

CITY OF TEMPE BOARD OF ADJUSTMENT

Meeting Date: 09/25/2024

Agenda Item: 6

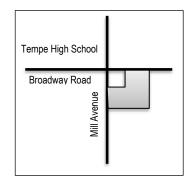
<u>ACTION</u>: Request a variance to reduce the use separation requirement between a tobacco retailer and a public school from 1,320 feet to 250 feet to EXHALE SOCIETY, INC., located at 35 East Broadway Road. The applicant is Rose Law Group.

FISCAL IMPACT: N/A

RECOMMENDATION: Staff – Deny

BACKGROUND INFORMATION: EXHALE SOCIETY, INC. (PL240244) is proposing to operate a tobacco retailer within a multi-tenant retail center located at the southeast corner of Broadway Road and Mill Avenue. The applicant is seeking relief from the use separation requirements for tobacco retailers, which are required to be no less than a quarter-mile, or 1,320 linear feet, from Tempe High school. The request includes the following:

VAR240004 Variance to reduce the use separation requirement for a tobacco retailer from 1,320 feet to 250 feet.



Property Owner Applicant Zoning District Site Area Building Area SEM Investments, LLC Ryan Hurley, Rose Law Group CSS (Commercial Shopping and Service) 2.62 acres 14,879 s.f.

ATTACHMENTS: Exhibits

STAFF CONTACT(S): Chris Jasper, Senior Planner (480) 350-8096

Department Director: Jeff Tamulevich, Community Development Director

Legal review by: N/A

Prepared by: Chris Jasper, Senior Planner Reviewed by: Diana Kaminski, Principal Planner

COMMENTS

The subject site is located at the southeast corner of Mill Avenue and Broadway Road, in the Commercial Shopping and Service (CSS) zoning district. Surrounding uses include office uses to the north, across Broadway Road, assembly and multi-family residential uses to the east, retail and service uses to the south, a pharmacy to the west, across Mill Avenue, and a public high school on the northwest corner of Mill Avenue and Broadway Road.

The applicant is seeking relief from Section 3-423.B of the Zoning and Development Code, which requires that all tobacco retail establishments be located a minimum of 1,320 feet, measured by a straight line, from a lot line of any school, excluding instructional or vocational schools. The Exhale Society is located at 35 E Broadway Road within a 2,948 square-foot suite in the multi-tenant commercial center. Tempe High School is located 250 feet away, as measured from property line, at the opposite corner of the Mill Avenue and Broadway Road intersection (1730 S Mill Ave).

Section 7-121 of the Zoning and Development Code defines Tobacco Retailers as "any person or business who primarily sells or offers for sale, tobacco, tobacco products, or tobacco paraphernalia, or who distributes samples of tobacco products or paraphernalia. These businesses include but are not limited to, tobacco shops, cigars and pipe retailer, cigarette or electronic cigarette retailer, and smoking establishments." Because the primary use proposed for the site is analogous to a "Smoking Establishment," the site is classified as a tobacco retailer, and the aforementioned use separation restrictions apply.

In addition to the Variance, the applicant is required to obtain a Use Permit to operate within the subject zoning district, in addition to regulatory licenses through the City and State.

PUBLIC INPUT

- The applicant held a neighborhood meeting at The Graduate Hotel, located at 225 E Apache Boulevard, from 5:30 to 6:30 p.m. on August 22, 2024. Staff was in attendance.
- One (1) resident attended the meeting and was generally supportive of the Variance request.
- Staff has received one (1) letter of opposition and one (1) letter of support related to this request. The opposition letter indicated concerns associated with the proximity of the business to the school and to her home and homes near the subject site that she rents to families with middle school-aged children. The letter of support was submitted by a neighboring tenant within the commercial center, and stated that undesirable activity within the center decreased since Exhale Society began operation.

CODE ENFORCEMENT

The subject site has been cited by the Code Compliance Division for operating as a tobacco retailer within a quarter-mile of a public high school and for conducting entertainment activities without a Use Permit (see History & Facts).

VARIANCE

The proposed use requires a variance to allow a tobacco retailer within 1,320 linear feet from the lot line of a school, pursuant to Section 3-423 of the Zoning and Development Code, Use Separation Requirements.

Section 6-309 D. Variance Approval Criteria (in italics):

1. That special circumstances are applicable to the property, including its size, shape, topography, location, or surroundings; The applicant states in its letter of explanation that the suite in question is located farther from the school than the 250-foot measurement taken from lot line to lot line – however, the measurement from the face of the face of the suite to the high school property building face is approximately 500 linear feet and still fails to meet the quarter-mile threshold required by Code. The applicant also notes the presence of the two arterial roads bounding the site, neither of which represent special circumstances for a commercial use because CSS zoning districts and commercial uses contained therein are almost exclusively located along arterial roads in the City of Tempe. The subject suite is 2,984 square feet in area and is rectangular in shape, and the lot size and shape is typical of a commercial center, and there are no special circumstances related to the property's size, shape, topography, location, or surroundings. This criteria is not met.

- 2. The strict application of this Code will deprive such property of privileges enjoyed by other property of the same classification in the same zoning district; The applicant refers to adjoining uses, including a pharmacy and a bar/restaurant, which are allowed uses within a quarter-mile of a school, but neither fall under the same classification as a tobacco retailer and are thus not subject to the same restrictions. All tobacco retailers are subject to the same use separation requirements in every commercial zoning district other than Residential/Office (R/O), and while the use separation requirement does limit the overall area in which tobacco retailers are allowed to operate, the strict application of the Code is uniformly applied and does not deprive the applicant of privileges enjoyed by properties of the same classification in the same zoning district. For example, there are commercially-zoned approximately a half-mile to the west of the subject site on Broadway Road that are potentially eligible to host tobacco retailers, as are several commercially-zoned properties along the intersection of Rural Road and Apache Boulevard, approximately three-quarters of a mile from the subject site to the northeast. Due to these circumstances, this criteria is not met.
- 3. The adjustment authorized shall not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and zone in which such property is located; All properties in the same zoning district and within the general vicinity are subject to the same use separation restrictions as they relate to tobacco retailers, and this Variance would constitute a special privilege not available to those properties. This criteria is not met.
- 4. A variance may not be granted if the special circumstances applicable to the property are self-imposed by the property owner. The applicant refers to a variance case in Phoenix that the city granted, which was subsequently appealed, and the appeal was ultimately overturned by the State Supreme Court in favor of the city (Pawn 1st, LLC v. City of Phoenix). Per the Court's ruling, special circumstances are not self-imposed "when they result from externally imposed conditions rather than the owner's actions." The "externally imposed conditions" referenced in the State Supreme Court case were specific physical characteristics that were created due to actions taken by the City of Pheonix through eminent domain. The Court determined that the presence of such pre-existing physical characteristics, if known to an applicant, did not constitute a "self-imposed" condition in an effort to protect an applicants' property rights when "an area variance is required for an intended use allowed on other similarly zoned properties...". This interpretation does not apply to this project because there are no externally-imposed physical conditions that necessitate a Variance application. Tempe High School was constructed in 1953, the commercial center was constructed and opened in 1962, and the Zoning and Development Code section relating to use separation requirements was established in June of 2007, and Exhale Society filed for incorporation with the Arizona Corporation Commission in October of 2023 and began operating illegally in February of 2024. Because the site conditions and the site's proximity to a nearby school is only the result of the business operator's preference. The circumstances necessitating the Variance are self-imposed, and this criteria is not met.

