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PAGES: 19

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CITY OF SAN DIEGO
DEVELOPMENT SERVICES
PERMIT INTAKE, MAIL STATION 501

WHEN RECORDED MAIL TO
PROJECT MANAGEMENT
PERMIT CLERK
MAIL STATION 501

INTERNAL ORDER NUMBER: 24009048

SPACE ABOVE THIS LINE FOR RECORDER'S USE

CONDITIONAL USE PERMIT NO. 2581324
COASTAL DEVELOPMENT PERMIT NO. 2581325
CANNABIS 21+ SORRENTO VALLEY - PROJECT NO. 696758
(AMENDMENT TO CONDITIONAL USE PERMIT NO. 1927100 AND
COASTAL DEVELOPMENT PERMIT NO. 2173348)
HEARING OFFICER

This Conditional Use Permit No. 2581324 and Coastal Development Permit No. 2581325, amendment to Conditional Use Permit No. 1927100 and Coastal Development Permit No. 2173348, dated July 17, 2019, as Document No. 2019-0286431 of Official Records of the County of San Diego, is granted by the Hearing Officer of the City of San Diego to HELF SORRENTO, LLC, a California limited liability company, Owner, and SEAN ST. PETER, Permittee, pursuant to San Diego Municipal Code [SDMC] sections 126.0114, 126.0305, and 141.0504.

The 12.04-acre site is located at 10150 Sorrento Valley Road in the IL-3-1 Zone and Coastal Overlay Zone (Appealable and Non-Appealable) within the Torrey Pines Community Plan area. The project site is legally described as:

ACRE LOT 3 OF THE SORRENTO LANDS AND TOWNSITE, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 483, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 9, 1888, MORE PARTICULARLY DESCRIBED IN GRANT DEED RECORDED JUNE 12, 2006, AS DOCUMENT NO. 2006-0413147, OF OFFICIAL RECORDS OF THE SAN DIEGO COUNTY RECORDER'S OFFICE.

Subject to the terms and conditions set forth in this Permit, permission is granted to Owner and Permittee to operate a cannabis outlet described and identified by size, dimension, quantity, type, and location on the approved exhibits [Exhibit "A"] dated February 22, 2023, on file in the Development Services Department.

The project shall include:

a. Operation of a Cannabis Outlet within a proposed 5,480-square-foot tenant space, on the first floor of an existing 50,284-square-foot, three-story building;

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b. Existing Landscaping (planting, irrigation and landscape related improvements);

c. Off-street parking; and

d. Public and private accessory improvements determined by the Development Services Department to be consistent with the land use and development standards for this site in accordance with the adopted community plan, the California Environmental Quality Act [CEQA] and the CEQA Guidelines, the City Engineer's requirements, zoning regulations, conditions of this Permit, and any other applicable regulations of the SDMC.

STANDARD REQUIREMENTS:

1. **Utilization date:** This permit must be utilized within thirty-six (36) months after the date on which all rights of appeal have expired. If this permit is not utilized in accordance with Chapter 12, Article 6, Division 1 of the SDMC within the 36-month period, this permit shall be void unless an Extension of Time has been granted. Any such Extension of Time must meet all SDMC requirements and applicable guidelines in effect at the time the extension is considered by the appropriate decision maker. This permit must be utilized by March 23, 2026.

2. This Coastal Development Permit shall become effective on the eleventh working day following receipt by the California Coastal Commission of the Notice of Final Action or following all appeals.

3. **Expiration date:** This Conditional Use Permit [CUP] and corresponding use of this site shall expire on March 23, 2028.

This expiration date can be extended by filing for a CUP amendment pursuant to SDMC 126.0114(c), 126.0114(d), and 141.0504(n). To allow the use to continue to operate while an amendment is processed, an amendment application must be deemed complete by the close of business on the expiration date. Otherwise, this permit will expire, and all operation of the use must cease.

An amendment application should be filed at least 90 days before expiration to allow time to be deemed complete.

4. The continued utilization of this CUP is contingent upon (but is not limited to) the following:

a. The existence and utilization of a valid license for this location issued by the California Department of Cannabis Control (DCC) for the proposed business activities. Once initially obtained, this license must not be allowed to lapse while the associated business is in operation. The issuance of this CUP does not guarantee that the DCC will grant a license for this location.

b. Compliance with Chapter 4, Article 2, Division 15 of the San Diego Municipal Code, including payment of any fees enacted pursuant to SDMC 42.1506.

c. Timely payment of all Cannabis Business Tax owed pursuant to Chapter 3, Article 4, Division 1 of the San Diego Municipal Code.

