

RESOLUTION NO. 4225

**A RESOLUTION ADOPTING FINDINGS OF FACTS, AND DENYING A
CONDITIONAL USE PERMIT FOR A MEDICAL MARIJUANA DISPENSARY AT
2317 AND 2319 MELROSE AVENUE.**

WHEREAS, Misty Carey on behalf of Lee James, LLC, has made application for a conditional use permit to operate a medical marijuana dispensary and associated medical clinic at 2317 and 2319 Melrose Avenue, Miles City, Montana;


AND WHEREAS, a Staff Report has been prepared by the City Planning department, evaluating the criteria for granting a conditional use permit for a medical marijuana dispensary;

AND WHEREAS, a public hearing was held on the 22nd day of January, 2019, and comments from the public hearing were considered by the City Council;

**NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF
MILES CITY, MONTANA AS FOLLOWS:**

1. The City Council adopts Staff Report MCCUP-2018-01 as findings of fact; and
2. The City Council hereby **DENIES** the application submitted by Lee James, LLC, for a conditional use permit to operate a medical marijuana dispensary at 2317 and 2319 Melrose Avenue, Miles City, Montana, for the reason that the proposed location falls within 1,000 feet of a religious institution, namely the Break Forth Bible Church, which is prohibited by City Code Section 24-71(b), as set forth more fully in Staff Report MCCUP-2018-01.

**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED
QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, AT
A REGULAR MEETING THIS 22nd DAY OF JANUARY, 2019.**



John Hollowell, Mayor

ATTEST:



Lorrie Pearce, City Clerk

**Miles City Planning
Conditional Use Permit
Staff Report MCCUP-2018-01
Misty Carey, Lee James, LLC
Meeting Date: January 22, 2019**

Staff Recommendation: Deny

Recommended Conditional Use Permit Motion: Having reviewed and considered the staff report, application materials and information presents. O hereby adopt the findings presented in the staff report for application 2018-01 and move that the Miles City, City Council deny the 2317 and 2319 Melrose Avenue, Conditional Use Permit.

Background Information:

Misty Carey, on behalf of Lee James LLC, has submitted a Conditional Use Application to operate a medical marijuana dispensary and associated medical clinic on one existing lot totaling approximately 0.29 acres / 12,458 square feet. The property in question is zoned Highway Commercial where medical marijuana providers are a conditional use.

A. Applicant

Misty Carey, Lee James, LLC
508 West Arnold Street
Bozeman, MT 59715

B. Owner

Lee James, LLC
508 West Arnold Street
Bozeman, MT 59715

C. Location and Legal Description of Property

The property is located northeast of the intersection of Valley Drive East and North Strevell Avenue and addressed as 2317 and 2319 Melrose Avenue, Miles City, MT 59301 – see vicinity map below. The legal description of the property is Lot F, of Tract No. 2, of the Dyba Addition located in Section 27, Township 8 North, Range 47 East, P.M.M., City of Miles City, Custer County, Montana.



D. Land Use(s) and Zoning

The property is currently occupied by two vacant buildings and zoned Highway Commercial. The proposed land use is a medical marijuana dispensary and associated medical clinic. Adjacent Zoning and Land Uses are shown below

North: Zoning – County C-1 Commercial. Land Uses – Commercial business (Lennox Heating and Cooling).

East: Zoning – General Commercial. Land Uses – Vacant land.

South: Zoning – General Commercial. Land Uses – Parking lot of Omni Center.

West: Zoning – General Commercial. Land Uses – Commercial business (Regan Plumbing and Heating).

E. General Land Use Characteristics

The general land use characteristics of the area can be described as auto-oriented commercial.

Evaluation Criteria

The following is an evaluation of the conditional use permit application in light of the criteria outlined in in section 24-91(d) of Miles City's Zoning Regulations.

1. The proposed use complies with the applicable standards and the requirements of the zoning district in which the project is proposed.

No. Medical Marijuana dispensaries are considered a conditional use in the Highway Commercial district, which triggered the need for this Conditional Use Permit application. In terms of the Highway Commercial district specifications outlined in Table II.18 of Miles City's Zoning Regulations, the proposed use conforms to the district's lot, setback, and height

specifications. As a result the proposed use conforms to the Highway Commercial District's standards. However, the proposed use must also comply with requirements for medical marijuana outlined in Section 24-71 of Miles City's zoning regulations. Subsection (b) states that "medical marijuana providers shall not be located within 1,000 feet of a public or private school, park, playground or a religious institution." As can be seen in Figure 1 below, the Break Forth Bible Church (614 N Earling Avenue) lies within 1,000 feet of the proposed medical marijuana dispensary – as measured from building to building. As a result the proposed use does comply with all applicable standards in Miles City's Zoning Regulations.

Figure 1: Buffer Map



2. **The proposed use, including mitigation measures, shall have no more adverse effects on the health, safety, or welfare of persons living or working in the neighborhood, or shall be no more injurious to property or improvements in the neighborhood than would any other permitted or conditional uses in the same district. In making such determination, consideration shall be given to the location, type, height, scale, layout, and the type and extent of landscaping and screening on the site, as well as measures proposed by the applicant to minimize impacts to neighborhood.**

Yes. The proposed land use will have no more adverse effects on the health, safety, or welfare of persons living or working in the neighborhood, or shall be no more injurious to property or improvements in the neighborhood than would any other permitted or conditional uses in the same district.

3. **Adequate facilities and services are, or will be, through the application of these regulations and the adoption of conditions, made available to serve the proposed use including police, fire, parks, sewer, water, streets, motorized and non-motorized transportation, drainage, solid waste, schools and other facilities and services as appropriate;**

Yes. The subject property is served by Miles City water and sewer, Miles City Fire and Rescue and the Miles City Police Department. Adequate access to the property is provided from Valley Drive East to the west. School facilities and bus services are available to the property if necessary. However, it is unlikely that the proposed use would impact Miles City schools as it is not a residential use. No parks are immediately adjacent to the property. Mail delivery and utilities are available to the property. Based on the above information, adequate facilities and services are available to serve the proposed use.

4. **Adequate measures shall be taken as necessary to provide ingress and egress so designed as to minimize traffic hazards and to minimize traffic congestion on the public roads.**

Yes. Both buildings face the internal parking lot of the Omni Center with access being provided off of Valley Drive East (a principal arterial) which provides emergency vehicle access. It is not anticipated that the proposed use will generate enough traffic to negatively impact traffic congestion or create hazards on Valley Drive East or adjacent public roads.

5. **No use shall be constructed or operated so as to cause excessive noise, vibrations, smoke, dust or other particulate matter, toxic or noxious matter, humidity, heat or glare into a residential district. "Excessive" is defined for these purposes as a degree that could be observed by the administrator and city council to be injurious to the public health, safety or welfare.**

Yes. The proposed use is not anticipated to generate excessive noise, vibrations, smoke, dust or other particulate matter, toxic or noxious matter, humidity, heat or glare excessive noise, vibrations, smoke, dust or other particulate matter, toxic or noxious matter, humidity, heat or glare onto residential districts. In the application, the applicant stated that dispensary will operate during normal business hours while the clinic will only be used a few days per month.