REASONS FOR DENIAL:

Based on the information provided by the applicant, the public input received, and the above analysis, staff recommends denial of the requested Variance. This request does not meet the required criteria.

SHOULD AN AFFIRMATIVE ACTION BE TAKEN ON THIS REQUEST, THE FOLLOWING NUMBERED CONDITIONS OF APPROVAL SHALL APPLY. BUT MAY BE AMENDED BY THE DECISION-MAKING BODY.

CONDITION(S) OF APPROVAL:

- 1. This variance is for 35 East Broadway, a suite of 2,984 square feet and cannot be transferred or expanded to other areas on this property or elsewhere.
- 2. This Variance is valid only after a Building Permit has been obtained and the required inspections have been completed and a Final Inspection has been passed.
- 3. A Use Permit for Live Entertainment shall be obtained by January 1, 2025.
- 4. A Use Permit for a Private Club shall be obtained by January 1, 2025.

CODE/ORDINANCE REQUIREMENTS:

THE BULLETED ITEMS REFER TO EXISTING CODE OR ORDINANCES THAT PLANNING STAFF OBSERVES ARE PERTINENT TO THIS CASE. THE BULLET ITEMS ARE INCLUDED TO ALERT THE DESIGN TEAM AND ASSIST IN OBTAINING A BUILDING PERMIT AND ARE NOT AN EXHAUSTIVE LIST.

DEADLINE: Approval shall be void if the development is not commenced or if an application for a building permit has not been submitted, whichever is applicable, within twelve (12) months after the approval is granted or within the time stipulated by the decision-making body. The period of approval is extended upon the time review limitations set forth for building permit applications, pursuant to Tempe Building Safety Administrative Code, Section 8-104.15. An expiration of the building permit application will result in expiration of the development plan.

ZONING AND DEVELOPMENT CODE: Specific requirements of the **Zoning and Development Code** (ZDC) are not listed as a condition of approval but will apply to any application. To avoid unnecessary review time and reduce the potential for multiple plan check submittals, become familiar with the ZDC. Access the ZDC through www.tempe.gov/zoning or purchase from Community Development.

HISTORY & FACTS:

1953	Construction of Tempe High School is complete.
October 8, 1962	The Broadway Plaza commercial center, located at 35 E Broadway, opens.
February 21, 1985	A Certificate of Occupancy is issued allowing retail sales for 4,498 square feet of building floor area within the Broadway Plaza.
June 28, 2007	City Council adopts Ordinance 2007.36, establishing a use separation requirement of 1,320 feet, measured in a straight line, from any lot containing a tobacco retailer to the lot line of a charter, private, or public school, excluding instructional or vocational schools.
October 6, 2023	Exhale Society, Inc. files for incorporation with the Arizona Corporation Commission.
February 15, 2024	The Code Compliance Division issues a Correction Notice for 35 East Broadway Road (CM240370) for a violation of Section 3-202.A of the Zoning and Development Code. The applicant was instructed to cease all unpermitted cannabis consumption activities on-site.
March 22, 2024	The Code Compliance Division issues a second Correction Notice for 35 East Broadway Road for a violation of Section 3-202.A and Section 3-423 of the Zoning and Development Code. The applicant was instructed to cease all unpermitted cannabis consumption activities on-site.
May 17, 2024,	The Code Compliance Division issues a Final Correction notice for 35 East Broadway Road for a violation of Section 3-202.A and Section 3-423 of the Zoning and Development Code. The applicant was instructed to cease all unpermitted cannabis consumption activities on-site, or a citation would be issued.
June 6, 2024	The Code Compliance Division issues a second Final Correction notice for 35 East Broadway Road for a violation of Section 3-202.A and Section 3-423 of the Zoning and Development Code. The applicant was instructed to cease all unpermitted cannabis consumption activities and all unpermitted live entertainment on-site, or a citation would be issued.
August 21, 2024	The Code Compliance Division issues two citations for 35 E Broadway Road for violations related to Section 3-202.A of the Zoning and Development Code, including operating a tobacco retailer within 1,320 feet of a public school and conducting live entertainment without a Use Permit.

August 22, 2024 Applicant held a neighborhood meeting.

This request is scheduled to be heard by the Board of Adjustment. September 25, 2024

ZONING AND DEVELOPMENT CODE REFERENCE:

<u>Section 6-309 Variances</u> <u>Section 4-423 Use Separation Requirements</u>



DEVELOPMENT PROJECT FILE

for EXHALE SOCIETY INC (PL240244)

ATTACHMENTS:

1	Zoning	Man
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- 2. Aerial Map
- 3-8. Letter of Explanation
- 9-10. Site Plan
- 11. Floor Plan
- 12. Building Elevations
- 13-17. Site Context Photos
- 18-36. Neighborhood Meeting Summary
- 37-38. Public Input

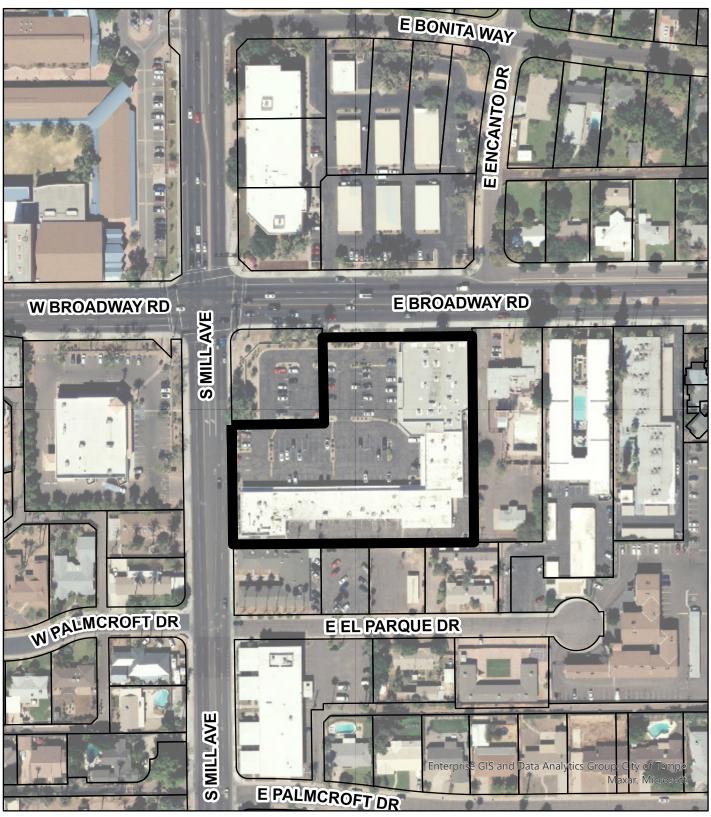
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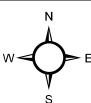


Tempe PL240244

EXHALE SOCIETY, INC



Aerial Map



ROSE LAW GROUPPC RICH • CARTER • FISHER

M. RYAN HURLEY

7144 E. Stetson Drive, Suite 300 Scottsdale, AZ 85251 Phone 480.944.4191 Fax 480.505.3925 RHurley@RoseLawGroup.com www.RoseLawGroup.com

