



PLANNING & ZONING COMMISSION

STAFF REPORT

Meeting Date: 06/05/2025

Agenda Item(s): 3R

TO: Planning and Zoning Commission
THROUGH: Chris M. Jacques, AICP, Planning Director
FROM: Sarah Dircks, Senior Planner
SUBJECT: JARS Dispensary: Conditional Use Permit Amendment (CU25-06)
North of the northwest corner of Beardsley Road and Lake Pleasant Road

PROPOSAL

The applicant is requesting a Conditional Use Permit Amendment to allow for an expansion of an existing marijuana dispensary into the adjacent commercial suite.

APPLICATION INFORMATION

Case Numbers	Conditional Use Permit (CU25-06)
Applicant	Linday Schube, of Gammage & Burnham, PLC, on behalf of the property owner Pleasant Promenade, LLC and tenant JARS Cannabis.
Request(s)	Approval of a Conditional Use Permit (CUP) Amendment to expand the existing marijuana dispensary located at 20340 N Lake Pleasant Road, Suite 107 into the adjacent suites. The expanded dispensary will then encompass suites 105-107.

LOCATION AND CONTEXT

SUBJECT SITE

The current marijuana dispensary is located in an existing commercial center. The center is situated north of the northwest corner of Beardsley Road and Lake Pleasant Road, as detailed in **Exhibit 2**.

CONTEXT:

The existing marijuana dispensary is situated in an approximately 1,600 square foot suite which is in the middle of the Pleasant Promenade Retail Center. The existing center includes a mix of other uses including retail stores, restaurants, personal services, and professional and medical office.

To the north of the commercial center lies a medical office park, including a NextCare Urgent Care. To the west, is the Avilla multi-family residential development, followed by self-storage. To the south is Walgreens, followed by Beardsley Road. To the east is the Ventana Lakes Village Center which is anchored by a Bashas' grocery store.

APPLICANT'S PROPOSAL

On April 20, 2017, the Planning & Zoning Commission approved a Conditional Use Permit (Case CU16-0032), establishing the existing dispensary. The dispensary use has been operating continuously over the past 8 years. Despite occupying a 1,600 square foot commercial suite, the retail and waiting area within JARS Dispensary is limited to an 825 square foot retail space as identified in their Project Narrative, **Exhibit 3**. Their business has been successful, and they are now seeking to expand. With the impending closure

of the neighboring business, the dispensary is seeking to expand their building footprint to occupy the two in-line suites (suite 105 and 106) directly south of their suite, shown in **Exhibit 4**. The applicant is seeking Planning and Zoning Commission approval for an amendment to the Conditional Use Permit (CU16-0032), to allow for expansion into the adjacent suites.

DEVELOPMENT INFORMATION:

<u>Existing Use:</u>	Marijuana Dispensary
<u>Proposed Use:</u>	Marijuana Dispensary
<u>Development Site:</u>	2.62 acres
<u>Existing Suite Size:</u>	Approximately 1,600 Square Feet
<u>Proposed Suite Size:</u>	Approximately 3,900 Square Feet
<u>Estimated Hours of Operation:</u>	Daily 7:00 a.m. to 10:00 p.m.

STAFF ANALYSIS

ZONING HISTORY AND PROPERTY DEVELOPMENT:

The property was rezoned from *Convenience Commercial District C-1* and *Single-Family Residential R1-8*, to *Intermediate Commercial (C-2)* on December 16th, 2003. A Site Plan (PR05-57) was approved on March 28, 2006, for the Pleasant Promenade Retail Center that exists today.

On April 20, 2017, a Conditional Use Permit (CU16-0032) was approved by the Planning and Zoning Commission to operate a medical marijuana dispensary at the existing site. The dispensary location has been in operation for the past eight (8) years. The current dispensary substantially conforms to the Project Narrative, Security Plan, and Floor Plan originally approved with case CU16-0032.

On March 8, 2021, the City of Peoria passed ORD 2021-06 to modify zoning regulations for qualifying marijuana dispensaries allowing for co-location of marijuana dispensaries. As a result, the location became an approved location for both medical and adult-use marijuana.

APPLICABILITY:

The proposed footprint expansion from 1,600 square feet to 3,900 square feet will result in a change to the floor plan and area covered by the previously approved Conditional Use Permit (CU16-0032) in 2017. As a result, the applicant has filed the conditional use permit request to authorize the expansion of the dispensary.

CONDITIONAL USE PERMIT:

The purpose of a Conditional Use Permit is to ensure that the physical and operating characteristics inherent with the land use have been sufficiently resolved or mitigated, optimizing compatibility with the

surrounding area, and that the use is not injurious to the health, safety, and general welfare of the community.