Conditions

In the event the City Council decides to approve Conditional Use permit Application for the applicant to operate a medical marijuana dispensary and 2317 and 2319 Melrose Avenue, staff recommend the following conditions

1. All site development and use of the property shall be in accordance with the Miles City Zoning Regulations, the approved application and plans, and as discussed in Staff Report MCCUP-2018-01. Any modifications shall require additional review by the City of Miles City.
2. The owner, applicant, or their assignees shall not display, in an open or visible manner to the general public, any medical marijuana plant, marijuana infused product, or any depictions, caricatures, or other artistic renditions of a marijuana plant, leaf, bud or parts in a manner visible from the exterior of the establishment, structure or building in which the provider does business.
3. The owner or authorized representative shall obtain a Building Permit prior to start of construction. A permit is required for construction, additions, alterations, repairs, relocation, demolition, change of occupancy, or electrical, gas, mechanical or plumbing system projects.
4. The owner shall maintain adequate parking spaces for employees and patients at a minimum of one space per 500 square feet of floor area as required by Miles City's Zoning Regulations.
- 5.

This staff report has been prepared by Ally Capps, City Planner for the City of Miles City. I have reviewed the applications for the conditional use permit submitted by Misty Cary, on behalf of Lee James, LLC. I have reviewed pertinent city code provisions, zoning maps and other information and applied the same to the conditional use provisions of the City Code. I have prepared this report so that analysis of the conditional use permit criteria as applied to this application can be reviewed by the City Council, and adopted by the City Council, and adopted by the Council as finding of fact upon which they base their decision as to the approval or denial of the dispensary, I recommend that the City Council deny the issuance of a conditional use permit, as proposed location falls within 1,000 feet of a religious institution, as prohibited by Section 24-71(b) of the Code of Ordinances of the City of Miles City.



CONDITIONAL USE PERMIT APPLICATION

Community Services & Planning

City of Miles City 17 S. 8th Street, P.O Box 910 Miles City, MT 59301 406-234-3493

THIS SECTION FOR OFFICIAL USE ONLY

Revenue Code: 10000-341014

File No. _____

Conditional Use Permit Application - MILES CITY

Date Received:

12.18.18 AC

Purpose: Conditional uses require public review for activities that may have a significant impact on the landscape setting, public facilities, or neighboring land uses. Conditional uses may be compatible with the permitted uses in a zoning district, but require individual review of their location, scale, design, and configuration, and may include the imposition of special conditions or mitigations in order to ensure the appropriateness of the use at a particular location within a given zoning district.

Applicability: The conditional uses for each district are listed in the permitted and conditional use tables in the various districts sections in Article II. When a proposed use is listed as a conditional use in the site's zoning district, the following require review under this Section:

1. Any new conditional uses;
2. Any non-minor changes of occupancy resulting in a different conditional use, as determined by the Administrator;
3. Any expansion to an existing use listed as a conditional use involving addition to buildings or outdoor areas directly associated with the conditional use that is greater than 25 percent of the existing square footage or 5,000 square feet, whichever is less; and
4. Changes in use where the parking requirements will exceed 25 percent of the existing use.

Application Date: 12/18/18

Fee: \$300.

Name of Project: KANNAKARE RETAIL STORE + CLINIC

Location of Project/Legal Description:

2317 + 2319 MELROSE BLVD - TRACT 2, SECTION 27, TOWNSHIP 8N
RANGE 47E

Contacts

Property/Business Owner Name: LEE JAMES LLC

Please print

Contact Name: MISTY CAREY

Please print

Address: 508 W. ARNOLD
BOZEMAN, MT 59713

Phone: 406-582-0970 Cell Phone: 406-581-4915 Email: MISTY@KANNAKARE.COM

Applicant Name: N/A

(If different from owner)

Circle One Architect/Builder/Engineer/Other

Address: _____

Phone: _____ Cell Phone: _____ Email: _____

Descriptive Data

Total area in acres or square feet: 12,500

Existing Zoning: HIGHWAY COMMERCIAL

Existing and Proposed Use:

EXISTING: VACANT

PROPOSED: MEDICAL CANNABIS RETAIL STORE + CLINIC

If Residential Number of Units and type of Proposed Units: N/A

If Commercial/Industrial Number of Buildings together with Square Footage and Stories/Height of each:

2317 MELROSE BLVD: 1800 SQ FT, 1-STORY, 14 FT HT

2319 MELROSE BLVD: 448 SQ FT, 1-STORY, 12 FT HT

24-83: Materials/Information to be submitted with this application:

The application submittal shall include the information listed in this section of this application form. If an item is not included, the applicant should explain why. Please be advised that the Administrator, contract reviewers, or the Town Council may request additional information during the review process. Additional copies of the application and all submittal requirements, and/or a digital or PDF version of the same may be required by the Administrator for distribution to various parties for the required review process.

1. Application form and review fee
2. Vicinity Map showing location of proposed project (8 ½ x 11)
3. One each paper and digital legible copy of the Site Plan at a suitable scale (example: 1 inch = 10 feet) with the following information:

- ☐ Property boundaries/lot lines with dimensions and a north arrow indicator
- ☐ Geographic features such as slopes, water bodies, floodplains, wetlands, trees and other vegetation
- ☐ Topographic contours at a minimum interval of two feet or as determined by the Administrator
- ☐ Onsite and adjacent offsite streets, roads, alleys and easements to a distance of 150 feet from the subject property, including existing and proposed improvements such as:
 - ☐ curbs
 - ☐ gutters
 - ☐ sidewalks
 - ☐ bike paths
- ☐ Parking facilities, including:
 - ☐ bicycle racks

- ☐ landscaping
 - ☐ grading
 - ☐ lighting
 - ☐ handicap-accessible parking
 - ☐ typical dimensions of parking spaces (including labeling angles for angled parking)
 - ☐ traffic flow on-site
 - ☒ ingress and egress points
 - ☐ driveways
 - ☐ paving details
 - ☒ Existing and proposed wells, septic tanks and drainfields
 - ☒ Existing and proposed utilities and municipal facilities, such as water lines and sewer lines
 - ☒ Existing and proposed buildings with dimensions, including all above grade projections and lot coverage
 - ☐ Location of fire hydrants, fire lanes and turnarounds
 - ☒ Exterior refuse collection areas
 - ☒ Setback distances as required by the zoning district regulations
 - ☒ Existing and proposed utility easements
4. Storm water management plan, if required by Section 24-46, which includes all information required by that section
 5. Landscaping plan, if required by Section 24-49, which includes all information required by that section (the landscaping plan may be included on the overall project site plan, but to demonstrate compliance with Section 24-49, please refer to that section for additional site plan and other submittal requirements)
 6. Elevation plans or side profiles for structures with dimensions for building heights, demonstrating the building height as defined by Article V
 7. For any application that involves buildings for lease or rent, the applicant shall submit an assessment of potential significant impacts on the surrounding physical environment and human population in the area to be affected, including any proposed measures, if any, to avoid or minimize potential significant impacts identified
 8. Montana Department of Environmental Quality (DEQ) Certificate of Subdivision Approval (COSA)
 9. All other maps, plans, drawings, tabulations, calculations, and text needed to demonstrate compliance with the zoning regulations
 10. **Any additional information required by any section of the zoning regulations**

Property Owner Signature: Misty Carey Date: 12/18/18

Applicant Signature: _____ Date: _____
(If different from owner)

It is understood the filing of an application for a permit constitutes permission for the Administrator and appropriate personnel to conduct inspections of the site during their consideration of the application, and to subsequently monitor compliance with any conditions of approval during the life of the permit.