July 8, 2024

Reviewer Community Development Department City of Tempe 31 East 5th Street, Garden Level Tempe, Arizona 85281

Re: Variance Application to Permit Tobacco Retailer within a Quarter of a Mile from a School for the Property Located at the Southeast Corner of Broadway Road and Mill Avenue, Tempe

Dear Review:

On behalf of Exhale Society, Inc. (the "Owner" and/or "Operator"), Rose Law Group pc is pleased to submit for your review and comment this variance request to permit a tobacco retailer within a quarter of a mile from a school for the property located at the southeast corner of Broadway Road and Mill Avenue, addressed as 35 E. Broadway Road, and identified as a portion of APN: 133-23-021A (the "Site") (Exhibit A). The Site is a portion of a lager retail strip mall that contains nine (9) retail businesses, and the Operator leases a space within this development. The Site is zoned Commercial Shopping and Services (CSS) and is designated as Mixed-Use Low-Moderate and up to 25 du/ac by the City of Tempe's ("City") General Plan 2050.

The requested variance would permit a tobacco retailer whose sole operating business is a 21 and older private club for the consumption of marijuana products within the safety and security of the Site (the "Project"). Please note that the sale of marijuana, marijuana products, tobacco products, and alcohol will <u>not</u> be for sale on the Site. The sole use of the Site is for a private club that will offer events for its patrons on an occasional basis and limited retails sale for snacks and non-alcoholic beverages. Exhale Society does not want to, nor do they ever intend to sell tobacco projects.

A. Background

Arizona voters approved the Safe and Smart Act in November 2020 which legalized marijuana for adult personal use creating a myriad of new and undefined uses for cities to address in their land use and development code. While this law created some regulatory framework and boilerplate laws for Arizonian cities to adopt is also left ambiguity for cities to define and interpret as new uses arose from this unprecedented approval. One such use is the consumption of marijuana products within semi-public spaces.

Exhale Society Letter of Explanation July 8, 2024 Page 2 of 2

Exhale Society sees the need within the City for people of a legal age (21 and older) to safely consume marijuana in a secure space that is other than their private property. One such reason is being in close proximity to Arizona State University, many students, teachers, and visitors rent their homes, have roommates, or for various other reasons do not have a safe, welcoming, and secure environment to consume marijuana. Another is because of the extreme heat events that the Phoenix Valley is experiencing and the need for cool indoor space where people can consume the products. Exhale Society creates a space where people can responsibility consume marijuana that is closely monitored by experienced staff.

Due to the fact that marijuana private clubs are one of the uses that was left ambiguous by the passing of the Save and Smart Act, the Owner started operations at the Site presuming that because private clubs are permitted in the CSS zoning districts that this was an allowed use. Since then, the City has determined through informal and sometimes conflicting interpretations of the Zoning Code that the Project most closely fits within the "Tobacco Retailer" use resulting in, unfortunately, this existing and thriving business does not meet certain distance standards related to this use, more specifically Section 3-423(B) which states:

Tobacco Retailer. Tobacco Retailers shall not be located on a lot within one thousand three hundred twenty (1,320) feet, measured by a straight line in any direction, from the lot line of a charter school, private school, or public school, which provides elementary or secondary education. Instructional or vocational schools are excluded from the separation requirement.

B. Request

To facilitate the Project at the Site, the Owner respectfully requests to reduce the separation requirement of the Site as outlined in Section 3-423(B) of the Zoning Code from adjacent schools to 250'.

Upon granting of this variance request, the Owner would then need to seek a Use Permit to permit the Project as a tobacco retailer in the CSS zoning district, as outlined in Table 3-202A.

C. Variance Tests

a. Special Circumstances Applicable to the Property: That special circumstances are applicable to the property, including its size, shape, topography, location, or surroundings; and

The restrictive separation requirements for tobacco retailers significantly limit the commercial areas within the City where this use would be permitted by-right. The development patterns of the City of Tempe, and the larger Phoenix Metro area, developed along a super grid (defined as major arterials on a one mile by one mile grid), place all commercial zoning along major arterials. This development pattern has resulted in almost all major commercial areas in Tempe, that are not larger

Exhale Society Letter of Explanation July 8, 2024 Page 3 of 2

master-planned developments, being within a quarter mile of a school. Due to this, Exhale Society is incredibly limited in where they can site this use. Because this use is not defined or contemplated in the Zoning Ordinance, a variance is needed to accommodate this use effectively.

The Site presents a unique combination of characteristics that necessitate the need for a variance to operate as a tobacco retailer. The Site is a portion of a larger irregularly shaped parcel, and the subject parcel is located within the heart of the retail center, leasing only 2,984 square feet of the 114,301 square foot parcel. This configuration places the proposed tobacco retailer further from nearby schools than if the distance were measured from parcel boundary to parcel boundary. This measurement discrepancy underscores the need for a variance to accommodate the actual use of the space rather than adhering strictly to the less accurate parcel boundary measurements. Additionally, along this vein, while there are schools located within a quarter mile of the Site as the crow flies, the actual path someone would need to take in order to get to the Site is much greater than this distance and includes the natural buffer of two major arterials that effectively create a barrier to even get close to the proposed use.

b. Deprivation of Privileges: The strict application of this Code will deprive such property of privileges enjoyed by other property of the same classification in the same zoning district: and

The strict application of this Code will deprive this property of privileges enjoyed by other property of the same classification in the same zoning district. Applying the zoning code strictly would deprive this property of privileges that other properties in the same classification and zoning district enjoy. Other retail properties in the direct vicinity, such as Walgreens and Mill Social, which sell mind-altering medications and beverages, are able to sell their wares in closer proximity to schools.

Exhale Social submitted a security plan with this application that includes bouncers, enhanced ID verification, and full camera coverage, which is at least as strict as any security for Walgreens, which sells pharmaceutical-grade opiates and other federally regulated narcotics and is open to people of all ages. Exhale Society is only for people 21 and older. These properties can operate more freely without needing a variance, giving them greater commercial property rights.

The restrictive separation requirements for tobacco retailers, specifically the 1,320-foot distance from any school providing elementary or secondary education, severely limit the areas within the City where such a use is permitted by-right. The development patterns of the City of Tempe, and the larger Phoenix Metro area, which are aligned along a super grid of major arterials on a one mile by one mile grid, place almost all commercial zoning along major arterials. As a result, nearly all major commercial areas in Tempe that are not part of larger master-planned developments are within a quarter mile of a school.

Without the variance, this property would remain underutilized compared to other properties in the zoning district that do not face such stringent separation requirements. This restriction places Exhale Society Letter of Explanation July 8, 2024 Page 4 of 2

the property at an unfair disadvantage, preventing it from achieving its full commercial potential and depriving it of the same opportunities available to similar properties.

c. Consistency with Limitations on Other Properties: *The adjustment authorized shall not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and zone in which such property is located; and*

Granting this variance will not constitute a grant of special privileges that are inconsistent with the limitations placed upon other properties in the vicinity and zone. Instead, it will bring this property in line with the operational standards of similar retail properties in the area. The variance will ensure that the property can be used in a manner consistent with other commercial properties, thereby maintaining the district's uniformity and supporting local economic activity.

