

## Applying for a Cannabis Business FAQs

This guide walks potential applicants or other interested parties through commonly asked questions about [starting a cannabis business in Calgary](#).

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### 1. About Cannabis Business Types

#### What types of cannabis businesses are allowed in Calgary?

There are [three types of cannabis businesses allowed in Calgary](#). Cannabis stores, cannabis facility and cannabis counselling.

- A Cannabis Store displays, sells, or offers for sale cannabis and must have a provincial retail cannabis licence.
- A Cannabis Facility is a business where the primary use includes the growing, processing, producing, testing, destroying, storing, or distribution of cannabis and must be a licenced producer. Currently this applies to medical cannabis production but it is expected that when Federal regulations change that recreational and medical production could occur on the same site.
- Cannabis Counselling businesses provide counselling by persons who are not medical professionals on cannabis use.

#### How do I start a business growing cannabis?

A Cannabis Facility allows for the growing or production of cannabis. However, the federal government has indicated that it intends to [regulate the production of cannabis](#). Producers looking to establish a Cannabis Facility in Calgary need to contact the Federal government for regulation details prior to applying with The City.

**What types of products can be sold by cannabis stores?**

Cannabis stores will be permitted to sell cannabis products and cannabis accessories that promote responsible use. A cannabis accessory means items that are presented to be used in the consumption of cannabis as per the [federal government's proposed regulations](#).

**What kind of application do I need to make if I want to sell cannabis as well as home growing kits or other retail items?**

The sale of cannabis can only be done through the Cannabis Store use, which does allow for a small amount of sale or rental of cannabis-related merchandise. The sale of cannabis cannot be combined with other retail uses in the same store.

**Can I start selling cannabis out of my current retail store if I just stop selling other items?**

No. A new development permit is required. Anyone wishing to sell cannabis must go through the application process to become a cannabis store.

**Can I convert my existing cannabis counselling business to a cannabis store?**

A new development permit will be required. It's possible that your current cannabis counselling business location is the appropriate land use for a cannabis store, but a new application for this business type will be required. This includes new permits and licencing approval prior to the sale of cannabis.

**Can I open a cannabis store in a mall (does it have to be a stand-alone space)?**

Cannabis stores can be located within a parcel that meets the land use requirements and the separation distances. A Change of Use Development Permit (DP) application is required for an existing space. When listed in a Land Use District, Cannabis Store will be a discretionary use and will be managed through the development permit process, including provisions for notice posting and opportunity for appeals. Applicants should make themselves familiar with [the Development Permit process](#). You should check with your landlord before applying.

**Can I operate a mobile cannabis store?**

No. Mobile cannabis stores are not allowed.

**Can I operate a cannabis store or sell cannabis from my home?**

No. Cannabis stores are not permitted in residential land use districts.

**Can I operate a cannabis delivery service?**

No. Cannabis delivery is not allowed.

## 2. Land Use Requirements

### Where can applicants open cannabis-related businesses?

Cannabis businesses need to ensure that when selecting their location, they are selecting a parcel with the appropriate land use.

All businesses in Calgary require their site to have the appropriate land use that allows for the proposed business use. Each space in a building has its own specified, approved use that cannot be changed without a development permit. Cannabis-related businesses can only operate within specific land uses.

Additionally, the Land Use Bylaw requires separation distances designed to limit the impact of cannabis businesses near schools, emergency shelters, childcare services, places of worship, pawn shops and payday loans, liquor stores and other cannabis businesses to manage potential cumulative environmental, social and aesthetic impacts, and ensure opportunities for other types of businesses to provide goods and services to communities.

Full details about separation distances for each business type can be found on the following pages:

- [Cannabis Store](#)
- [Cannabis Facility](#)
- [Cannabis Counselling](#)

### What land use district should a business locate in to operate a cannabis store?

Detailed information on appropriate land use districts for each of the three business types can be found on the business-specific information pages:

- [Cannabis Store](#)
- [Cannabis Facility](#)
- [Cannabis Counselling](#)

### What if my land use is listed as a Direct Control District?

All parcels located within a Direct Control District (DC) should contact the Planning Services Centre (403-268-5311) to determine if their parcel is suitable for a cannabis business.

There is a specific, unique set of uses and rules for each of Calgary's Direct Control (DC) Districts. Each DC has its own bylaw number (or, prior to 1980, a resolution number) identifying applicable uses and rules for each district.

In general, only recent DCs may have wording that may incorporate the proposed Land Use Bylaw uses of Cannabis Store, Cannabis Counselling and Cannabis Facility.