Describe how your project will address the following criteria:

1. Does the proposed use comply with the applicable standards and the requirements of the zoning district in which the project is proposed (please explain)?

2. Describe how the proposed use, including mitigation measures, will have no more adverse effects on the health, safety, or welfare of persons living or working in the neighborhood, and will be no more injurious to property or improvements in the neighborhood than would any other permitted or conditional uses in the same district. Describe how the location, type, height, scale, layout, and the type and extent of landscaping and screening on the site, and other measures proposed by the applicant, minimize impacts to the neighborhood.

3. Describe the facilities and services that are, or will be, through the application of the zoning regulations and the adoption of conditions, made available to serve the proposed use including police, fire, parks, sewer, water, streets, motorized and non-motorized transportation, drainage, solid waste, schools and other facilities and services as appropriate.

4. Describe any measures to be taken to provide ingress and egress in a manner that are designed to minimize traffic hazards and to minimize traffic congestion on the public roads.

5. Explain how the proposed project will not cause excessive noise, vibrations, smoke, dust or other particulate matter, toxic or noxious matter, humidity, heat or glare into a residential district. "Excessive" is defined for these purposes as a degree that could be observed by the Administrator and City Council to be injurious to the public health, safety or welfare.

Questionnaire

1. Medical marijuana (cannabis) providers are allowed in the Highway Commercial (HWC) zoning district in Miles City as a Conditional Use.

2. The proposed use of this location will have no more adverse effects on the health, safety, or welfare of persons living or working in the neighborhood and will not be more injurious to property or improvements in the neighborhood than any other permitted or conditional uses in the neighborhood.

The recent building improvements of a new roof and fresh paint have added much needed curb appeal, thus enhancing the visual appeal of the neighborhood.

KannaKare has served our patients in the Omni Center for over ten years and, according to city officials, has been "grandfathered in" at our current location. Given that our cannabis company already operates across the parking lot, little change on the traffic or number of people visiting the neighborhood is to be expected from our move to this new building.

The move to this new building will have little to no adverse impact on the neighborhood.

KannaKare is dedicated to ensuring that medical cannabis is dispensed in a way that promotes safety for patients and the community. All merchandise leaves the building in opaque child proof packaging. The use of security cameras on the property adds to public safety, not only for local businesses, but for the neighborhood as well.

The small building at 2319 Melrose will be used for monthly clinics to see new patients and renew patient cards. The doctors at medical cannabis clinics do not diagnose conditions, but may recommend medical cannabis based on diagnostic records from other physicians. They do not administer, prescribe, or distribute pharmaceutical drugs or cannabis products. Clinics are generally well-scheduled by administrative staff, avoiding parking congestion or patients loitering outside.

3. Cannabis and cannabis-infused products sold at the KannaKare retail store are grown and/or manufactured in Gallatin and Madison Counties. Our retail operations in Miles City have little to no impact on local services such as water and sewer.

4. Given that our cannabis company already operates across the parking lot, little change on traffic congestion or number of people visiting the neighborhood is to be expected from our move to this new building. The property abuts a very large parking lot, providing ample parking and multiple routes of ingress and egress. There are two entrances to Valley Drive East (Montana Highway 94) very near the property and three other routes that may be used to access the parking lot and the property. (See Traffic Flow Map pg. 5)

5. The proposed use as a Medical Marijuana Provider will not cause excessive noise, vibrations, smoke, dust, or other particulate matter, toxic or noxious matter, humidity, heat or glare. The KannaKare shop is a regular retail business that will operate during business hours. The clinic building will be used a few days per month and then only for paperwork and Doctor's consults.

Conditional Use Questionnaire

1. Medical marijuana providers are allowed in the Highway Commercial (HWC) zoning district in Miles City as a Conditional Use. Section 24-71 of the zoning regulations lists two requirements:

a) No marijuana depiction be visible from the building exterior. KannaKare's logo include three leaves, clearly not marijuana.



b) Providers shall not be located within 1,000 feet of a school, park, playground or church. No nearby parks, playgrounds or schools exist within 1,000 feet. The Break Forth Bible Church currently occupies a building at 614 N. Earling Ave. KannaKare had been a long-time occupant of this neighborhood when Break Forth moved in and the store's presence did not dissuade them from their location choice. Their service times are listed as 10:30 a.m. on Sunday morning and 7:00 p.m. on Wednesday evening, both times when KannaKare is closed for business. Forgiveness of this requirement regarding our proximity to this religious institution ought also be "grandfathered in" and not cause for application denial.

2. The proposed use of this location will have no more adverse effects on the people or property than any other permitted or conditional uses in the neighborhood. Our use is much safer for public health than emissions from utility installations or wireless communication facilities and fumes from a gas station. Our business is a retail store with a limited number of customers, having far less impact on the neighborhood than a casino, bar, RV park or animal rescue center. Our patient base, the people who frequent our shop, come from all walks of life. These are not kids; our average patient age is 58-years-old.

3. Cannabis and cannabis-infused products sold at the KannaKare retail store are grown and/or manufactured in Gallatin and Madison Counties. Our retail operations in Miles City have little to no impact on local services such as water and sewer.

4. Given that our company currently operates across the parking lot, little to no change on traffic congestion or number of people visiting the neighborhood is to be expected from our move to this new building. The property abuts a very large parking lot, providing ample parking and multiple routes of ingress and egress. There are two entrances to Valley Drive East (Montana Highway 94) near the property and three other routes that may be used to access the parking lot and the property. (See Traffic Flow Map pg. 5 Figure 3B)

5. The proposed use as a Medical Marijuana Provider will not cause excessive noise, vibrations, smoke, dust, or other particulate matter, toxic or noxious matter, humidity, heat or glare. The KannaKare shop is a retail business that operates during normal business hours. The clinic building will be used a few days per month for paperwork and doctor consults.

#2 Vicinity Map #1

2317/2319 Melrose Blvd.