Other retail establishments in the area operate without the constraints imposed by this property's unique characteristics. Allowing the variance ensures that this property can compete fairly and contribute to the commercial vibrancy of the neighborhood. This adjustment aligns the property's use with those of other similarly situated properties, promoting a balanced and equitable commercial environment.

Moreover, the variance supports the city's development goals by ensuring that properties are used effectively and contribute to the community's economic health. The adjustment will not grant an undue advantage but rather correct an imbalance caused by the unique features of the property and the restrictive separation requirements for tobacco retailers.

d. Special Circumstances Not Self-Imposed: A variance may not be granted if the special circumstances applicable to the property are self-imposed by the property owner.

The special circumstances that necessitate this variance were not self-imposed by the property owner. These circumstances arise from the inherent characteristics of the property and the broader city development patterns.

In the case of Pawn 1st, LLC v. City of Phoenix, the Court of Appeals established that special circumstances are not self-imposed when they result from externally imposed conditions rather than the owner's actions. Similarly, the restrictive separation requirements for tobacco retailers are a result of an entirely new legal use created by the Smart and Safe Act, city zoning ordinances and the existing development patterns, not decisions made by the property owner. These external conditions create the need for a variance to use the property effectively.

The property owner leased the property with these pre-existing conditions, seeking to use it in a manner permitted to other similarly situated properties. The special circumstances are a result of the broader development patterns and zoning requirements imposed by the city, not by any action taken by the property owner. Therefore, the variance request is justified based on conditions beyond the owner's control, aligning with the precedent set by the court.

Exhale Society Letter of Explanation July 8, 2024 Page 5 of 2

D. Operational Notes

To mitigate concerns related to proximity to schools, since not technically germane to the variance request, we would like to note the following:

- Exhale Society does not advertise on the outside of its space, including signage, about what activities take place within the building.
- Exhale Society operates as a private club, which includes membership substantial fees, so full applications and payments, including high scrutiny of proper State issued identification, are required as part of the membership.
- You are unable to see into the store from outside due to glass shading.
- Proper smoke mitigation and filtering take place on site, so there is no offsite smoke or odor generated from the use.
- There is always a staff member (i.e., bouncer) ensuring proper check-in and identification is in place.
- Exhale Society has a strict code of conduct which prohibits overconsumption, obnoxious or dangerous activities and actions, and prohibits guns and alcohol.
- Exhale Society monitors guests' behavior and will contact the police if they are suspicious of someone driving while under the influence.
- Exhale Society has been working closely with all tenants within the development to ensure all point specific concerns are mitigated.
- Exhale Society is willing to meet with local school district superintendents and police to ensure concerns are addressed within the enclosed Security Plan.

E. Conclusion

To summarize, the requested variance is supported by hardships unique to this property, preventing the Owners from fully enjoying its benefits. Approval of this variance will not grant the property special conditions unavailable to similar properties, nor does it represent a self-imposed hardship. Instead, granting this variance will allow a much-needed use in the community that struggles to fit within the strict application of the Zoning Code. The variance does not permit the Tobacco Retailer by right; further entitlements are needed from the City for them to operate. Granting this variance will not cause any negative off-site impacts but will instead facilitate the City's growth as a desirable destination, offering new and innovative businesses that are well-managed, safe, and secure.

Sincerely,

M. Ryan Hurley

Exhibit A Site Aerial





35 E BROADWAY RD. TEMPE AZ 85282

GENERAL NOTES

- 1. THE CONTRACTOR SHALL FIELD VERIFY ALL CONDITIONS AND DIMENSIONS PRIOR TO ANY WORK AND SHALL BE RESPONSIBLE FOR ALL WORK AND MATERIALS INCLUDING THOSE FUNDED BY THE OWNER.
- ALL CONSTRUCTION MUST COMPLY WITH ALL THE LOCAL GOVERNING CODES.
- 3. THE CONTRACTOR SHALL REPORT TO THE ARCHITECT ANY ERROR OR OMISSION HE MAY DISCOVER IN THE BRAWINGS OR ANY INCONSTRUCY BUTWEEN THE DRAWING AND HELD CONDITIONS, PRIOR TO CONSTRUCTION SO THAT THE ARCHITECT MAY ISSUE A WRITTEN CLARRICATION IN A
- 4. DO NOT SCALE DRAWINGS.

5.CONTRACTOR IS RESPONSIBLE FOR PROVIDING ADEQUATE BLOCKING AT THE REQUIRED LOCATIONS FOR ALL WALL MOUNTED SHELVING, TABLES, WALL MOUNTED SINKS, ETC.

6.ALL LABOR AND MATERIALS USED TO ACCOMPLISH DESIGNATED WORK SHALL BE COORDINATED WITH OWNER.

7.CONTRACTOR SHALL BE RESPONSIBLE FOR INITIATING, MAINTAINING, AND SUPERVISING ALL SAFETY PRECAUTIONS IN CONNECTION WITH THE WORK AND COORDINATE SUCH WITH THE OWNER.

8.CONTRACTOR IS RESPONSIBLE FOR COORDINATING ALL ARCHITECTURAL, MECHANICAL, ELECTRICAL, AND PLUMBING SO TO ENSURE THAT REQUIRED CLEARANCES FOR INSTALLATION AND MAINTENANCE OF ALL EQUIPMENT ARE PROVINCED.

SALL CONSTRUCTION SHALL BE COMPLETED IN ACCORDANGE WITH GOOD CONSTRUCTION PRACTICION FOR SURFACE AND SULDING SAFETY CODES AND STANDARDS SET FORTH BY THE STATE REGISTER OF CONTRACTORS. ALL WALLS SHALL BE CONSTRUCTED STRAIGHT AND TRUE.

10.THE CONTRACTOR SHALL VISIT THE PROJECT SITE AND BECOME FAMILIARIZED WITH ALL THE CONDITIONS AFFECTING THE CONSTRUCTION OF THIS PROJECT.

11.ALL MATERIALS SHALL BE INSTALLED IN ACCORDANCE WITH THE MANUFACTURES RECOMMENDATIONS AND SPECIFICATIONS.

12.THE CONTRACTOR SHALL KEEP ALL AREAS OF CONSTRUCTION CLEAN AND FREE OF DEBRIS. AFTER CONSTRUCTION CONTRACTOR SHALL PROVIDE A FINAL CLEAN UP.

