the R&D exemption that enabled us to grow marijuana for medical research and we are the only company that has taken the appropriate steps to educate the public on medical cannabis in general. For example, you can see some of our education efforts in action at our website http://medicalmarijuana.medijean.com.

Thank you again for your support. We are looking forward to continuing to develop this partnership. As part of that, I would welcome your call anytime at 604.277.2247. I look forward to establishing a closer relationship with you, perhaps over coffee or lunch on occasion. Medilean wants to be your partner and part of that is working together to ensure you have a full understanding of everything we are doing to enable you to inform your constituents when appropriate.

Yours sincerely,

Jean Chiasson, Chief Executive Officer, Medilean

CC: Council, City of Richmond George Duncan, Chief Administrative Officer, City of Richmond



Joe Erceg, Deputy CAO and GM Planning and Development, City of Richmond Wayne Cralg, Director of Development, City of Richmond Terry Crowe, Manager, Policy Planning Division, City of Richmond Kevin Eng, Planner, Policy Planning Division, City of Richmond Anton Mattadeen, Chief Strategy Officer, MediJean Deb Salahor, Program Manager, MediJean Justin Ferguson, VP Business Development, Pathway Group

.

COLIN LEECH-PORTER M.D., F.R.C.P. (Canada)

#7 – 3596 West 27th Avenue Vancouver, BC, V6S 1P8, Canada TEL. 604-737-0600, FAX 604-737-1671 E-mail: colin!p@shaw.ca

November 9, 2013

Re: "MediJean"

To whom it may concern:

I, Colin Leech-Porter, am a psychiatrist practising in Vancouver, BC.

Over the past year I have done consultations on many patients who were referred to me by their family doctor or a walk-in clinic doctor, but whose coming to me was initiated by their contact with MediJean.

The patients whom I have seen have come with a variety of problems and have told me very clearly that they have benefitted from the use of marijuana. Their marijuana use is primarily through various oral forms which include leas, butters, cookles, julcing and occasionally I have approved vaporization as well.

I have seen patients with a variety of problems including everything from systemic disease such as Multiple Sclerosis, to people who have become paraplegic or have been in various accidents which have left them with continued pain. I have also seen patients whose primary problems are mild depression or anxiety and insomnia.

I have also seen a number of patients who have had problems with prescribed drugs and/or buying street drugs, which include everything from opiates through crack and cocaine, heroin, alcohol, etc. They have told me that they have reduced their consumption of prescribed or illicit medication by the use of marijuana.

I have been impressed with the way in which MediJean (the company) have done business. I have visited their lab and have seen their security and production, besides discussing how they intend to deal with the necessary research with respect to marijuana.

The people at MedlJean have discussed the number of varietals of marijuana there are. I have seen how they propose to do research and get feedback from the various prescribing doctors.

Among the various strains of marijuana that are available, there are a number of characteristics which would lead one to prescribe a different varietal for a different condition. I think that both the geneticist and other staff at MediJean have a good understanding of what may work well and they are going through the process of setting up computer programs that will assess and collate that data.

The staff at MediJean are addressing the concerns that health care professionals, practitioners and patients may have. They are working towards establishing a research protocol which will aid practitioners in prescribing for their patients.

2.../

November 9, 2013 Re: MediJean

I expect to be involved on an advisory basis within the MediJean Corporation and look forward to working with them.

It is my opinion that MedlJean Corporation is operating in a very professional way and we can expect some very exemplary research to come from the company which will help practitioners in the prescription of the various forms of marijuana.

Yours truly,

C Lent - Kotos

C. Leech-Porter, M.D. CL-P/mgl

Mayor and Council City of Richmond 6911 No. 3 Road Richmond, British Columbia V6Y 2C1 Canada

January 17, 2014

Dear Mayor and Council,

I am an active middle aged woman, a wife and mother. Ten years ago I was diagnosed with Multiple Sclerosis. With this particular disease, I suffer from neuropathic pain, the disfunction of my nerve endings results in the sensation of electrical shock "jolts" throughout my body. These jolts wake me up during sleep and keep me awake, therefore, it has become common for me to have sleeps of merely 3 to 5 hours each night. This has become my normal circumstance, and after several years it has become exhausting. Exhausting... not to mention that the lack of quality sleep is exacerbating other health issues and the complications of MS.

