

20340 N. Lake Pleasant Road, Suite 107

Conditional Use Permit Amendment Narrative

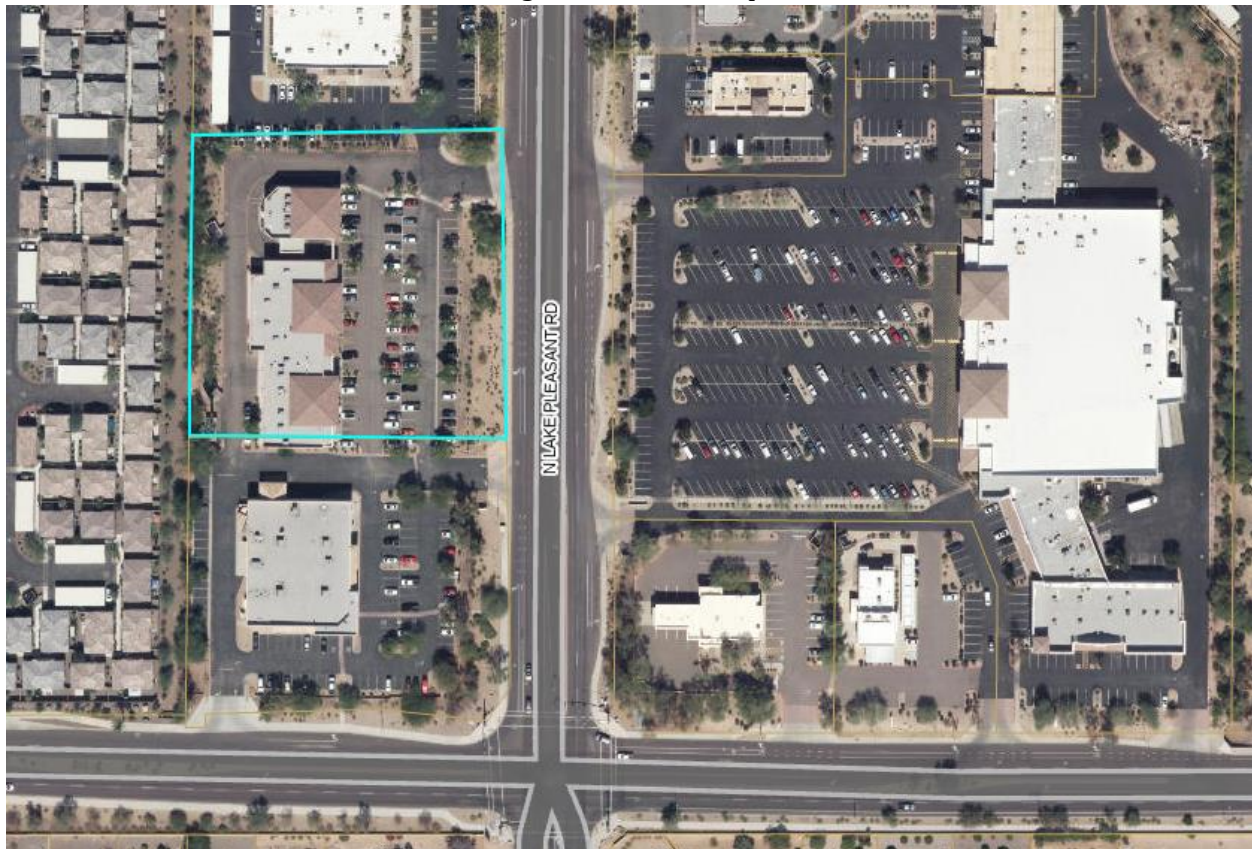
I. Executive Summary

Gammage & Burnham, PLC has prepared this narrative for a Conditional Use Permit Amendment Application (the “Application”) on behalf of JARS Cannabis (“JARS”). JARS, a nationally respected leader in responsible marijuana retail, operates a dispensary at 20340 North Lake Pleasant Road, Suite 107, Peoria (the “Dispensary”). To enhance their customers’ experience and boost sales, JARS proposes expanding into adjacent suites in the same building. To facilitate this expansion, we are requesting to amend the current Conditional Use Permit (“CUP”).

II. Property and Dispensary History

JARS’ Dispensary is located on Maricopa County APN 200-14-003W (the “Property”). The Property is located approximately 350’ northwest of the northwest corner of West Beardsley Road and North Lake Pleasant Road. It is zoned C-2. The Property is outlined in teal in [Figure 1](#), an aerial map of the Property and the surrounding area.