ENERGY STANDARDS

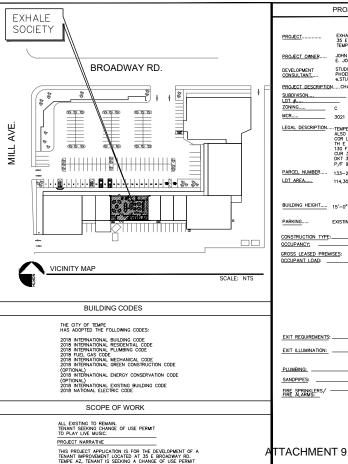
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PROJECT INFORMATION INDEX OF DRAWINGS TITLE SHEET SITE PLAN A1 EXHALE SOCIETY 35 E BROADWAY RD TEMPE, AZ 85282 PROJECT A2 FLOOR PLAN EXTERIOR ELEVATIONS JOHN AITON PROJECT OWNER..... . JOHNOEXHALESOCIETY.COM STUDIO PRINC PHOENIX AZ 85003
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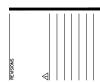


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TEMPE, AZ 85282

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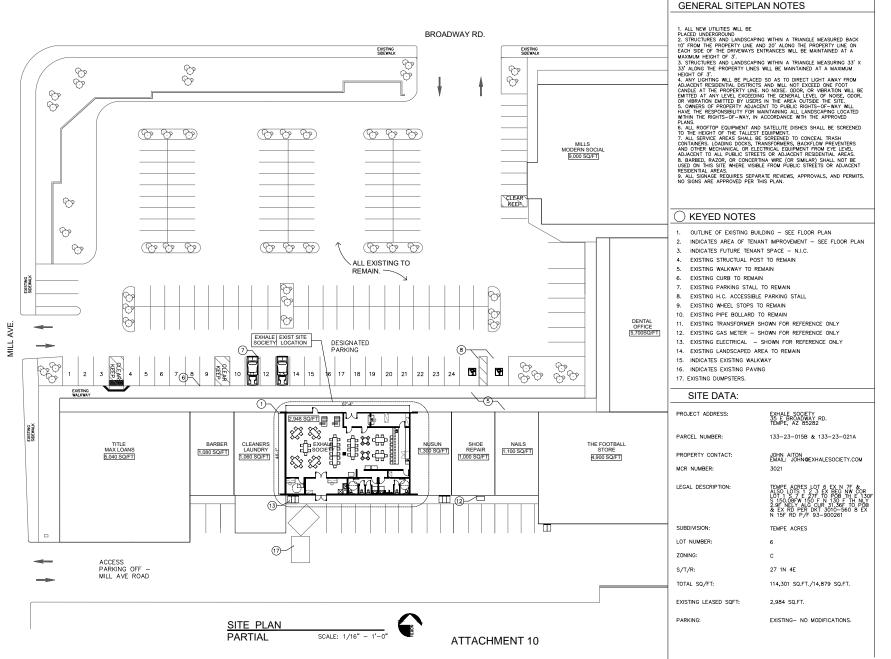
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EXHALE

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EXHALE SOCIETY
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TEMPE, AZ 85282

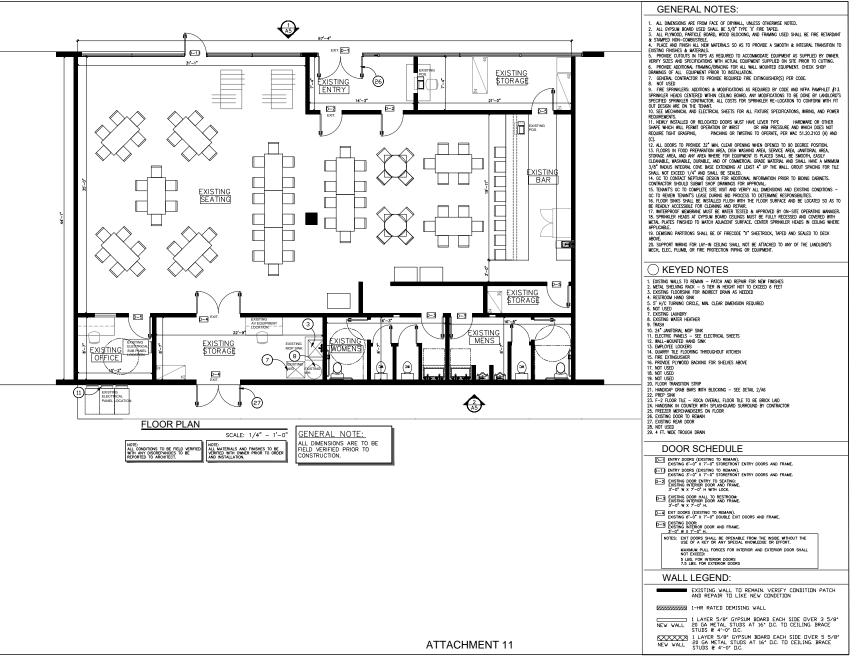
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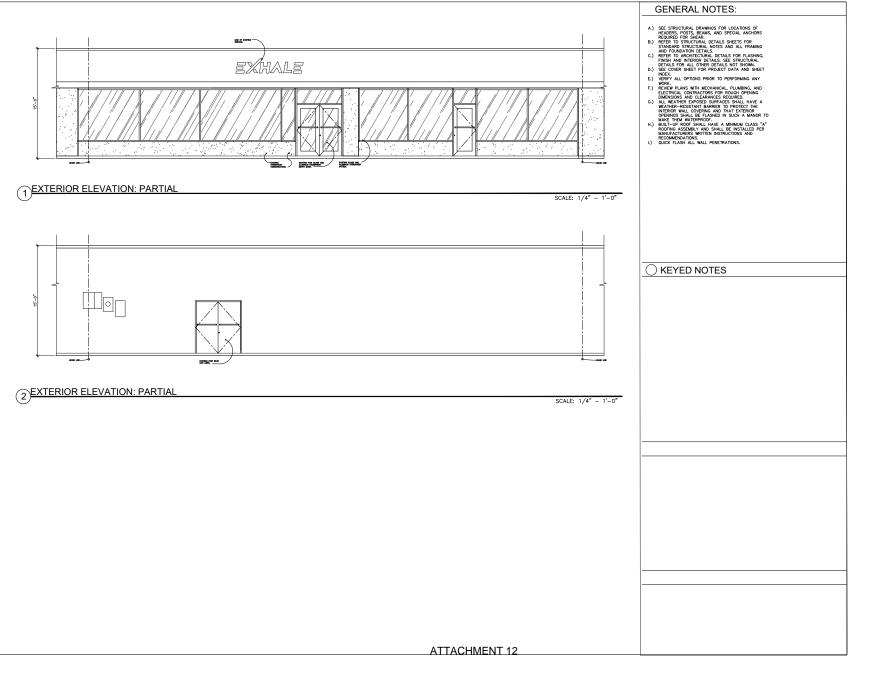
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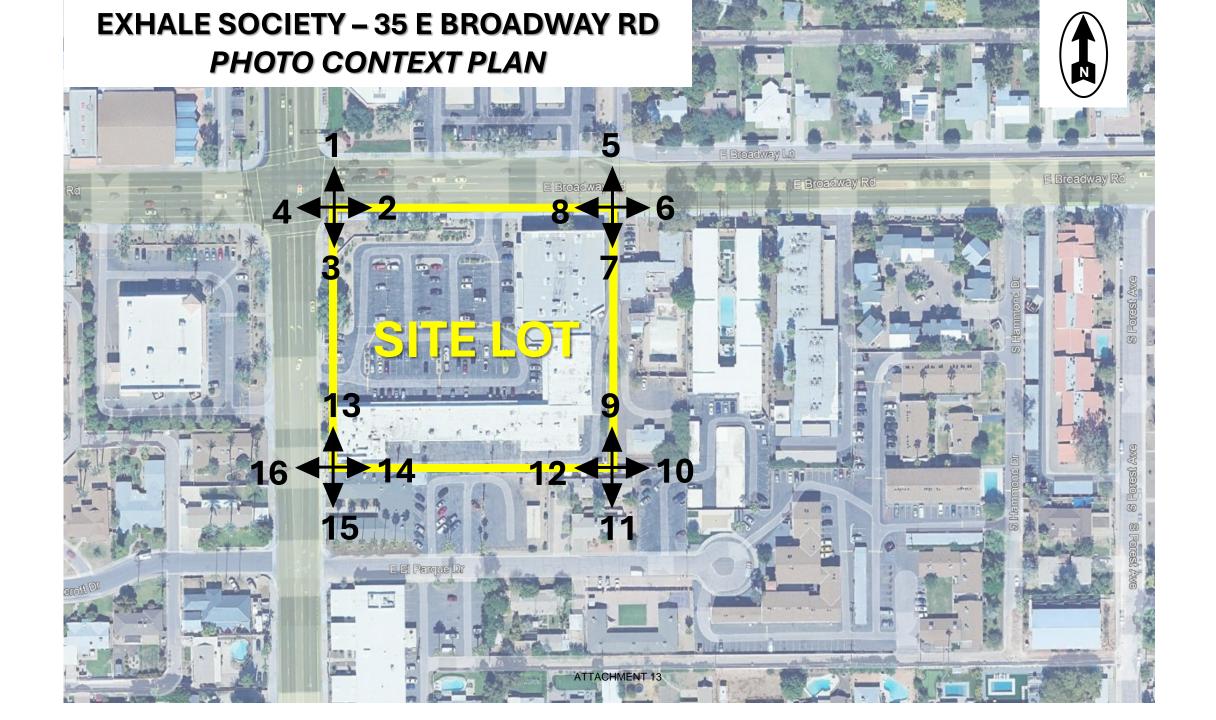
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35 E BROADWAY RD.
TEMPE, AZ 85282