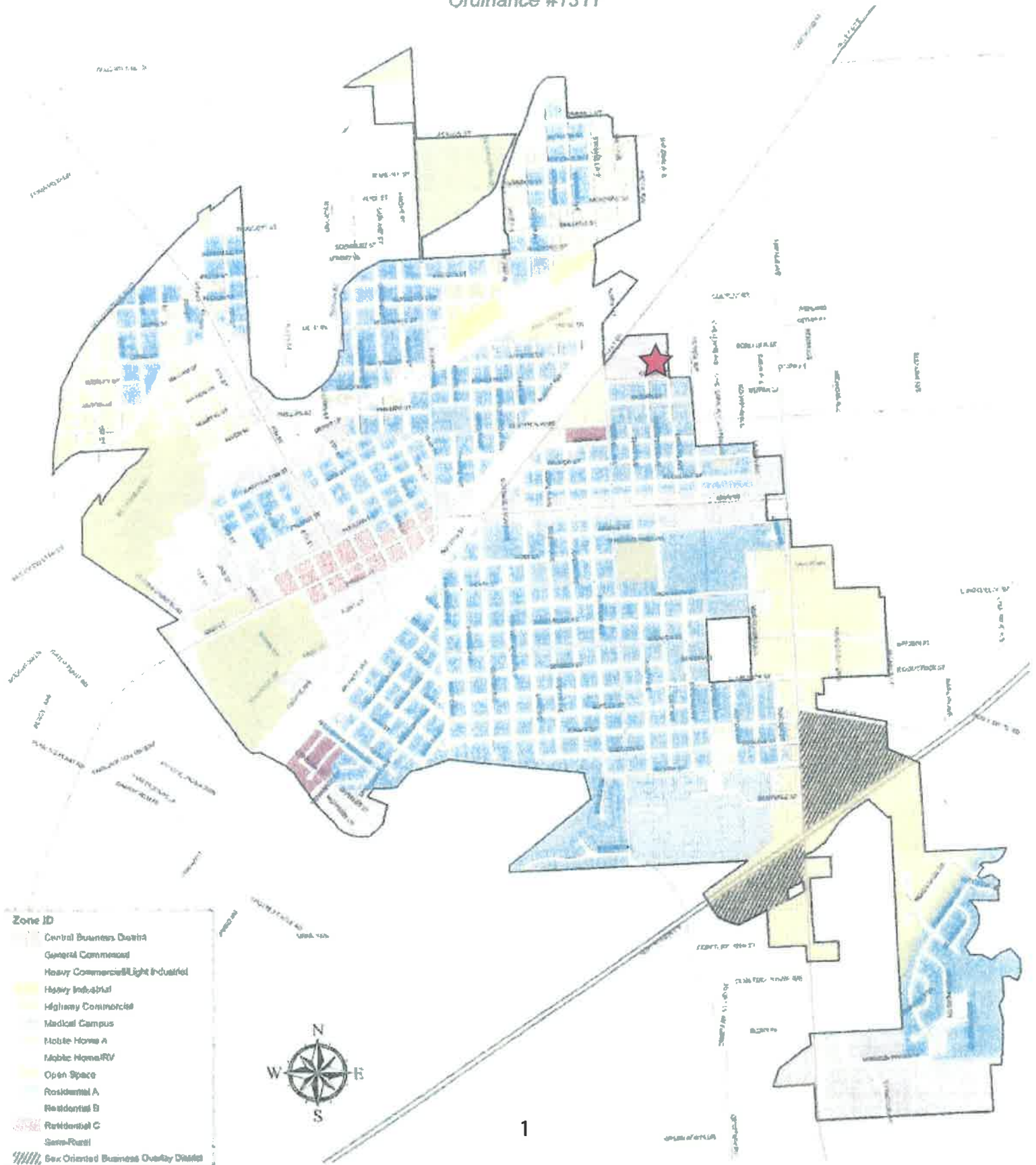
Lee James LLC

Misty Carey

Miles City Zoning Map

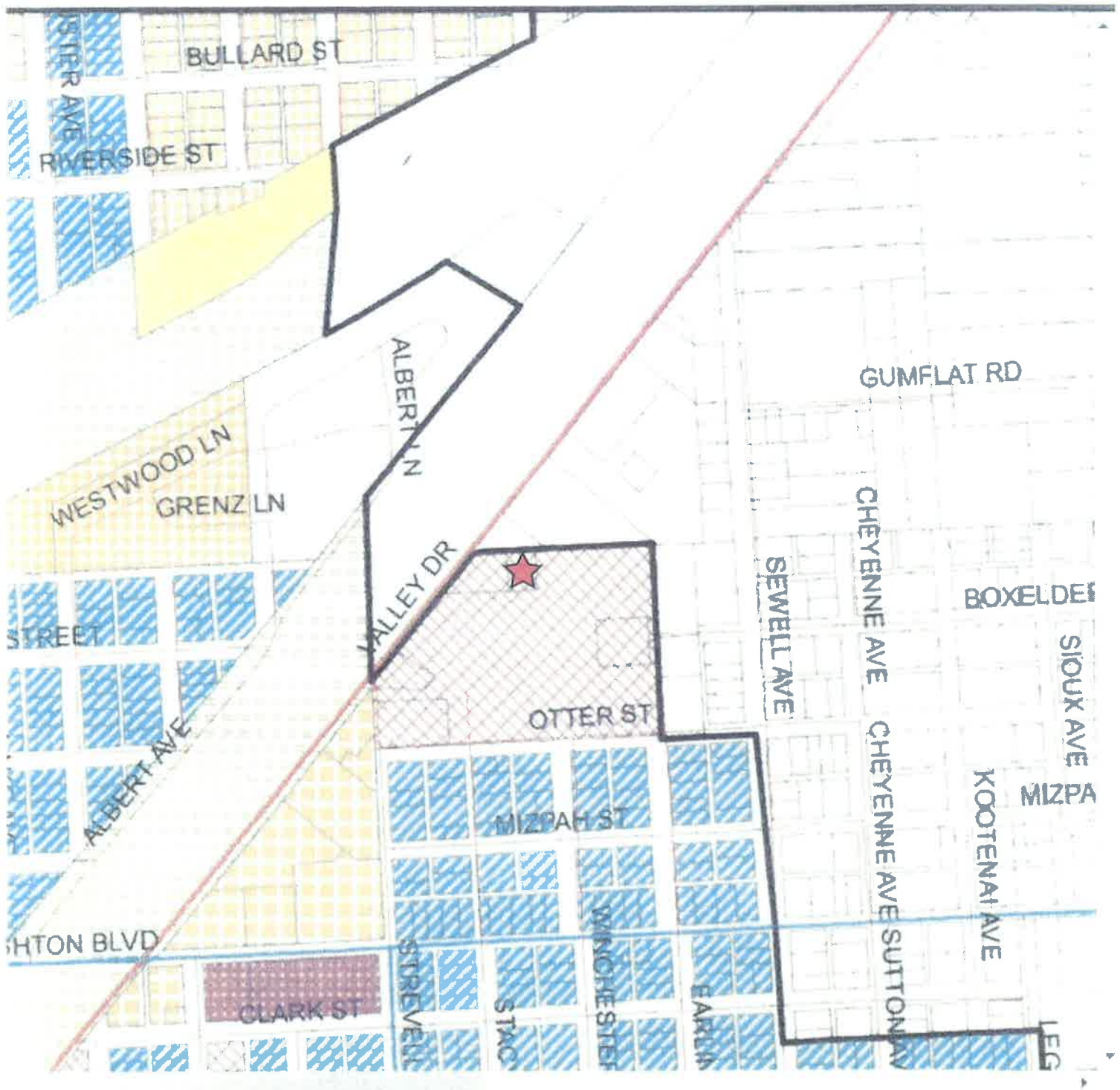
Effective Date: 4/17/2017

Ordinance #1311



#2 Vicinity Map #2

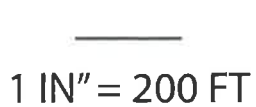
2317/2319 Melrose Blvd.
Lee James LLC
Misty Carey



1 inch = 500 ft



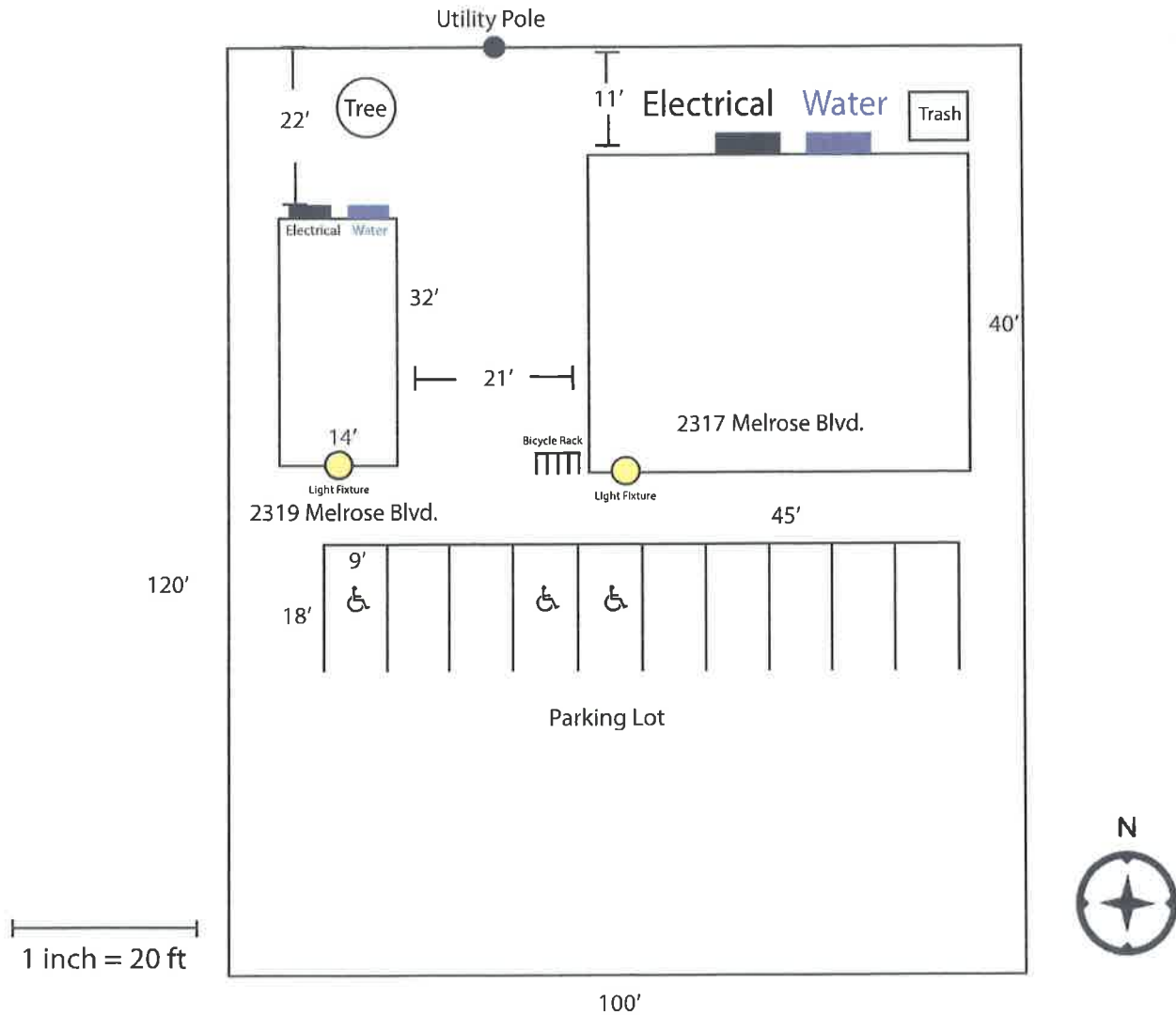
2317/2319 Melrose Blvd.
Lee James LLC
Misty Carey



#3

FIGURE NO. 3

3a) Property Boundaries



SEE FIGURE NO. 3

#3

- 3b) Geographic features: None
- 3c) Topographical Contours: Not applicable. Flat parking lot. Flat land.
- 3d) Onsite and adjacent offsite streets to a distance of 150 feet
 - no curbs, gutters, sidewalks or bike paths within 150 feet.
 - no known gutters
 - no sidewalks
 - no nearby bike paths
- 3e1) A bicycle rack will be installed on-site for bike parking.
- 3e2) No existing landscaping.
- 3e3) The lot is flat.
- 3e4) Exterior lighting. The buildings will have motion-sensor exterior lights mounted on both the front and back of the buildings. These lights will be focused down and alongside the buildings to maximize effectiveness of our camera and security systems. These motion-sensor lights will pose no light pollution problem for adjacent properties.
- 3e5) Three handicap accessible parking spots will be designated in spring, 2019.
- 3e6) Typical dimensions of parking spaces = 9 ft x 18 ft
- 3e7) Ingress and egress points below (Figure No. 3B)