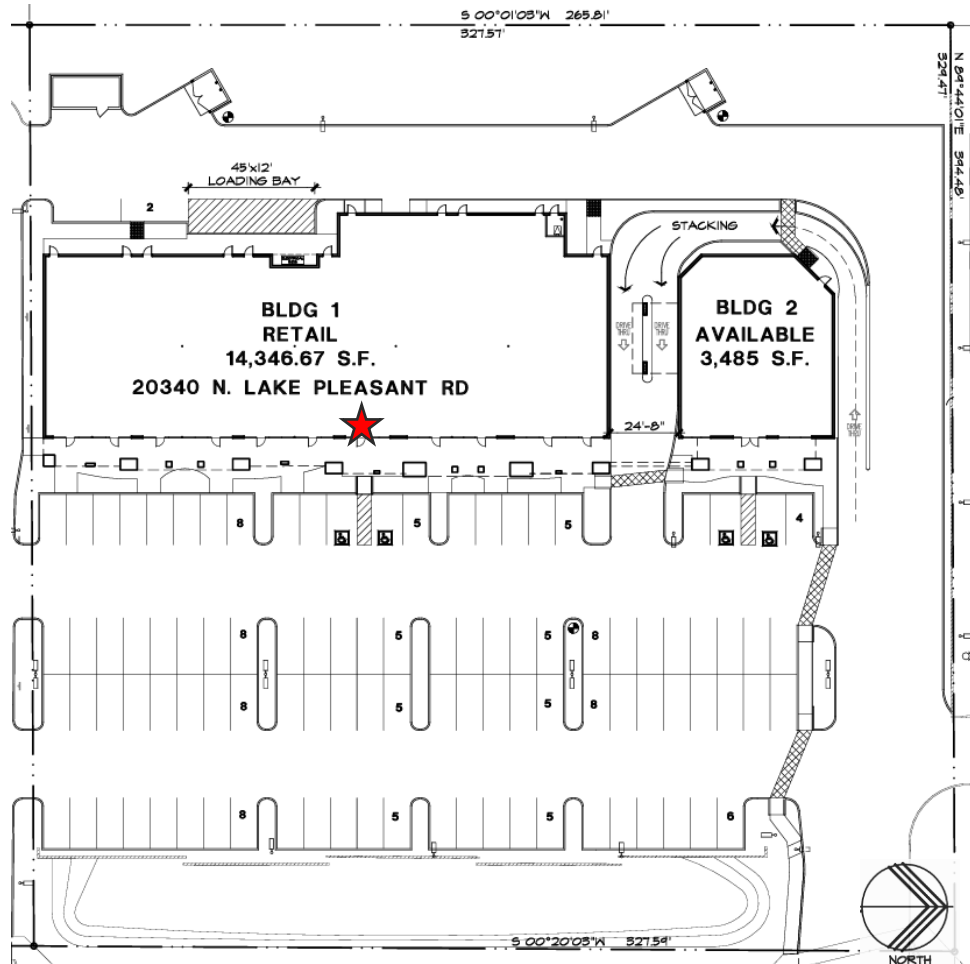
Figure 1 – Aerial Map



As can be seen on the aerial map, the Property is improved with a commercial retail center. The Dispensary is located in the southernmost of the two buildings on the Property, its entrance is shown with a star on the Site Plan excerpt in [Figure 2](#). The Dispensary has operated at this location since 2017. **Over the past eight years, the Dispensary has become well-integrated into the area, expanding the City’s tax base while providing residents with desirable, high-quality retail**

opportunities that are easily accessed from North Lake Pleasant Road—one of Peoria’s arterial roadways.

Figure 2 – Site Plan



On April 20, 2017, the Peoria Planning and Zoning Commission (the “Commission”) approved CUP No. CU16-0032, allowing the Dispensary to begin operating. The CUP was approved subject to the following conditions:

1. *The use shall substantially conform to the Project Narrative, Security Plan, and Floor Plan as contained in the staff report to the Planning & Zoning Commission dated April 20, 2017.*
2. *The applicant shall secure any necessary security system and/or alarm system permits from the Peoria Police Department.*
3. *The use shall fully comply with all state and local laws and Arizona Department of Health Services regulations pertaining to medical marijuana dispensaries.*
4. *The applicant shall post a no loitering sign on all sides of the suite.*
5. *Any expansion of the use, or material modification of the tenant suite shall require an amendment to the Conditional Use Permit.*
6. *The [SIC] accordance with Section 14-39-12.B.5 of the Peoria Zoning Ordinance (1977 Edition), the Conditional Use Permit will expire on 10/20/2018 if the use has not began [SIC] operating or a building permit has not been obtained.*

7. *The applicant shall obtain a sales tax license and properly report all sales.*¹

The Dispensary has consistently conformed with all seven of these conditions since beginning operations.