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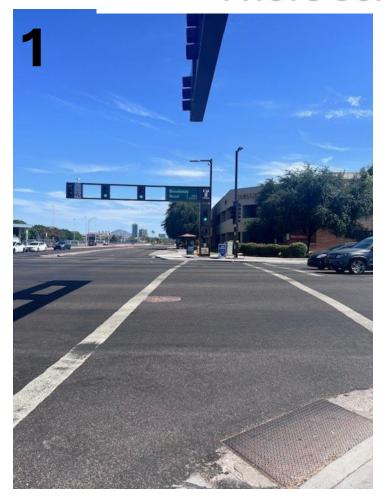


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EXHALE SOCIETY – 35 E BROADWAY RD PHOTO CONTEXT PLAN



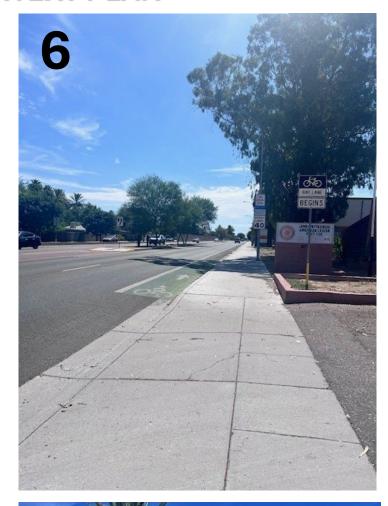






EXHALE SOCIETY – 35 E BROADWAY RD PHOTO CONTEXT PLAN

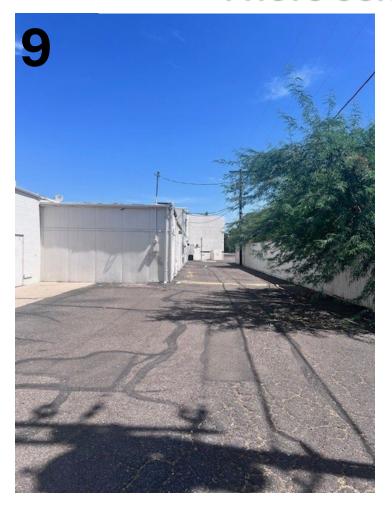








EXHALE SOCIETY – 35 E BROADWAY RD PHOTO CONTEXT PLAN



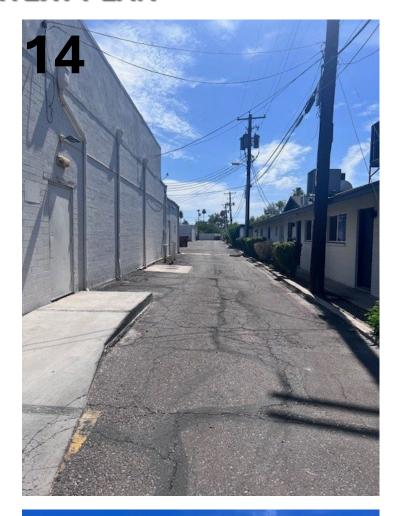






EXHALE SOCIETY – 35 E BROADWAY RD PHOTO CONTEXT PLAN









Exhale Society, Inc.

Public Involvement Report

FOR

Variance Application to Permit Tobacco Retailer at 35 E. Broadway Road, Tempe (SEC of Broadway Road and Mill Avenue) Case # PL240244

September 9, 2024

Applicant:

Rose Law Group pc

Ryan Hurley, Esq.:

Email: rhurley@roselawgroup.com
Phone: 480-944-4191

r none. 400-344-413

Ty Utton:

Email: tutton@roselawgroup.com Phone: 480-944-4189

Public Involvement Report

This Public Involvement Report (PIR) is being implemented alongside a variance request to reduce the use separation requirements for a tobacco retailer from a school from 1,320 linear feet to 250 feet. The variance will facilitate the operation of a private club that will permit the consumption of marijuana products on site for 21 and older members. The purpose of this PIR is to detail the results of the implemented Public Involvement Plan, submitted to the City of Tempe on August 4, 2024.

A. Phone and Email Inquiries

In response to the notification letter mailed August 7th (Notification Affidavit attached as Exhibit A), the Applicant team received one (1) phone call and two (2) emails.

The one (1) phone call, received August 13th, was from the School District General Counsel who inquired about the project and what methods are employed to ensure this does not affect students at nearby schools. The Applicant Team walked him through the ID check and security protocols, as well as their impaired driver policy.

Among the two (2) emails received, one (1) expressed opposition to the project with several concerns listed and the Applicant Team responded detailing how they mitigated their concerns and provided the opportunity to walk them through the plans. No follow up response was received, and the email correspondence is attached as Exhibit B.

The second email was inquiring for further information about the project and did not express support or opposition. Once further information was provided, no follow up response was received. The email correspondence is attached as Exhibit C.

B. Neighborhood Meeting

The neighborhood meeting was advertised via two (2) methods, sign postings and mailing notices, as outlined in Section B of the attached **Appendix A – Public Involvement Plan**. The Sign Posting Affidavit is attached as Exhibit D. The meeting was held at the Graduate Tempe (225 E Apache Blvd, Tempe, AZ 85281). One (1) person came in attendance and supported the project. The applicant team was prepared to give a presentation, however, because of the lack of attendees, the meeting ended up following an open house format, where the Applicant Team walked the attendee through poster boards with information related to the request and the use. The sign in sheet is attached as Exhibit E.