For the past couple years I have accepted the medical attention of specialists who were helping me under the existing Health Canada medical marijuana program and who are now a part of MediJean and I trust their expertise. The results speak for themselves. Since engaging the specialists who are now with MediJean and beginning their treatments I have experienced a very significant decline in pain at my nerve endings, the electrical shocks during sleep have disappeared. I am now able to stand more comfortably and am sleeping through the night, 7 to 10 hours undisturbed....I feel like a new person. I'm sure my family is noticing the difference.

It is imperative that I am able to continue my treatment under the new Health Canada program and a major part of that is working with a provider that I trust. For me, these are the specialists at MediJean. In my opinion, there are a number of "medical pretenders" out there but MediJean is distinguished by it's professionalism, and they are the specialists that I feel comfortable trusting my health to.

Linda Lachappelle Vancouver, BC MediJean 11320 Horseshoe Way Richmond, BC V7A 4V5

November 09, 2013

Dear Medijean,

I anxiously await your completion of Health Canada requirements and getting your facility operational. I have had the pleasure of working with members of your team through the expiring Health Canada program and appreciate the professionalism and care they took to work with me to find a solution that helped my health. Being somebody who requires this medicine is frankly scary; since quality assurance is so important, it is imperative to be able to trust your producer. I was relieved to find out that you will be starting a company under the new Health Canada program and when I read about your focus on R&D and Quality Assurance it made me extremely happy - you guys actually seem to understand.

I have had two back reconstruction surgeries in the last two years and also have further spinal disease throughout my back, including narrowed foramina in 6 areas, conjoined vertebrae and severe arthritis.

Medical marijuana has eased the muscle spasms surrounding the surgical area, thus eliminating pain, enabling me to exercise or do household chores. It also eliminated my persistent nausea related to my back condition and eases the discomfort of arthritis in my neck. Medical marijuana has been able to target the areas where I need help and otherwise leave me able to function quite well.

Throughout my life I have tried every type of pain medication possible and medical marijuana is the only one that works on so many levels.

Thank you for your help under the old program. For my health, I really need you to be successful with the startup of MediJean.

Warmest Regards, Marion Parker MediJean 11320 Horseshoe Way Richmond, BC V7A 4V5

November 14, 2013

Dear MediJean,

I currently suffer from severe Irritable Bowel Syndrome, severe depression and anxiety.

It had been recommended to me that I try medical marijuana as a possible solution to my problems. I was skeptical because of the stigma that surrounds this medicine. However, after doing research and talking to professionals I decided it was worth a try. The results have been tremendous. Medical marijuana has completely changed my life, made me functional in a way that I never thought was possible.

As with any pharmaceutical medication, you don't simply take a shot in the dark and trust a certain medicine to treat your ailments. I need you to get your Health Canada approval and get your facility operational. I have reviewed your approach and it is clear you are the leaders in the industry. Your recognition of the quality assurance component and the efforts you are taking to show what a credible company looks like are a relief to me.

Life is not life without being able to enjoy the company and life events of loved ones. Without the medical marijuana I am not able to live my life to the fullest.

Thanks for being a credible company in this emerging industry.

Sincerely,

Sylvia Boyd



Rezoning Considerations

Development Applications Division 6911 No. 3 Road, Richmond, BC V6Y 2C1

Address: 11320 Horseshoe Way

File No.: RZ 13-639815

Prior to final adoption of Richmond Zoning Bylaw 8500, Amendment Bylaw 9109, the developer is required to complete the following:

- 1. Provincial Ministry of Transportation & Infrastructure Approval.
- 2. Registration of a flood plain covenant on title identifying a minimum habitable elevation of 2.9 m GSC.
- 3. Submission of documentation, to the satisfaction of the Director of Development, confirming approval/issuance of the appropriate license from Health Canada through the Marihuana for Medical Purposes Regulations (MMPR) to undertake medical marihuana production by the proponent on the subject site. The proponent/applicant also will provide any necessary authorizations/consent for the City to contact Health Canada to obtain information on the status of the license.
- 4. Registration of a legal agreement on title ensuring that the property owner will not apply to the BC Assessment Authority (BCAA) to obtain farm class status on the subject site and will pay City taxes in keeping with the applicable tax rate based on the current subject site's land classification by the BCAA (Class 6 – Business/Other).
- 5. Registration of a legal agreement on title that will:
 - a) Place notice on title of the subject property that the site and building has been used as a medical marihuana production facility.
 - b) Upon cessation of the use of the facility as a medical marihuana production facility, require the business operator of the medical marihuana production facility to:
 - Engage an appropriate professional consultant to assess the building and all supporting mechanical, electrical, plumbing and HVAC systems and make recommendations to remediate the building and site to address any environmental health, building safety and other issues as determined by the professional consultant;
 - Undertake all necessary works to fully remediate the building and site; and
 - Submit verification from the professional consultant that the building and site has been remediated to the satisfaction of the professional consultant to inform any potential purchasers of the subject site.
 - The City will not process any subsequent permit or license applications on the subject site until the City receives confirmation that the required assessment of the building has been completed by a professional consultant and that all recommended remediation works have been completed to the professional consultant's satisfaction.