**How can I find out whether there are other businesses or schools etc. near me before I apply?**

For Cannabis Store applications, applicants are required to provide detailed information on separation distances and measurements once their application is submitted. [An interactive map has been developed](#) to provide broad data to display the overlap of these separation distances as well as provide applicants with some information on areas in which a Cannabis Store could be situated, but is not suitable for taking measurements. This tool does not include potential overlap for cannabis facilities or cannabis counselling.

**Are there separation distances from places of worship?**

The Development Authority should generally not approve a Cannabis Store within 30 metres of a Place of Worship. The Development Authority is not required to apply this guideline in all cases, but should consider the impact of the location of the proposed Cannabis Store in relation to the nearby Place of Worship. In requiring a 30 metre separation, Council has identified that these uses may be incompatible when considered in the context of the neighbourhood.

**Are there separation distances from payday loans or pawn shops?**

The Development Authority should generally not approve a Cannabis Store within 30 metres of a Payday Loan or Pawn Shop. The Development Authority is not required to apply this guideline in all cases, but should consider the overall number and concentration of Payday Loans, Pawn Shops and Cannabis Stores on a Main Street or in an area, as well as the local context.

**Are there separation distances from childcare services?**

The Development Authority should generally not approve a Cannabis Store within 10 metres of a Child Care Service. The Development Authority is not required to apply this guideline in all cases, but should consider the impact of the location of the proposed Cannabis Store in relation to the nearby Child Care Service. In requiring a 10 metre separation, Council has identified that these uses may be incompatible when considered in the context of the neighbourhood.

### 3. Federal and Provincial Regulations

**What does the federal government control regarding the sale of cannabis?**

Federal legislation will enable a regulatory regime for the licensed production of cannabis and sale of medical cannabis. All businesses interested in growing cannabis must adhere to [Federal government rules and regulations related to licenced growing](#).

**What does the Provincial government control regarding the sale of cannabis?**

The Province of Alberta has been given the ability to [regulate the sale of cannabis](#). Updates to the Alberta Gaming, Liquor and Cannabis Regulation were passed in July 2018, which govern how privately-owned stores will operate, including:

- who can own cannabis stores

- where they can be located
- staff requirements
- safety and security requirements
- other operational details

The [Alberta Gaming, Liquor and Cannabis Commission \(AGLC\)](#) will carry out licensing, oversight and compliance functions for privately owned cannabis retail stores, as well as managing the distribution of cannabis to these stores.

Details on the provincial process and requirements for applying to get a retail cannabis store licence are available on their website.

### **What permits are required by other levels of government to open a cannabis businesses?**

#### **Provincial business licence**

In addition to municipal approvals, businesses that want to sell cannabis in Alberta must have a retail cannabis store licence issued by the AGLC. AGLC has provided [a full list of details on the AGLC application](#).

**Note:** Provincial licensing applications are not administered through The City of Calgary.

#### **Federal licence**

The federal government has indicated that it intends to regulate the production (growing) of cannabis. Businesses looking to establish a Cannabis Facility in Calgary need to [contact the Federal government for further information](#). Municipal approvals for this type of use are also required.

**Note:** Federal licensing applications are not administered through The City of Calgary.

## **4. Applying for a Cannabis Business in Calgary**

### **How can I apply for a cannabis business?**

Applications for a Cannabis Stores can be [submitted online](#). Businesses can also apply in-person at the counter at the Calgary Municipal Building. For more information on the application process, prospective applicants are encouraged to view [the cannabis store webinar video](#).

### **Can we fill out the application online and save it?**

The online application tool does not allow you to save data you have entered and return at a later time.

### **Can I use my existing BID to apply online as a business customer?**

All cannabis related applications applied for through the online system will require a myID personal account, and cannot be applied for using a business account.

### **What paperwork/information do I need to apply for a cannabis business?**

A detailed [application form](#) is available to apply at the counter. If you plan to apply online this form lists what information will be asked to provide. However, generally you will require:

- Applicant information (who is applying)
- Business details
- Ownership information (who will own the business)
- Land use details including site plans
- Proposed construction or alteration details (what you propose to change in the building)

### **What types of municipal permits or licences are needed to open a cannabis business?**

- Cannabis stores require a development permit, a business licence and building permits. These are all issued by The City of Calgary.
- Cannabis counselling requires a development permit and may require a building permit. These are issued by The City of Calgary.
- Cannabis facilities require a development permit, a business licence and building permits. These are all issued by The City of Calgary.