Within the C-2 Zoning District, a marijuana dispensary that requires a Conditional Use Permit must operate in compliance with the review criteria and special limitations set forth in the Peoria Zoning Ordinance. Staff's review for compliance with the City's Zoning Ordinance and overall examination of the project characteristics are outlined below:

Review Criteria:

Section 21-155 of the Peoria Zoning Ordinance outlines the applicable criteria for evaluating Conditional Use Permits. The Planning and Community Development Department shall review applications and make a recommendation for approval or denial to the Planning and Zoning Commission based on the following criteria:

1. The use is designated as a permitted Conditional Use within the zoning district in which the property is located.
2. The use meets any conditions which are deemed necessary to mitigate potential impacts and ensure compatibility of the use with surrounding development and the City as a whole, and which are required to preserve the public health, safety, and general welfare.
3. The City has received a Waiver of Proposition 207 from the Owner(s) of the property that is the subject of the Conditional Use Permit or has determined that the absence of such a Waiver of Proposition 207 is consistent with the City's General Plan and zoning goals and regulations.

Limitations on Uses:

In 2017, when the conditional use permit was approved for the use, it complied with the special limitations for a marijuana dispensary outlined in Section 21-505 of the Peoria Zoning Code. In response to the ORD 2021-06, the special limitations for *Qualifying Marijuana Dispensaries* were refined and outlined in Section 21-505.M.2 of the Peoria Zoning Ordinance. These limitations are enumerated with the Staff's response in italics below each requirement.

- a) Operations for the dispensing of Medical Marijuana, and related supplies, to qualified patients and the sale of non-medicinal Marijuana and Marijuana Products shall be conducted cooperatively in a shared location.

The existing dispensary sells both recreational and medical marijuana. The co-location of sales meets this requirement.

- b) Vehicular access into the center or site containing the dispensary shall be from an arterial roadway as identified on the Peoria General Plan.

Direct access to an arterial roadway is currently available through Lake Pleasant Parkway. No changes modifications to vehicular access are being requested. As a result, this requirement is met.

- c) The use shall not be located within 2,640 feet of another Qualifying Marijuana Dispensary or Marijuana Manufacturing, Cultivation, and Testing Facility.

*The dispensary use was established through the previously approved Conditional Use Permit (CU16-0032). As identified in **Exhibit 5**, the use met the special limitations outlined in Section 21-505 of the Peoria Zoning Ordinance at the time of approval. The existing marijuana dispensary will continue to operate at the previously approved location and simply expand to the adjacent suites. Given that the location was already approved in accordance with the location requirements in 2017, this requirement has been satisfied.*

- d) The use shall not be located within 1,000 feet of the property line of Day-Care Facilities, Pre-Schools, Public/Charter or Private Schools.

*The dispensary use was established through the previously approved Conditional Use Permit (CU16-0032). As identified in **Exhibit 5**, the use met the special limitations outlined in Section 21-505 of the Peoria Zoning Ordinance at the time of approval. The existing marijuana dispensary will continue to operate at the previously approved location and simply expand to the adjacent suites. Given that the location was already approved in accordance with the location requirements in 2017, this requirement has been satisfied.*

- e) The use shall not be located within 1,000 feet of a Retail Liquor Store; Tavern, Bar or Lounge; Adult Use; Substance Abuse Treatment Centers; or State Local Alcohol Reception Center.

*The dispensary use was established through the previously approved Conditional Use Permit (CU16-0032). As identified in **Exhibit 5**, the use met the special limitations outlined in Section 21-505 of the Peoria Zoning Ordinance at the time of approval. The existing marijuana dispensary will continue to operate at the previously approved location and simply expand to the adjacent suites. Given that the location was already approved in accordance with the location requirements in 2017, this requirement has been satisfied.*

- f) The use shall not be located within 500 feet of the property line of a residentially zoned property.

*The dispensary use was established through the previously approved Conditional Use Permit (CU16-0032). As identified in **Exhibit 5**, the use met the special limitations outlined in Section 21-505 of the Peoria Zoning Ordinance at the time of approval. On*

- g) The product offered for retail sales shall be inaccessible to the public entering the Qualifying Marijuana Dispensary. All products provided for retail sales shall be located behind a counter staffed by a Marijuana Dispensary or Facility Agent registered by the State of Arizona.

*The existing dispensary is operating in compliance with existing conditional use permit requirements. As identified in **Exhibit 4**, the approved site met this requirement. The revised project narrative submitted with this Conditional Use Permit Amendment (**Exhibit 3**) further identifies that all controlled products will be stored safely behind the Dispensary's retail counter with the proposed expansion to the adjacent building suites.*

- h) The Dispensary shall have operating hours no earlier than 7:00 a.m. and no later than 10:00 p.m.