Prior to Building Permit Issuance, the developer must complete the following requirements:

- 1. Submission of a Fire Safety Plan to Richmond Fire Rescue staff for review and approval in accordance with Fire Protection and Life Safety Bylaw 8306 of which the following requirements will apply:
 - a) Prepared by an appropriate fire safety consultant, with supporting information from a building code consultant where deemed necessary.
 - b) Demonstrate compliance with applicable BC Building Code, BC Fire Code, Building Regulation Bylaw 7230 and other applicable federal, provincial and municipal regulations.
 - c) Emergency procedures to be used in case of fire.
 - d) Training and appointment of designated supervisory staff to carry out fire safety duties.
 - e) Documents showing the type, location and operation of fire emergency system(s).
 - f) The holding of fire drills, with appropriate documentation.
 - g) The control of fire hazards.



Initial:

- h) Inspection and maintenance of facilities for the safety of the building's occupants.
- i) Richmond Fire Rescue must approve the fire safety plan prior final inspection occurring for the Building Permit on the subject site.
- 2. Completion of a City work order to design and construct a 1.5 m wide asphalt pathway along the subject site's frontage and contained with the existing road dedication (Horseshoe Way).
 - a) An engineered design is required to be submitted by the applicant's consulting engineer for review and approval by City staff.
 - b) Based on the approved design, the City will complete a cost estimate of all works to be completed and the developer/proponent will submit a deposit to the City for the estimated amount to complete all of the works (based on the amount of the cost estimate) for City staff to complete all works based on the approved design.
 - c) All works will be at the sole cost of the developer/proponent, including any costs that exceed the original cost estimate and deposit amount submitted to the City.
- 3. New connections to the City's storm and sanitary sewer system where the existing "pot to pot" service hook-up is to be abandoned/removed and the new service is to be connected directly to the City's storm and sanitary sewer system. A new water service is required to replace the existing 35 year old connection. Fire flow calculations are also required to be submitted and confirmed by the applicant's engineering consultant to confirm there is adequate flow.
- 4. Submission of a Construction Parking and Traffic Management Plan to the Transportation Division. Management Plan shall include location for parking for services, deliveries, workers, loading, application for any lane closures, and proper construction traffic controls as per Traffic Control Manual for works on Roadways (by Ministry of Transportation) and MMCD Traffic Regulation Section 01570.
- 5. Obtain a Building Permit (BP) for any construction hoarding. If construction hoarding is required to temporarily occupy a public street, the air space above a public street, or any part thereof, additional City approvals and associated fees may be required as part of the Building Permit. For additional information, contact the Building Approvals Division at 604-276-4285.

Note:

Where the Director of Development deems appropriate, the preceding agreements are to be drawn not only as personal covenants
of the property owner but also as covenants pursuant to Section 219 of the Land Title Act.

All agreements to be registered in the Land Title Office shall have priority over all such liens, charges and encumbrances as is considered advisable by the Director of Development. All agreements to be registered in the Land Title Office shall, unless the Director of Development determines otherwise, be fully registered in the Land Title Office prior to enactment of the appropriate bylaw.

The preceding agreements shall provide security to the City including indemnities, warranties, equitable/reot charges, letters of credit and withholding permits, as deemed necessary or advisable by the Director of Development. All agreements shall be in a form and content satisfactory to the Director of Development.

