



# Corporate Report

NO: R163

COUNCIL DATE: July 30, 2008

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## REGULAR COUNCIL

TO: Mayor & Council DATE: July 29, 2008  
FROM: City Solicitor FILE: 3900-20-15039  
SUBJECT: Amendments to the Surrey Zoning By-law to Regulate the Location of Small-Scale Drug Stores in the City

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## RECOMMENDATION

Legal Services recommends that Council:

1. Receive this report as information;
2. Adopt amendments to the Surrey Zoning, 1993, No. 12000 (the "Zoning By-law") as documented in Appendix "A" of this report as they relate to the new definitions of "methadone dispensary", "small-scale drug store" and "drug store" and separation distances between small-scale drug stores and between small-scale drug stores and drug stores;
3. Adopt amendments to the Methadone Dispensing By-law No. 15039 (the "Methadone By-law") as documented in Appendix "B" of this report as they relate to the new definitions of "methadone dispensary", "small-scale drug store" and "drug store" and separation distances to be consistent with the above proposed amendments to the Zoning By-law in Recommendation 2 of this report; and
4. Direct staff to work collaboratively with the College of Pharmacists of British Columbia (the "College") and the Fraser Health Authority to address community impact issues related to the methadone program and compliance with the Memorandum of Understanding regarding the Resolution of Methadone Dispensing in the City of Surrey dated June 2, 2003 (the "MOU") and report back to Council with an update of this work.

## PURPOSE AND INTENT

The purpose of this report is to provide amendments to the Zoning By-law, that if adopted, will create new definitions of "methadone dispensary", "small-scale drug store" and "drug store", and introduce a minimum separation distance between all of these types of drug stores as a means of regulating their geographic concentration.

Drug stores/pharmacies are considered a "retail store" under the provisions of the Zoning By-law. However, a "methadone dispensary" falls under a separate definition in the Zoning By-law and a rezoning process is necessary for a new methadone dispensary to be established in the City. A small-scale drug store, primarily dispensing methadone, can circumvent being classified as a "methadone dispensary" by including health and beauty products and general merchandise in at least 65% of its gross floor area. To address the potential for proliferation of small-scale drug stores primarily dispensing methadone, the Zoning By-law amendments proposed in this report introduce a new definition of "small-scale drug store", which differentiates them from drug stores on the basis of store floor area. The definition of "small-scale drug store" includes methadone dispensaries and is proposed to be defined as premises having a gross floor area of less than 600 square metres (6450 sq. ft.).

A new definition of "drug store" is proposed to be introduced including requirements that it have a gross floor area of greater than 600 square metres (6450 sq. ft.) and offer a full range of prescription services, health and beauty products and general merchandise.

Consequential amendments are also proposed to the Methadone By-law to make the definitions of "methadone clinic" and "drug store" consistent with the Zoning By-law.

## **BACKGROUND**

Because of a concern over the number and concentration of small-scale methadone-dispensing drug stores in the City Centre, Council amended the Zoning By-law on January 22, 2001 to effectively prohibit new methadone dispensing drug stores in retail zones, with the exception of drug stores having at least 65% of their floor area devoted to the sale of health and beauty products and general merchandise. As noted earlier in this report small-scale drug stores, which primarily dispense methadone, can circumvent the prohibition on methadone dispensaries by devoting 65% of their floor area to other merchandise.

On May 7, 2001 Council enacted an amendment to the Business Licensing By-law (s. 55(1)) that prohibits pharmacists from offering a cash incentive or other inducements for attracting clients to the store for the purpose of methadone prescriptions.

On May 30, 2003 an MOU between the City, the Ministry of Health and the College was signed, which focused on limiting the number of patients served at each methadone dispensary in Surrey and recruiting traditional full service pharmacies to fill methadone prescriptions, with the stated objective of having patient treatment available across all geographic areas of the Lower Mainland, so that patients do not have to locate in any particular neighbourhood to obtain daily treatment. The MOU contained a number of provisions focused on achieving this general objective.

## **DISCUSSION**

At a meeting on May 27, 2008, City staff discussed with College representatives the need to address the proliferation of methadone dispensing pharmacies in City neighbourhoods and in particular the City Centre due to the adverse impacts to neighbourhoods that such a proliferation is causing. Appendix "C" lists all the drug stores and methadone dispensaries that dispense methadone in the City Centre area.