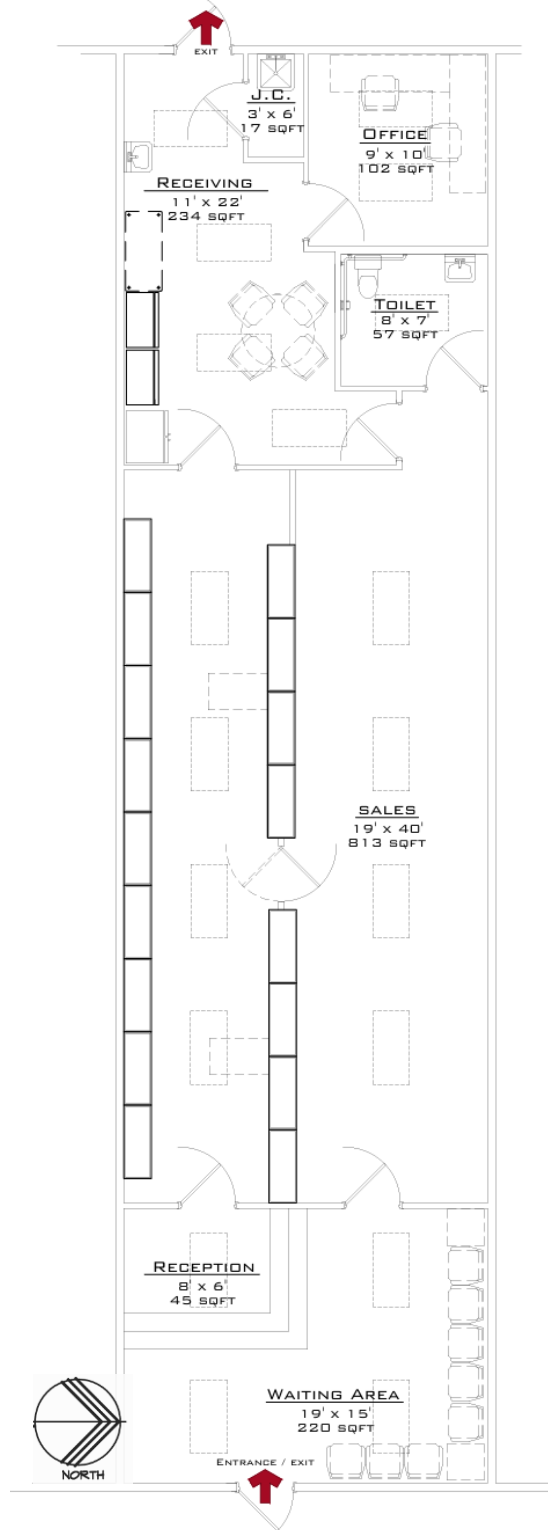
Though the Dispensary has been successful at this location, it is severely size-constrained. As shown in Figure 3, the Dispensary's floor plan, its current buildout is only \pm 1,600 square feet. This means that JARS is forced to operate with less than 825 square feet of retail space. This, in turn, leads to longer wait times, decreased revenue, and a less-desirable guest experience.

To address these issues, JARS is proposing to extend the Dispensary into two neighboring suites to the south. These two suites—105 and 106—are currently the home of a pizzeria that intends to shutter in the near future. Expanding into these suites will allow the Dispensary to increase its footprint by approximately 2,266 square feet. This increase will significantly enhance the guest experience at the Dispensary, ultimately leading to increased revenue.

Aside from the increased revenue and enhanced interior and exterior, little will change at the Dispensary. **It will keep the same operating hours: 7:00 am to 10:00 pm, Monday through Sunday.** It is anticipated that the number of patients and customers will increase overall. **But the increased retail space will ensure that no customers will wait or loiter outside the Dispensary.** And the air filtration technology currently in-place will be expanded to cover the expanded floor area. **This technology includes air filters installed in-line with the suite's air circulation units, preventing any air from leaving the suite without being properly de-odorized.**

Should any product require disposal, it will be disposed of using the Dispensary's current procedure: it will be stored safely inside the Dispensary until a designated agent returns it to the vendor or supplier for proper disposal. **This procedure conforms with state regulations and ensures that no marijuana remnants or by-products will be disposed of in the facility's exterior refuse containers.**

Figure 3 – Current Layout



¹ For ease of review, a copy of CU16-0032's approval letter is enclosed with the Application as Document 05.

In short, allowing the Dispensary to expand from Suite 107 into Suites 105 and 106 will not burden the City or community in any way. Instead, it will allow a good corporate citizen to employ additional Peoria residents and contribute additional tax revenue to the City.

III. Request

The owner of the Property is supportive of JARS expanding the Dispensary's footprint. But, as previously mentioned, the Dispensary's CUP requires that "[a]ny expansion of the use, or material modification of the tenant suite shall require an amendment to the Conditional Use Permit." JARS is eligible for this amendment because this location was a qualifying site when the City evaluated and issued the CUP for the Dispensary. Pursuant to the CUP, the Dispensary activated and established its use on the Property. And this use has remained in good standing since the date of the CUP's issuance. Therefore, consistent with guidance provided by the City for this location (and others), the Property remains a qualifying site regardless of the potential commencement of an exception use after the CUP issuance. **Accordingly, we are requesting an amendment to the CUP that expands the Dispensary's permitted use to include the proposed suite expansion.**

We are optimistic that this amendment process can proceed quickly, and we welcome any questions or comments the City may have.