- Additional legal agreements, as determined via the subject development's Servicing Agreement(s) and/or Development Permit(s), and/or Building Permit(s) to the satisfaction of the Director of Engineering may be required including, but not limited to, site investigation, testing, monitoring, site preparation, de-watering, drilling, underpinning, anchoring, shoring, piling, pre-loading, ground densification or other activities that may result in settlement, displacement, subsidence, damage or nuisance to City and private utility infrastructure.
- Applicants for all City Permits are required to comply at all times with the conditions of the Provincial Wildlife Act and Federal
 Migratory Birds Convention Act, which contain prohibitions on the removal or disturbance of both birds and their nests. Issuance
 of Municipal permits does not give an individual authority to contravene these legislations. The City of Richmond recommends
 that where significant trees or vegetation exists on site, the services of a Qualified Environmental Professional (QEP) be secured
 to perform a survey and ensure that development activities are in compliance with all relevant legislation.



Richmond Zoning Bylaw 8500 Amendment Bylaw 9109 (RZ 13-639815) 11320 Horseshoe Way

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

- Richmond Zoning Bylaw 8500 is amended by inserting the following zone into Section 23 Site Specific Industrial Zones:
 - "23.11 Licensed Health Canada Pharmaceutical Production (ZI11)
 - 23.11.1 **Purpose**

The zone provides for a range of general industrial uses and stand alone offices, with a limited range of compatible uses. The zone also allows for medical maribuana production facility and medical maribuana research and development facility.

23.11.2 Permitted Uses

- animal daycare
- animal grooming
- animal shelter
- auction, minor
- broadcasting studio
- child care
- commercial storage
- commercial vehicle parking and storage
- contractor service
- education, commercial
- emergency service
- government service
- health service, minor
- industrial, general
- library and exhibit
- manufacturing, custom indoor
- medical marihuana production facility
- medical marihuana research and development facility
- office
- recreation, indoor

- recycling depot
- recycling drop-off
- restaurant
- utility, minor
- vehicle body repair or paint shop
- vehicle repair
- 23.11.3 Secondary Uses
 - residential security/operator unit
- 23.11.4 **Permitted Density**
 - 1. The maximum floor area ratio is 1.0.
- 23.11.5 Permitted Lot Coverage
 - 1. The maximum lot coverage is 60% for buildings.
- 23.11.6 Yards & Setbacks
 - 1. The minimum front yard and exterior side yard is 3.0 m, provided that an adequate transition is made if the front yard and exterior side yard is greater on adjacent and/or abutting developments.
 - 2. There is no minimum interior side yard or rear yard.
- 23.11.7 Permitted Heights
 - 1. The maximum height for buildings is 12.0 m.
 - 2. The maximum height for accessory structures is 20.0 m.
- 23.11.8 Subdivision Provisions and Minimum Lot Size
 - 1. There is no minimum lot width, except for an animal shelter which must have a minimum lot width of 60.0 m.
 - 2. There is no minimum lot depth requirement.
 - 3. There is no minimum lot area, except for an animal shelter which must have a minimum lot area of 2.0 ha.

23.11.9 Landscaping & Screening

1. **Landscaping** and screening shall be provided according to the provisions of Section 6.0.

23.11.10 On-Site Parking and Loading

1. On-site vehicle and bicycle parking and loading shall be provided in according to the standards set out in Section 7.0.

23.11.11 Other Regulations

- 1. In addition to the regulations listed above, the General Development Regulations in Section 4.0 and the Specific Use Regulations in Section 5.0 apply.
- 2. A building used as a medical marihuana production facility and medical marihuana research and development facility must not contain any other permitted uses in the same building at any given time unless they are directly related to the principal use of a medical marihuana production facility or medical marihuana research and development facility."
- 2. The Zoning Map of the City of Richmond, which accompanies and forms part of Richmond Zoning Bylaw 8500, is amended by repealing the existing zoning designation of the following area and by designating it "LICENSED HEALTH CANADA PHARMACEUTICAL PRODUCTION (ZI11)".

P.I.D. 003-865-924 Lot 46 Section 1 Block 3 North Range 6 West New Westminster District Plan 56980 3. This Bylaw may be cited as "Richmond Zoning Bylaw 8500, Amendment Bylaw 9109".

FIRST READING

A PUBLIC HEARING WAS HELD ON

SECOND READING

THIRD READING

OTHER CONDITIONS SATISFIED

MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE APPROVAL

ADOPTED

MAYOR

CORPORATE OFFICER





Richmond Official Community Plan Bylaw 9000 Amendment Bylaw 9110 (Health Canada Licensed Medical Marihuana Production Facilities and Medical Marihuana Research and Development Facilities)

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

1. Richmond Official Community Plan Bylaw 9000 is amended by adding the following text to Section 3.0 Connected Neighbourhoods with Special Places:

"3.6.5 Health Canada Licensed Medical Marihuana Production, and Research and Development Facilities

OVERVIEW

In June 2013, Health Canada enacted the *Marihuana for Medical Purposes Regulations* (*MMPR*) to better manage the research, production and distribution of medical marihuana.