The City of Vancouver has introduced a minimum separation distance of 400 metres between what it defines as "small scale pharmacies" or pharmacies having a gross floor area of less than 600 square metres as a means to control their proliferation. Vancouver's small-scale pharmacies must also be separated by at least 400 metres from existing drug stores.

In response to the discussions with the College and information received from Vancouver, staff is recommending that the Zoning By-law be amended by:

- Introducing a new definition of "drug store", which has a minimum floor area of 600 square metres, provides a full range of pharmacy services and sells health and beauty products and general merchandise;
- Introducing a new definition of "small-scale drug store", which has a floor area of less than 600 square metres and includes any premise that is a "methadone dispensary";
- Including a minimum 400 metre-separation distance between small-scale drug stores and between small-scale drug stores and drug stores.

Staff is having a further meeting in September 2008 with College representatives to discuss the following proposals:

- Limit the maximum number of patients which can be served by each small-scale drug store, drug store or methadone dispensary;
- Require methadone dispensaries to have a separate consultation area, as defined by the College, to encourage best treatment practices;
- To address the neighbourhood and business association's concerns regarding the negative impact of methadone dispensing; and
- Require that all business licenses, including renewals, for drug stores and methadone dispensaries be issued subject to the business license containing, and the drug store or methadone dispensary agreeing to, Good Neighbour Conditions in writing as follows:
  - (a) The site shall be maintained in a neat and tidy condition.
  - (b) Site operations and procedures to ensure safety inside and outside the facility shall be implemented and maintained in accordance with a prescribed policy manual.
  - (c) Procedures shall be implemented at the facility to address any nuisance issues arising as a result of the operations of the facility, including loitering outside, line-ups, litter and congregations of people. Specific strategies include minimizing any potential for service line-ups by offering scheduled appointments and targeting clean-up crews first thing in the morning and at repeated intervals throughout the day. Any and all issues must be dealt with quickly and thoroughly.
  - (d) Garbage storage area shall be designed to minimize nuisances, hazardous waste and litter in the area surrounding the facility.
  - (e) The owner/operator must work with the RCMP, City staff and other stakeholders to develop and implement a strategy to minimize the amount of visible drug dealing in the vicinity of the facility.
  - (f) the owner/operator will agree not to offer incentives, monetary or otherwise, to attract new clients.

- (g) There must be clearly defined hours of operation approved by the Manager, By-laws and Licensing Services.
- (h) There must be an identified contact person during hours of operation.

## CONCLUSION

Based on the above discussion, it is recommended that Council:

- Adopt amendments to the Surrey Zoning as documented in Appendix "A" of this report as they relate to the new definitions of "methadone dispensary", "small-scale drug store" and "drug store" and separation distances between small-scale drug stores and between small-scale drug stores and drug stores;
- Adopt amendments to the Methadone By-law as documented in Appendix "B" of this report as they relate to the new definitions of "methadone dispensary", "small-scale drug store" and "drug store" and separation distances to be consistent with the above proposed amendments to the Zoning By-law in Recommendation 2 of this report; and
- Direct staff to work collaboratively with the College and the Fraser Health Authority to address community impact issues and compliance with the Memorandum of Understanding regarding the Resolution of Methadone Dispensing in the City of Surrey dated June 2, 2003 related to the methadone program and report back to Council with an update of this work.

CRAIG MacFARLANE  
City Solicitor

CM:mlg  
Attachs.

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## APPENDIX "A"

### Proposed Amendments to Surrey Zoning By-law, 1993, No. 12000, as amended (the "By-law")

That the By-law be further amended as follows:

1. Part 1 – Definitions be amended by adding the following new definition of Drug Store immediately following the existing definition of Driveway:

#### **Drug Store**

means a commercial establishment with a *gross floor area* of 600 square metres or greater which fills a broad range of pharmaceutical prescriptions, and which includes the display and sale of health and beauty products and general merchandise on at least 65% of its *gross floor area*.