The hours of operation are from 7:00 a.m. to 10:00 p.m. Monday through Sunday, in compliance with the permitted hours of operation.

- i) The manufacturing, cultivation, and testing of Marijuana is prohibited.

The existing dispensary does not conduct manufacturing, cultivation, or testing on site and the proposal does not include any of these uses; thus this requirement is met.

- j) Drive-through services and sales are prohibited.

The existing dispensary does not contain a drive through component, and the proposal does not include a drive through; thus this requirement is met.

- k) Alcoholic beverages shall not be sold, stored, distributed or consumed on the premises.

The existing dispensary does not sell, store, distribute or consume alcohol on premises, and the proposal does not seek to incorporate any of these uses; thus this requirement is met.

- l) The Dispensary shall not have outdoor seating areas but shall have adequate indoor seating to prevent outside loitering.

The existing dispensary is operating in compliance with this requirement. The project narrative and floor plan, Exhibits 3 and 4, identifies all business activity will occur indoors.

- m) The business entrance and all window areas shall be illuminated during evening hours and shall comply with the City's lighting standards regarding fixture type, wattage, illumination levels, shielding, etc.

The existing dispensary is operating in compliance with this requirement. The subject conditional use permit amendment does not seek to modify lighting levels; thus, this requirement is met.

- n) The windows and/or entrances shall not be obstructed and must maintain a clear view into the premises during business hours.

The existing dispensary is operating in compliance with this requirement. The subject conditional use permit amendment does not seek to modify visibility; thus, this requirement is met.

- o) No consumption of Marijuana or any product containing Marijuana shall occur on the premises of a Qualifying Marijuana Dispensary.

The existing dispensary is operating in compliance with this requirement. The subject conditional use permit amendment does not seek to modify existing business operations; thus, this requirement is met.

- p) The Tenant Improvement Plan shall ensure that ventilation, air filtration, building and design standards are compatible with adjacent uses and the requirements of adopted building codes.

The existing dispensary is operating in compliance with this requirement. Subsequent to the subject Conditional Use Permit Amendment, the applicant will be required to submit building permits for a tenant improvement. The applicant will be required to utilize all proper ventilation, air filtration, and adhere to building design standards in accordance with building codes adopted by the City of Peoria.

CONTINUING JURISDICTION

The purpose of the Conditional Use Permit requirement for Qualifying Marijuana Dispensaries is to ensure compatibility with the surrounding area. The proposed establishment was developed in accordance with the special limitations identified within Section 21-505 of the Peoria Zoning Ordinance.

If any issues arise regarding the operation of the business, Section 21-155 of the Zoning Ordinance provides the Zoning Administrator with continuing jurisdiction over all Conditional Use Permits. This

means that the Zoning Administrator may recommend to the Planning and Zoning Commission that a permit may be revoked, modified, or suspended should any of the following occur:

1. The permit was obtained by fraud or misrepresentation;
2. The use authorized by the permit has been exercised in violation of the conditions of its approval;
3. A change in circumstances consisting of any of the following has occurred:
 - a. Impacts from the approved conditional use to neighboring properties.
 - b. Changes in aesthetic or environmental impacts such as noise, odors, or pollution.
4. The use authorized by the permit has been exercised in a manner that is detrimental to the public health, safety, or welfare of the community or in a manner that constitutes a nuisance to neighboring property owners, adjacent neighborhoods, or the City.
 - a. Notice and a public hearing shall be provided in the same manner as for Conditional Use Permit applications.

COMMUNITY INVOLVEMENT

Public Noticing:

The application was properly noticed pursuant to Section 21-146 of the Peoria Zoning Ordinance , which includes notification to all property owners within 600 feet of the site and registered HOAs within one (1) mile, posting of a sign on the site, and placing an ad in the Peoria Times at least 15 days prior to the Public Hearing.

Support / Opposition:

To date, the City has not received any correspondence in opposition or support of this case.

KEY FINDINGS

1. The existing marijuana dispensary location has operated within the City of Peoria for the last 8 years in compliance with their prior Conditional Use Permit approval (CU16-0032). No changes to the existing business operation are being requested with this Conditional Use Permit Amendment.
2. The revised floor plan will allow an existing business to continue to grow in the existing location.
3. On behalf of the owner, the applicant has submitted a signed and notarized Proposition 207 waiver, which will be recorded with the conditions outlined below.

RECOMMENDATION

Staff recommend that the Planning and Zoning Commission take the following action:

Approve the applicant's request for a Conditional Use Permit under Case CU25-06, subject to the attached Exhibit 1 Conditions of Approval.

STAFF CONTACT

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