In December 2013, Council amended the Zoning Bylaw to not permit medical marihuana production facilities and medical marihuana research and development facilities in any zoning district City-wide, as they were a new land use, their potential impacts were unknown and it is desirable to prevent the unnecessary proliferation of facilities. Over time, if Council receives requests to approve medical marihuana production facilities and medical marihuana research and development facilities, to protect the City's interests, Council may consider such proposed facilities, on a case-by-case review basis, subject to meeting rigorous social, community safety, land use, transportation, infrastructure, environmental and financial planning, zoning and other City policies and requirements. This section establishes the policies and requirements, by which such proposed facilities may be considered and, if deemed appropriate, approved.

TERMS

In this section, the following terms apply:

- "Medical Marihuana Production Facility" - means a facility for the growing and production of medical marihuana in a fully enclosed building as licensed and lawfully sanctioned under Health Canada's Marihuana for Medical Purposes Regulations (as amended from time to time), including the necessary supporting accessory uses related to processing, testing, research and development, packaging, storage, distribution and office functions that are directly related to and in support of growing and cultivation activities. - "Medical Marihuana Research and Development Facility" – means a facility for the research and development of medical marihuana only in a fully enclosed building as lawfully sanctioned by Health Canada under the Controlled Drugs and Substances Act (as amended from time to time).

OBJECTIVE 1

Protect the City's social, economic, land use and environmental interests when considering proposed medical marihuana production facilities and medical marihuana research and development facilities by preventing their unnecessary proliferation, avoiding long term negative effects, and ensuring minimal City costs.

POLICIES

- a) Limit medical marihuana production facilities and medical marihuana research and development facilities, through the rezoning process, to one facility in an OCP designated Mixed Employment or Industrial area. Any future proposals for a medical marihuana production facility or a medical marihuana research and development facility may be considered on a case-by-case basis and may require additional OCP amendments.
- b) A medical marihuana production facility must:
 - i. Be located in a standalone building, which does not contain any other businesses;
 - ii. Have frontage on an existing, opened and constructed City road, to address infrastructure servicing and emergency response requirements;
 - iii. Avoid negatively affecting sensitive land uses (e.g., residential, school, park, community institutional); and
 - iv. Not emit any offensive odors, emissions and lighting to minimize negative health and nuisance impacts on surrounding areas.
- c) Medical marihuana production facility applicants shall engage qualified professional consultants to prepare required studies and plans through the City's regulatory processes (e.g., rezoning, development permit, building permit, other).
- d) Medical marihuana production facility applicants shall ensure that proposals address the following matters, through the City's regulatory processes (e.g., rezoning, development permit, building permit, other):
 - i. Compliance with City social, community safety, land use, building, security (e.g., police, fire, emergency response), transportation, infrastructure (e.g., water, sanitary, drainage), solid waste management, environmental (e.g., Environmentally Sensitive Areas, Riparian Management Areas, Ecological Network), nuisance (e.g., noise, odour and emissions) financial and other policies and requirements;
 - ii. Compliance with all federal, provincial and regional (e.g., Metro Vancouver) policies and requirements;
 - iii. Compliance with the City Building Regulation Bylaw, Fire Protection and Life Safety Bylaw, Noise Regulation Bylaw, Business License Bylaw, Business Regulation Bylaw and other related, applicable City Bylaws; and
 - iv. Compliance with the current BC Building Code, BC Fire Code, BC Fire Services Act, BC Electrical Code, and other related codes and standards.

- e) The applicant/owner of a Health Canada licensed and City approved medical marihuana production facility shall be responsible for full remediation of the facility should it cease operations or upon closure of the facility.
- f) Consultation with stakeholders on a proposed medical marihuana production facility shall be undertaken as deemed necessary based on the context specific to each proposal."
- 2. This Bylaw may be cited as "Richmond Official Community Plan Bylaw 9000, Amendment Bylaw 9110".

FIRST READING	[CITY OF RICHMOND
PUBLIC HEARING		APPROVED by LE
SECOND READING		APPROVED by Manager or Solicitor
THIRD READING	/	TC
ADOPTED		

MAYOR

CORPORATE OFFICER