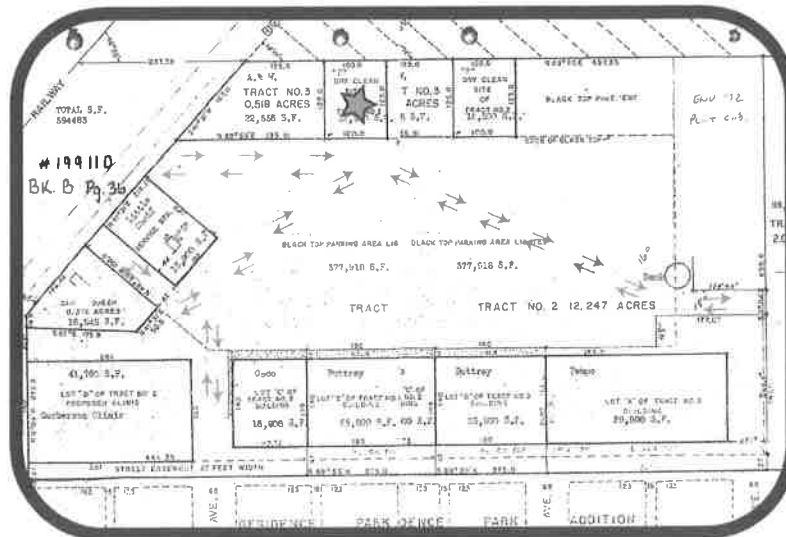
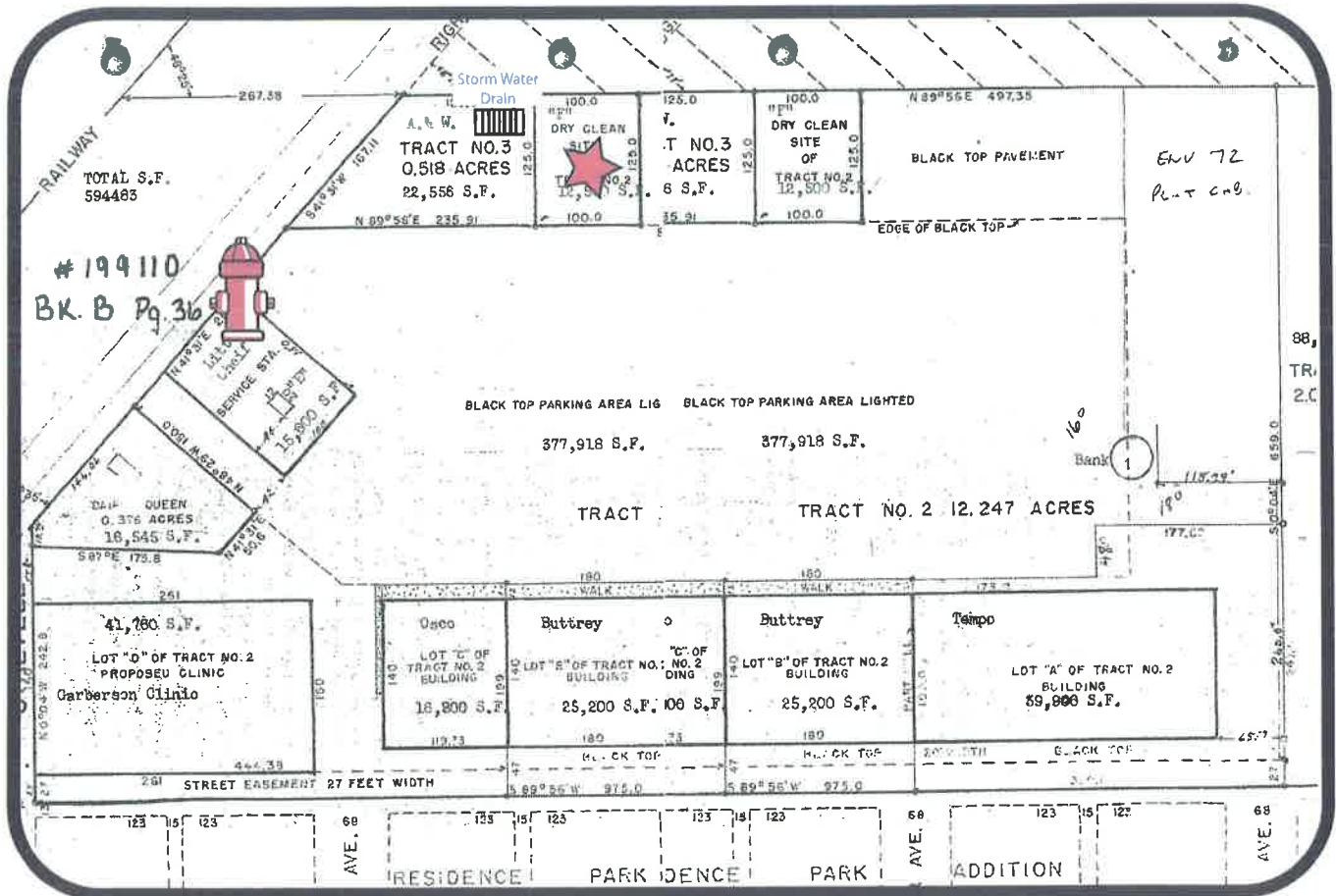


FIGURE NO. 3B - INGRESS AND EGRESS POINTS

- 3e8) No driveways exist on the property
- 3e9) Paving details - Parking lot is paved with blacktop
- 3f) No wells, septic tanks or drain fields on this property.
- 3g) Both buildings are served by municipal utilities including city water and city sewer. Electrical service is provided by Montana-Dakota Utilities.
- 3h) Two buildings currently exist on the lot.
 - 2317 Melrose Blvd. - 40'x45'=1800 sq ft
 - 2319 Melrose Blvd. - 32'x14'=448 sq ft
 - Total Building sq ft= 2248 sq ft
 - Lot Size = 12,500 sq ft
 - Coverage= 17%