EXHIBIT A

Affidavit of Notification Application: PL240244 Applicant Name: Exhale Society Inc Location: SEC Broadway Rd and Mill Ave I confirm that notice as required for the case noted above has been mailed or delivered to the attached list of property owners and neighborhood associations at the addresses noted. Applicant/Representative Signature This instrument was acknowledged before me on this . In witness whereof I hereunto set my hand and official seal. HOPI L SLAUGHTER Notary Public, State of Arizona Maricopa County **Notary Public** Commission # 599745 My Commission Expires March 24, 2025 My commission expires MARCH W, MUS

TY UTTON

ROSE LAW GROUPPC RICH • CARTER • FISHER

7144 E. Stetson Drive, Suite 300 Scottsdale, AZ 85251 Phone 480.944.4189 Fax 480.505.3925 TUtton@RoseLawGroup.com www.RoseLawGroup.com

August 6, 2024

Dear Property Owner or Neighborhood Association Representative,

The purpose of this letter is to inform you that our firm on behalf of Exhale Society, Inc. (the "Owner"), Rose Law Group pc has submitted an application to the City of Tempe for a variance request to allow a tobacco retail business for a property located at the southeast corner of Broadway Road and Mill Avenue (APN: 133-23-021A), addressed as 35 E. Broadway Road (the "Site").

The Site is a portion of a larger retail strip mall that contains nine retail businesses, and the Owner leases a space within this development. The Site is zoned Commercial Shopping and Services (CSS) and is designated as Mixed-Use Low-Moderate and up to 25 du/ac by the City of Tempe's General Plan 2050.

The sole operation of the business is a 21 years and older private club (the "Project"). The Owner will not sell tobacco products, nor will they sell marijuana, marijuana products, or alcohol on the premises. The Owner is strictly offering a private club for its patrons.

To facilitate the Project at the Site, the Owner is requesting to reduce the separation requirement of the Site as outlined in Section 3-423(B) of the Zoning Code from adjacent schools from 1,320 feet to 250 feet. Upon granting of this variance request, the Owner would then need to seek a Use Permit to permit the Project as a tobacco retailer in the CSS zoning district.

We will be hosting an open house meeting for the public. Please join us to learn more about the Project.

Open House Meeting

Thursday, August 22, 2024 Anytime between 5:30PM to 6:30PM The Graduate Hotel Tempe 225 E Apache Blvd, Tempe, AZ 85281

If you are unable to attend this open house meeting, please contact me directly at 480 944 4189 or tutton@roselawgroup.com to learn more about the project. I would be happy to answer any questions or hear any comments you may have regarding this project. You may reach me at any time.

Sincerely, Ty Utton – Rose Law Group pc

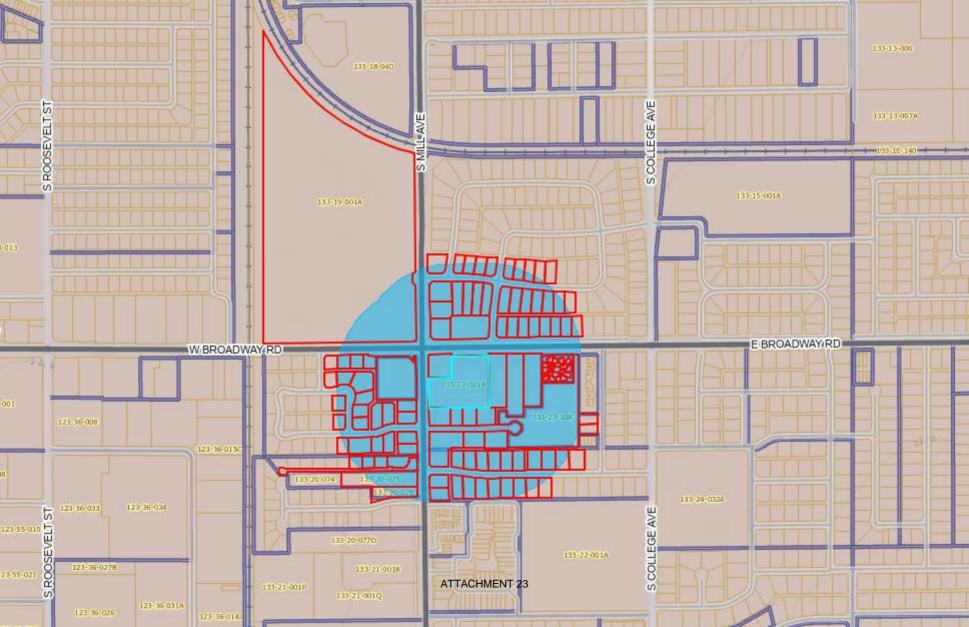


EXHIBIT B

Kayla Amado

From: Ty Utton

Sent: Wednesday, August 21, 2024 1:03 PM

To: Steve Burns

Cc: Ryan Hurley; Kayla Amado

Subject: RE: Re your application for "The Project"

Steve,

Thank you for reaching out regarding this project. The project will permit a private club which will allow customers to consume marijuana on the premise. Because this proposed use is not legally defined in the City's zoning ordinance, they are considering the private club to be a "tobacco retailer" (link to City's definition:

https://library.municode.com/az/tempe/codes/zoning_and_development_code?nodeId=ZONING_DEVE LOPMENT_CODE_PT7_DE_CH1_DE_S7-121TDE). The proposed private club has a very strict application and ID checking process to ensure that no minors or unauthorized person may enter the building, which includes an airtight, heavily filtered room to ensure no odors or smoke may escape the consumption area. As stated in the letter, there will be no sales of any tobacco products, marijuana, or alcohol on the premise. Patrons will be required to bring their own marijuana to the location.

As far as what will be happening there, the consumption area is essentially a lounge with TVs. The private club hosts many social events such as bingo and trivia, as well as plays sports on the TVs. The idea is to create a safe place where people can try marijuana for the first time in a safe environment as well as provide a space where people can consume the product without bothering their neighbors.

This is just the first step in getting this project approved. If the variance is approved, we will then have to submit for a use permit with the City of Tempe to permit the private club in this location which will include additional public hearings and meetings.

Thank you for your attention to this matter and please let me know if you have any additional questions.

Best,

Ty Utton
Planner/Project Manager

7144 E Stetson Drive, Suite 300, Scottsdale, AZ 85251

Direct: 480-944-4189

F: 480-505-3925

Mobile: 425-971-3790

The author of this email is not an attorney. This communication does not constitute legal advice and should not be construed as such. The information contained in this message is privileged and confidential. It is intended only to be read by the individual or entity named above or their designee. If the reader of this message is not the intended recipient, you are on notice that any distribution of this message, in any form is strictly prohibited. If you have received this message in error, please immediately

notify the sender by telephone at 480.505.3936 or fax 480.505.3925 and delete or destroy any copy of this message. Thank you.

Ty Utton

Planner/Project Manager



7144 E Stetson Drive, Suite 300, Scottsdale, AZ 85251

Direct: 480-944-4189 F: 480-505-3925 Mobile: 425-971-3790

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Think green, please don't print unnecessarily

----Original Message-----

From: Steve Burns

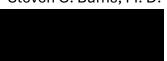
Sent: Friday, August 16, 2024 11:39 AM

To: Ty Utton <tutton@roselawgroup.com>

Subject: Re your application for "The Project"

I will not be able to attend the open house on 8/22. You have stated in the letter what the business will not be doing, ie selling tobacco products, marijuana, or alcohol. And yet you are applying for a variance for tobacco use. So, my question is, what is the purpose of the over-21 establishment, and what will be happening there?

