

May 25, 2022

TOWNSHIP OF SOUTHGATE

185667 GREY ROAD 9, DUNDALK ONTARIO N0C 1B0

Respected Councillors of Southgate:

We would most respectfully ask that the Council of the Township of Southgate considers opting-in to have cannabis stores located within their municipal boundary.

On October 17, 2018, the Federal Cannabis Act allowed for residents of Ontario buy cannabis products from provincially-licensed retailers. Citizens of Ontario were able to purchase cannabis goods from the OCS directly. The Cannabis Stop was born shortly thereafter, with a plan to benefit the local community by selling cannabis-related products to those who chose to use them.

Since the legalization in 2018, 13.3 billion dollars has been added to Ontario's economy alone. 43.5 billion has been added to Canada's economy. Municipalities in turn benefit from the sale of cannabis through tax incentives.

Although there are no studies to prove that the legal market takes away from black market cannabis sales, The Cannabis Stop receives approximately 50-75 customers per day throughout their various locations in Shelburne, Markdale, Arthur and Grand Valley. The market for cannabis-related products has increased, through the sale of legally grown and sold cannabis. This shows that cannabis retailers are gaining customer clientele from their small-time illegal counterparts.

As of May 4 2022, The Cannabis Stop is now legally permitted to deliver products to Southgate residents from our Markdale or Shelburne locations. Permitting a store front would

allow residents the freedom to purchase products at their convenience. A storefront location, open 7 days a week, would serve the public THC, CBD, CBG and CBN products. Our stores see an average customer age of 40, with 70% of products sold being THC dominant, and 30% CBD dominant. Our stores have an average of 6 employees, who are local residents themselves. All stores are extremely secure, as they are monitored 24/7. Less than 1% of legally operated cannabis stores throughout Ontario have had incidents with break-ins or robbery.

Stores are not visible through windows or doors; a partition on the inside of the storefront is imperative so that passing citizens are unable to view the interior of the store. No customer can pass a partition, or even see the inside of a store, without valid ID being presented and checked by a team member. Stores are open and inviting to those who are legally allowed to enter; and not visible to those who cannot.

We thank you for your consideration.

SINCERELY,

JOHN PAVKOVIC & JAMIE BATES
THE CANNABIS STOP INC.