#3 Fire Hydrant Location

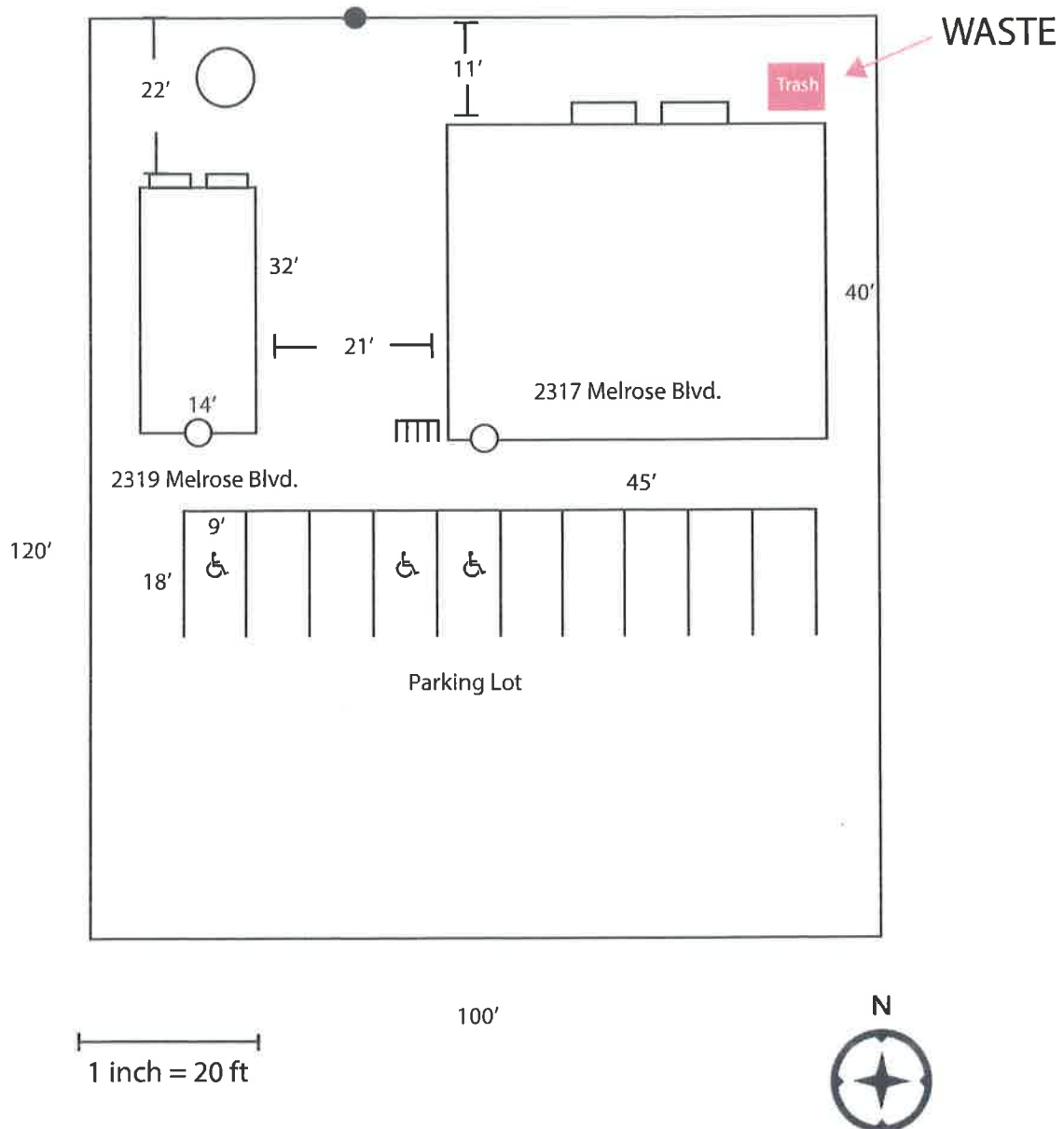


1 IN" = 200 FT



3i) The nearest fire hydrant is located next to the vintage Plaza sign, approximately 250 feet from the property line. The parking lot provides ample space as fire lanes and turnarounds.

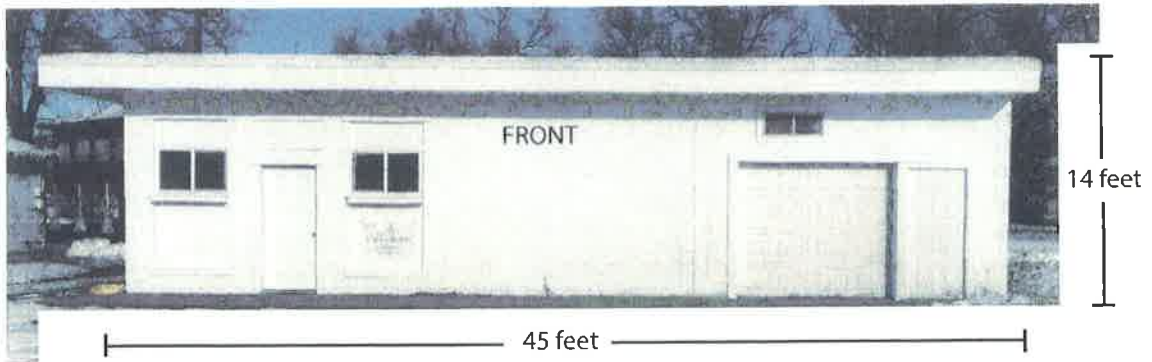
#3 Waste Removal



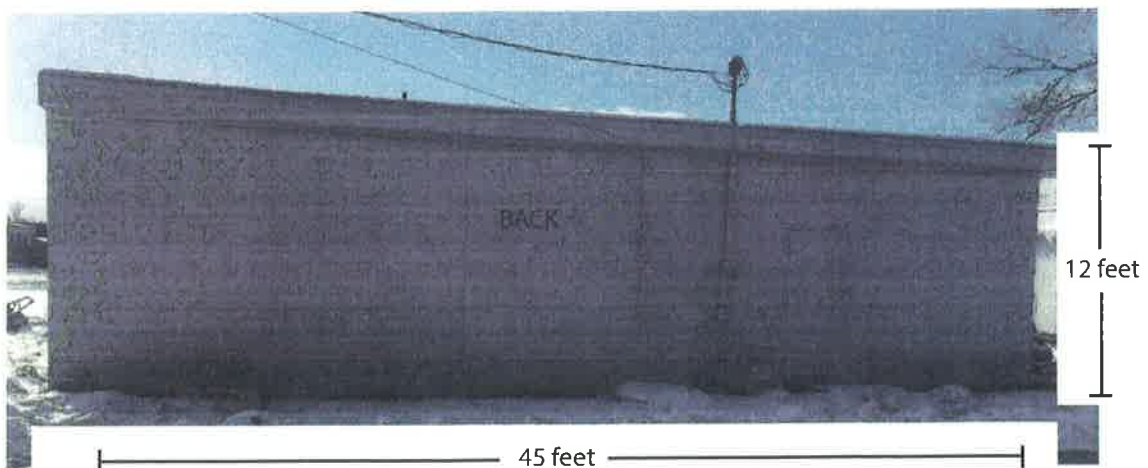
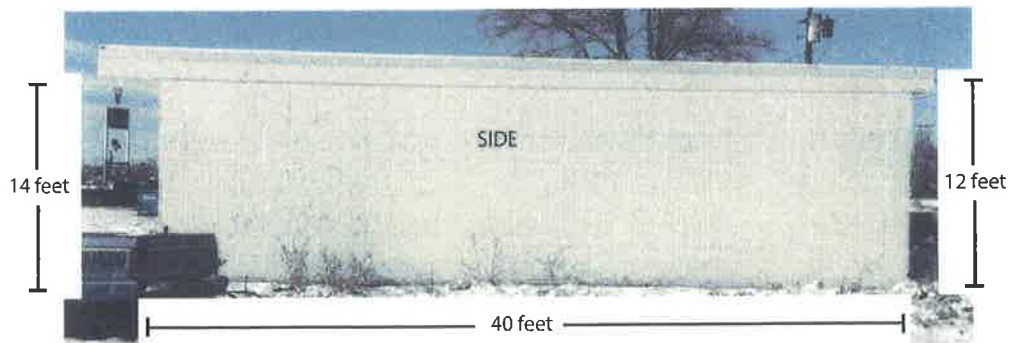
- 3j) City services will collect normal trash. All cannabis waste is shredded and mixed 50/50 with dirt or sand to make it unusable.
- 3k) Meets Setback Requirements for HWC zoning (side yard - 0 ft, rear yard - 0 ft, maximum lot coverage - 80%, primary building max height - 40 ft, accessory buildings - 18 ft)
- 3l) Utility Easements: no existing, no new proposed.
- 4) Storm Water Management plan – N/A
- 5) No proposed landscaping changes. Seasonal potted decorative plants only.