Steven C. Burns, M. D.



From the iPad of Steven C. Burns, M. D.

EXHIBIT C

Kayla Amado

From: Ty Utton

Sent: Wednesday, August 21, 2024 1:02 PM

To: Deborah Webster

Cc: planning@tempe.gov; Ryan Hurley

Subject: RE: Regarding variance request for tobacco retail business - The Project

Deborah,

Thank you very much for reaching out to me regarding this request. I understand your concerns and would like to provide you with some additional information that I hope will ease some of your concerns. The location has an entrance area that is completely sealed off from the social lounge with a secure, airtight door and has an ID checking area to ensure only people 21 and older may enter. The purpose of this is multifold, 1) to ensure that only paying members with valid state issued IDs, that are checked via their barcodes to ensure no fake or invalid IDs are used, are admitted to the private club, and 2) to ensure no odors or smoke, may exit the social longue. The applicant has committed to ensuring that the businesses is non-descript from the outside, ensuring that they are not adverting or promoting the activities that undergo inside. Because the check in area is always staffed, the owners are committed to ensuring that no loitering occurs outside of the premise, both from patrons and from the general public.

Thank you again for your time and please let me know if you have any additional questions.

Best,

Ty Utton
Planner/Project Manager

7144 E Stetson Drive, Suite 300, Scottsdale, AZ 85251

Direct: 480-944-4189 F: 480-505-3925 Mobile: 425-971-3790

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----Original Message-----

From: Deborah Webster

Sent: Friday, August 16, 2024 2:16 PM
To: Ty Utton < tutton@roselawgroup.com>

Cc: planning@tempe.gov

Subject: Regarding variance request for tobacco retail business - The Project

Hello Ty.

I am responding to a letter received by my HOA for a variance request that you are proposing for a tobacco retail establishment at the corner of Mill and Broadway - "The Project". I see that there is an open house meeting, but I am

unable to attend so wanted to voice my opinion in this email. I have also copied city of Tempe planning department into this email so that they are also informed of my opinion.

I am much against this business being located so close to the high school. I have three properties within a short distance of this location (a primary home and a 2 rental homes). I would definitely hope for a more wholesome business to be located in that area since there are often high school students wandering around that area before and after school. High school students are not legally old enough to partake in this kind of business. It is also within walking distance of all my properties - one of those properties currently includes tenants with middle school aged children.

Rules of not putting this type of a retail establishment near a school are there for a reason. I hope the city will enforce those rules in this situation.

Thank you.

Deborah Webster

EXHIBIT D

Tempe AFFIDAVIT OF SIGN POSTING

The undersigned Applicant has complied with the City of Tempe's
Notification requirements for case PL240244 , located at
SEC Broadway Rd and Mill Ave on 08/07/24 .
See attached photo exhibit.
For applicant:
Rose Law Group
_Dynamite Signs
Sign Company Name
Sign Company Representative
Subscribed and sworn to be on 08/07/24 by
Meghan Liggett
IN WITNESS WHEREOF, I Hereto set my hand and official seal.
Notary Public MARYBETH CONZAD Notary Public - Arizone Markcopa County Cort.mission # 591461 My Comm. Expires Oct 25, 2024
My Commission expires: 10-25-24



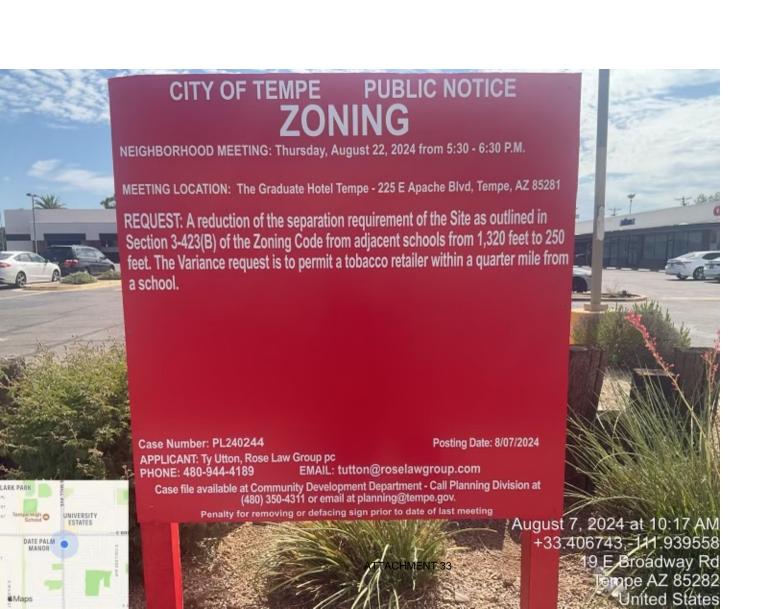




EXHIBIT E

Exhale Society, Inc. | Open House Meeting Sign-in Sheet

The Graduate Hotel Tempe

Thursday, August 22, 2024 from 5:30PM – 6:30PM

PL240244

Name	Address	Email	Phone	Y/N to receive project updates
Sovah Schiele				Y
(hris Jasper	City or terge -			

Jasper, Chris

From: planning

Sent: Friday, August 16, 2024 2:28 PM

To: Jasper, Chris **Cc:** Barry, Joanna

Subject: FW: Regarding variance request for tobacco retail business - The Project

Chris,

Is this your project?

Jennifer

----Original Message----

From: Deborah Webster

Sent: Friday, August 16, 2024 2:16 PM

To: tutton@roselawgroup.com

Cc: planning <planning@tempe.gov>

Subject: Regarding variance request for tobacco retail business - The Project

Hello Ty.

I am responding to a letter received by my HOA for a variance request that you are proposing for a tobacco retail establishment at the corner of Mill and Broadway - "The Project". I see that there is an open house meeting, but I am unable to attend so wanted to voice my opinion in this email. I have also copied city of Tempe planning department into this email so that they are also informed of my opinion.

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Rules of not putting this type of a retail establishment near a school are there for a reason. I hope the city will enforce those rules in this situation.

Thank you.

Deborah Webster

To whom it may concern,

My name is Rebecca Johnson, and I am the current owner of Aim2Please UltraKlean, located at 29 E Broadway Rd in Tempe, AZ. Before Exhale Society moved into the storefront next door, the space was vacant for some time. Most businesses in this strip close around 7pm so that leaves the property dormant until the following day, leaving time for any homeless or undesirable individuals who are up to no good to do damage or to loiter on the property. Since Exhale Society has opened, we have had no negative occurrences, before during, or after hours. They, in my opinion, should be allowed to continue business as they have since they opened. If you have any questions, please feel free to contact me at (480)968-2494. Thank you.

Sincerely,

Rebecca Johnson

Monday-Friday 8AM-7PM
Saturday 9AM-3PM
Sunday 10AM-2PM

Aim 2 Please UltraKlean
Dry Cleaners

a2pultraklean@yahoo.com
Becky Johnson
owner