**Note:** Additional provincial licencing requirements exist for Cannabis Stores and federal licencing for Cannabis Facilities. Applicants should ensure they are informed of these licencing requirements prior to application with The City.

### **Does the application to the AGLC have to be submitted prior to the City of Calgary application?**

You will need all AGLC and City permits and licences prior to operating a Cannabis Store. The order you apply for these applications does not matter as long as you obtain all necessary approvals. It is important to note that without the provincial licence, a cannabis store cannot operate even if they have been granted municipal approval.

## **5. Reviewing Applications**

### **How will The City decide which cannabis store applications get approved?**

The standard business practice in Planning and Development is to review applications and make decisions (either to approve or refuse) based on the order that the applications were received whether online or in-person.

Decisions include considering adherence to local area planning efforts, Land Use Bylaw and Cannabis Store Guidelines compliance, whether the location meets the separation distance requirements, as well as overall compatibility with the community in which it is proposed.

**If you have been approved by the AGLC is your business application preferred over others?**

No. All applications with The City will be evaluated individually, based on the planning merit of the location. Having an AGLC licence does not give your municipal application preference over others.

**What happens to my cannabis store application if another cannabis store is proposed within 300m of my store and they get their application in before I do?**

Each Development Permit (DP) application is reviewed based on its own merits. A Land Use Bylaw relaxation for the separation distance rule will be evaluated during the review process, and a decision to either approve or refuse the application will be made. Decisions on Cannabis Store DPs that are near each other will be made in order of the DP number.

File Managers will guide applicants through the processing of DP applications. Applicants should make themselves familiar with [the Development Permit process](#).

**What happens to my business application if there are other applicants with leases on the same address?**

The Development Authority strongly urges landlords to ensure that no more than one Development Permit application is made for a Cannabis Store for a single location. If the Development Authority receives multiple applications for the same location, the applicants and landlord will be contacted to discuss the matter during the initial planning review.

Landlords with multiple potential tenants are encouraged to make a single application and, if approved, decide which tenant to rent the space out to. An approved Development Permit for a change of use will not lapse provided the use commences within one year.

**What happens when a development permit is approved?**

Once a decision has been made on an application for a development permit it is advertised which starts a 21-day period in which affected persons may file an appeal with the Subdivision and Development Appeal Board (SDAB). The City will release a development permit once the following has happened:

- the 21-day appeal period has passed;
- there are no outstanding appeals; and
- there are no outstanding prior-to-release conditions of approval

Applicants may not operate until the sale and possession of cannabis is legal on October 17, 2018.

## 6. Appealing a Decision

### Who can appeal a development permit decision?

In general, any affected party – the applicant, community member or others – can submit an appeal to an approval decision made within 21 days of the date of advertising. If an application was refused, the owner of the property or applicant can submit an appeal within 21 days of being notified of the decision.

The Subdivision and Development Appeal Board (SDAB) [provides detailed information](#) on what can be appealed and who can appeal. There are important deadlines to understand if you are considering appealing a development permit decision.

### What is the Subdivision and Development Appeal Board (SDAB)?

The Calgary Subdivision and Development Appeal Board (SDAB or Board) is a quasi-judicial board. The SDAB hears appeals regarding decisions made by the development authority and renders decisions based on the evidence presented.

### How long does it take for an appeal to be heard by the appeal board?

Once an appeal is filed with the SDAB it likely will be scheduled for a procedural hearing within 30 days. More information on the appeal process and timelines can be found [on the SDAB website](#).

## 7. Building Permits and Inspections

### Do I need to get a building permit?

During your application review, planning staff will advise what permits might be required for your use. Building permits are required for several reasons so it is best to ensure that you are prepared for your new business to require a permit.

### When can a business owner submit their building permit?

If the information for the building permit was submitted online concurrently with the development permit, the applicant will be contacted by The City to work through what's needed for their building permit to proceed. The building permit review will not begin until a Cannabis Store development permit is approved.

### Can a building permit be issued before the development permit is released?

Yes, building permits may be issued before the development permit is released.

### Are there ventilation requirements for cannabis businesses?

Currently Cannabis Stores are not required to have specific venting as no use or tasting of the product is allowed within the retail stores. Cannabis Facilities do have specific requirements which can be found on [the federal government's website guiding cannabis production](#).



**What sorts of codes and/or standards does a new cannabis business need to follow?**

Cannabis businesses should all adhere to the Alberta Building Code standards. Any standards that would normally be required for a retail type store application would apply in this case. There have been no special building codes added for Cannabis retail stores.