2. Part 1 – Definitions be amended by adding the following definition of "Small-Scale Drug Store" immediately following the existing definition of "Slot Machine Gaming":

#### **Small-Scale Drug Store**

means:

- (a) a commercial establishment with a *gross floor area* of less than 600 square metres which fills prescriptions and which includes the display for sale of health and beauty products and general merchandise on at least 65% of its *gross floor area*; or
  - (b) a *methadone dispensary*.
3. Part 1 – Definitions be amended by deleting the existing definition of "Methadone Dispensary" and replacing it with the following new definition:

#### **Methadone Dispensary**

means a business selling or filling methadone prescriptions for customers as the primary activity of the business and which does not display for sale health and beauty products and general merchandise on at least 65% of its *gross floor area*, but excludes a *drug store* or a *small-scale drug store*.

4. By adding a new Sub-section 28 to Part 4 – General Provisions, Section E – Regulations Applicable to All Zones as follows:

#### 28. *Small-Scale Drug Stores*

No *small-scale drug store* shall locate within 400 metres of the *lot line* of an existing *small-scale drug store* or *drug store*.

## APPENDIX "B"

### Proposed Amendments to Surrey Methadone Dispensing By-law, 2003, No. 15039 (the "By-law")

That the By-law be amended as follows:

1. Section 2 – Definitions be amended by deleting the existing definition of Drug Store and replacing it with the following new definition:

"Drug Store"

means a commercial establishment with a *gross floor area* of 600 square metres or greater which fills a broad range of pharmaceutical prescriptions, and which includes the display for sale of health and beauty products and general merchandise on at least 65% of its gross floor area.

2. Section 2 – Definitions be amended by deleting the existing definition of Methadone Dispensary and replacing it with the following new definition:

"Methadone Dispensary"

means a business selling or filling methadone prescriptions for customers as the primary activity of the business, and which does not display for sale health and beauty products and general merchandise on at least 65% of its gross floor area, but excludes a Drug Store.

3. Section 2 – Definitions be amended by adding a following definition:

"Small-Scale Drug Store"

means:

- (a) a commercial establishment with a gross floor area of less than 600 square metres, which fills prescriptions and which includes the display for sale health and beauty products and general merchandise on at least 65% of its gross floor area, or
- (b) a Methadone Dispensary.

4. The heading "Pharmacist" be inserted immediately preceding Section 6.

5. By adding a new Section 7.1 immediately following Section 7 as follows:

#### **Location**

- 7.1. No Methadone Dispensary shall locate within 400 metres of the lot line of an existing Methadone Dispensary, Small-Scale Drug Store or Drug Store.
6. By updating the Table of Contents to reflect the addition of Section 7.1 to the By-law.

APPENDIX "C"

**CITY CENTRE FULL SERVICES DRUG STORES  
DISPENSING METHADONE**

<b>Business Name</b>	<b>Address</b>
Capital Care Pharmacy	13456 – 108 Avenue
Gateway Pharmacy	101 – 10751 King George Highway
Whalley Pharmacy	101 – 10663 King George Highway
Community Care Pharmacy	102 – 9648 – 128 Street
Family Care Pharmacy	B – 12815 – 96 Avenue
Medical Care Prescriptions	10225 King George Highway
Sandell Drug Mart	102 – 10216 – 128 Street
Shoppers Drug Mart (KG Hwy)	1130 – 10153 King George Highway
King George Medic Pharmacy	9808 King George Highway
Kroll's Surrey Pharmacy Ltd.	100 – 9656 King George Highway
London Drugs (KG Hwy)	10348 King George Highway
Pharmasave (120 St.)	9558 – 120 Street
RTCC Consultants	9631 – 137 Street
Shoppers Drug Mart (96 Ave.)	12874 – 96 Avenue
Lancaster Medical Supplies & Prescriptions	101 – 13710 – 94A Avenue
Pharmasave Health Centre	110 – 13798 – 94A Avenue

**CITY CENTRE METHADONE  
DISPENSARIES**

<b>Business Name</b>	<b>Address</b>
Gain Pharmacy	10677 King George Highway
Park City Pharmacy	13565 – 105A Avenue
Care Point Pharmacy Ltd.	13640 – 105A Avenue
Early Bird Pharmacy	13672 – 108 Avenue
Kingston's Pharmacy BC Ltd.	13480 – 104 Avenue