#6-1
Elevation/Side Profile Dimensions
2317 Melrose Blvd.

2317/2319 Melrose Blvd.
Lee James LLC
Misty Carey

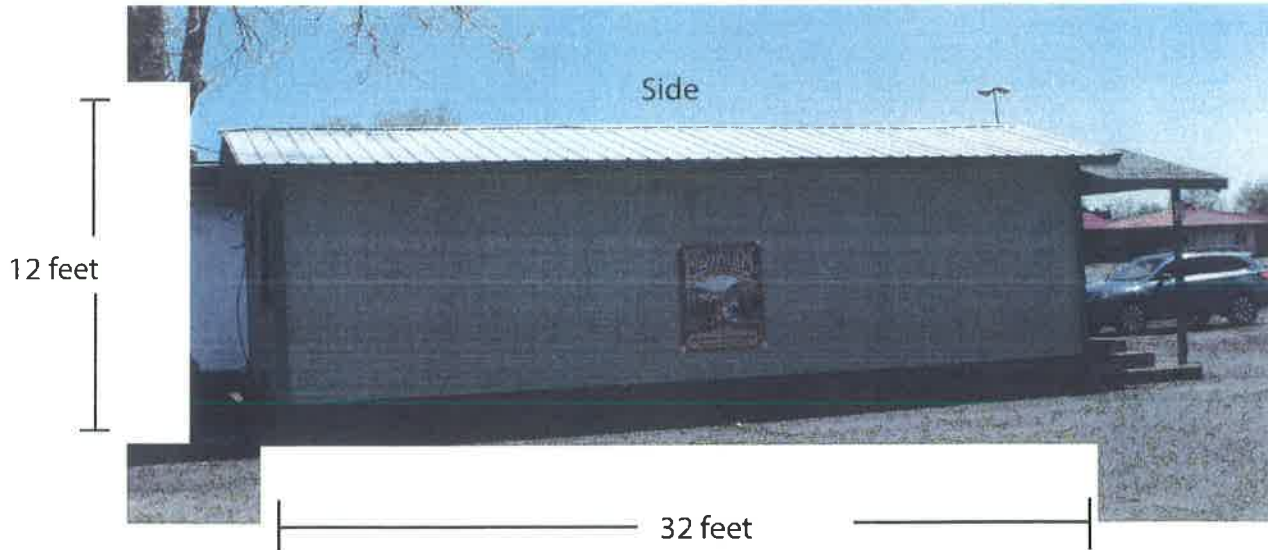


DIMENSIONS : 40' X 45'=1800 sq ft MAX HEIGHT: 14'



#6-2
Elevation/Side Profile Dimensions
2319 Melrose Blvd.

2317/2319 Melrose Blvd.
Lee James LLC
Misty Carey



FRONT



BACK



BUILDING DIMENSIONS : 32' X 14' = 448 sq ft MAX HEIGHT: 12'

#7 Renter Impacts

Lee James LLC, a partnership between Bernie Buelow and Misty Carey, purchased this property in February, 2018. Lee James intends to rent the buildings to KannaKare Health Services LLC, a business that Carey owns 100%.

Lee James currently owns five properties and KannaKare leases an additional four facilities across both western and eastern Montana. We are experienced, responsible and conscientious property owners and renters. We like things neat and tidy.

The old Plaza Shopping Center (now called the Omni Center) and most of its surrounding buildings suffer from lack of regular maintenance. The area is run-down. When Lee James purchased the old C&R Cleaners at 2317 Melrose, it had gaping holes in the roof and was used only for storage. Our recent improvements of a new roof and fresh paint enhanced the visual appeal of the neighborhood. We also transformed the interior of the building into a nice work environment and plan to give the small green building a similar facelift. The "before" and "after" pictures of the transformation of the old building show what a positive impact our company can have on the physical appearance of this business neighborhood.

Before (2017)



After (2018)



#7 Renter Impacts

Businesses in Highway Commercial (HWC) zoning thrive on vehicle traffic. As increased traffic is good for other business in the area, it is desirable to bring people into the neighborhood. The traffic of our staff and patients on Valley Drive East and in the Omni Center is traffic that can help sustain the vicinity. Our people stop by Reynold's Market. Any potential new retail businesses would also benefit from our traffic. KannaKare is a successful, woman-owned small business. Our operations substantially add to the local economy. We employ local staff and pay both state and local taxes. We shop at local businesses for fuel, lodging, food, and supplies for the store. We give advertising dollars to local media venues. Rural people drive in from surrounding areas to visit our store, giving an additional boost to local business.

As KannaKare has served our patients in the Omni Center for 10 years, our presence is firmly established in the neighborhood. No dramatic impacts on the human population are to be expected from the move of operations from our current location to the Melrose Boulevard buildings across the parking lot.

KannaKare has always been dedicated to ensuring that medical cannabis is dispensed in a way that promotes safety for patients and the community. Carey has multiple Montana state licenses to operate and the company complies with Montana state law. All merchandise leaves the building in opaque child-proof packaging. Products are laboratory tested for both safety and potency.

The small building at 2319 Melrose will be used a few days per month for medical cannabis clinics where doctors see new patients and renew patient cards. The doctors at these clinics do not administer, prescribe, or distribute pharmaceutical drugs or cannabis products. Clinics are generally well-scheduled by administrative staff, avoiding parking congestion or patients loitering outside.

All cannabis products are locked in a large security safe each night. Security cameras have already been installed at 2317 Melrose and we will utilize an alarm system to be centrally-alarmed to local law enforcement. The use of security cameras on the property adds to public safety, not only for local businesses, but for the neighborhood as well.

This business is legal under Montana state law. Carey is licensed by the DPHHS as a Provider. She is also licensed to operate a retail location at the current location in Miles City.



KannaKare is a professional, responsible, science-oriented company that provides superior quality products for effective treatment of a variety of ailments. Unlike other providers who sell only plant material, KannaKare offers a wide variety of cannabis-based and CBD-only dosing options. We manufacture products such as concentrates, vape pens, tinctures, edibles, capsules and symptom-specific pain creams and salves. The Miles City shop is supported by a skilled, knowledgeable team at company headquarters in Bozeman.

KannaKare has served its patients in the Omni Center for over ten years and, according to city officials, its operations are "grandfathered in" at our current location. KannaKare will continue to serve its patients. Approval of the request for the Conditional Use Permit just allows us to move into the building that we already own.

- 8) DEQ certification not required.
- 9) The zoning on this property was changed from General Commercial to Highway Commercial by the Miles City City Council on Tuesday, November 13, 2018. See attached article from the Miles City Star.



- 10) Other information provided upon request