**What kinds of inspections will be needed?**

The City will work with the applicant to ensure all proper building code and safety inspections are done, typically an in-progress inspection as well as a final inspection. Applicants will also need to request a Fire inspection. In addition to municipal inspections, Alberta Gaming, Liquor, and Cannabis Commission (AGLC) inspections are required. Applicants must contact the AGLC directly to arrange for these inspections.

**How do I get my business inspected?**

Construction contractors with registered business licences typically coordinate renovations or construction. They also manage all the required inspections throughout the build on behalf of the client.

## 8. Obtaining a Business Licence

**Is a business licence needed?**

A municipal business licence is required for cannabis stores. At the time of application, many cannabis store applicants will have chosen to also apply for a business licence, so no further application is necessary. If the applicant did not choose to do that at the time, they will be required to complete [a business licence application](#) for a cannabis store.

**How do I get my business licence?**

Business licences will be issued to files that have an approved development permit and have completed their final inspection. Permits will not be issued until a few days before the federal legalization date (October 17, 2018).

**When will the AGLC decide on their licencing approvals?**

When The City releases the cannabis store development permit, the applicant must send verification to the Alberta Gaming, Liquor, and Cannabis Commission (AGLC) so they can proceed with their licencing process. It is important to note that without the provincial licence, a cannabis store cannot operate and will not receive product for a store, even if they have been granted municipal approval.

## 9. Operating a Cannabis Business when legal

**Can cannabis businesses allow customers to consume cannabis on site?**

Cannabis consumption in any of the three cannabis businesses will not be permitted.

**Can cannabis businesses sell edibles?**

Currently, the [federal government](#) is only allowing the sale of prepackaged dried cannabis and cannabis oil products. The sale of edibles is not allowed but may be considered by the federal government in 2019.

**What other products can I carry in my retail store other than cannabis? What kinds of accessories can a retail cannabis store sell?**

Retail cannabis stores will be permitted to sell cannabis products and cannabis accessories that promote responsible use. Details regarding accessories that can be carried in a retail cannabis store are currently being developed by the Province/AGLC.

**What are the business operating rules (e.g. minimum age, hours of operation, signage etc.)?**

The Province of Alberta (through the AGLC) sets the [operating rules and regulations](#) for cannabis stores. Full details and FAQs on the proposed rules for training, security, hours of operation, minors etc. can be found on their website and retailer guides.

**Can cannabis businesses sell oils or other cannabis-related products?**

All products produced from cannabis will be regulated under [the provincial rules](#) and would therefore only be permitted to be sold through provincially licenced cannabis stores.

**Who can sell cannabis seeds and plants?**

Provincial and Federal rules indicate that only a Cannabis Store may sell cannabis seeds and plants and would require a provincial retail cannabis licence. However, many details still need to be confirmed through final Provincial and Federal regulations.

**What kinds of packaging requirements are there?**

The Federal government – through Health Canada – determines packaging requirements for cannabis products. Business owners should refer to those requirements when considering packaging options.

**Are there regulations controlling advertising of cannabis products?**

The Federal government determines advertising and promotional regulations for cannabis products. Business owners should refer to those requirements when considering how they market their business.

## 10. Other Questions

**How much is it going to cost to start my business?**

The total cost of starting a business varies greatly. However, the costs associated with the municipal permits and licences required are standard. Applicants should consult the fee schedules for exact costs.



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- Development permit: planning applications [fee calculator](#) for Commercial/Industrial/Mixed Use development permits
- A building permit fee (should it be required): [Building permit fee calculator](#) - Commercial
- Business licence fee: [Business licence fee schedule](#)

### **What taxes and fees will I have to pay on my cannabis business?**

Aside from the sales taxes that will be set by the Federal government, there are no municipal sales taxes. However, property taxes will still be charged to landowners as well as annual business licence renewal costs.

### **Are criminal record checks required to start my cannabis business?**

Yes, The City of Calgary will require a criminal record check as part of the business licencing process. Additionally, the Province of Alberta has indicated that it will also be doing background checks on licence applications.

### **Is there a maximum amount of cannabis store permits and licences granted by the City of Calgary?**

There is no cap on the number of stores. Development Permits are discretionary though, and the Guidelines strive to prevent over concentration or clustering of cannabis stores in a community or along a main street. Along with separation distance requirements, the practical effect will be a limit to the number of cannabis stores.

There are provincial limitations on the number of cannabis stores an individual can own.