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d. Possession of a valid and current Business Tax Certificate issued by the City of San Diego for all cannabis businesses operating at this location.

e. Continued compliance of all Permit Conditions herein.

f. Continued compliance with all other applicable federal, state, and local laws.

5. No permit for the construction, occupancy, or operation of any facility or improvement described herein shall be granted, nor shall any activity authorized by this Permit be conducted on the premises until:

a. The Owner/Permittee signs and returns the Permit to the Development Services Department; and

b. The Permit is recorded in the Office of the San Diego County Recorder.

6. While this Permit is in effect, the subject property shall be used only for the purposes and under the terms and conditions set forth in this Permit unless otherwise authorized by the appropriate City decision maker.

7. This Permit is a covenant running with the subject property and all of the requirements and conditions of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest.

8. The continued use of this Permit shall be subject to the regulations of this and any other applicable governmental agency.

9. Issuance of this Permit by the City of San Diego does not authorize the Owner/Permittee for this Permit to violate any Federal, State or City laws, ordinances, regulations or policies including, but not limited to, the Endangered Species Act of 1973 [ESA] and any amendments thereto (16 U.S.C. § 1531 et seq.).

10. The Owner/Permittee shall secure all necessary building permits. The Owner/Permittee is informed that to secure these permits, substantial building modifications and site improvements may be required to comply with applicable building, fire, mechanical, and plumbing codes, and State and Federal disability access laws.

11. Construction plans shall be in substantial conformity to Exhibit "A." Changes, modifications, or alterations to the construction plans are prohibited unless appropriate application(s) or amendment(s) to this Permit have been granted.

12. All of the conditions contained in this Permit have been considered and were determined necessary to make the findings required for approval of this Permit. The Permit holder is required to comply with each and every condition in order to maintain the entitlements that are granted by this Permit.

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If any condition of this Permit, on a legal challenge by the Owner/Permittee of this Permit, is found or held by a court of competent jurisdiction to be invalid, unenforceable, or unreasonable, this Permit shall be void. However, in such an event, the Owner/Permittee shall have the right, by paying applicable processing fees, to bring a request for a new permit without the "invalid" condition(s) back to the discretionary body which approved the Permit for a determination by that body as to whether all of the findings necessary for the issuance of the proposed permit can still be made in the absence of the "invalid" condition(s). Such hearing shall be a hearing de novo, and the discretionary body shall have the absolute right to approve, disapprove, or modify the proposed permit and the condition(s) contained therein.

13. The Owner/Permittee shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify Owner/Permittee of any claim, action, or proceeding and, if the City should fail to cooperate fully in the defense, the Owner/Permittee shall not thereafter be responsible to defend, indemnify, and hold harmless the City or its agents, officers, and employees. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, Owner/Permittee shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Owner/Permittee regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Owner/Permittee shall not be required to pay or perform any settlement unless such settlement is approved by Owner/Permittee.

ENVIRONMENTAL REQUIREMENTS:

14. The Owner/Permittee shall comply with The Climate Action Plan (CAP) Consistency Checklist stamped as Exhibit "A." Prior to issuance of any construction permit, all CAP strategies shall be noted within the first 3 sheets of the construction plans under the heading "Climate Action Plan Requirements." The Climate Action Plan strategies as identified on Exhibit "A" shall be enforced and implemented to the satisfaction of the Development Services Department.

PLANNING/DESIGN REQUIREMENTS:

15. The 50,284 square-foot building shall not be converted into a stand-alone retail building during the term of this Permit. A minimum of 2,568 square feet of tenant space within the 50,284 square-foot building shall be reserved and maintained for occupancy by a non-retail commercial use that is permitted by right in the IL-3-1 Zone, and does not require additional parking or result in an intensification of use on the premises.

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16. Lighting shall be provided to illuminate the interior, facade, and the immediate surrounding area of the cannabis outlet, including any accessory uses, parking lots, and adjoining sidewalks. Lighting shall be hooded or oriented to deflect light away from adjacent properties.

17. Security shall be provided at the cannabis outlet which shall include operable cameras, alarms, and a security guard. The security guard shall be licensed by the State of California and be present on the premises during business hours. The security guard shall only be engaged in activities related to providing security for the facility, except on an incidental basis.

18. The Owner/Permittee shall provide a sufficient odor absorbing ventilation and system capable of minimizing excessive or offensive odors emanating outside of the permitted cannabis outlet to the satisfaction of the Development Services Department.

19. Signage: Primary signs shall be posted on the outside of the cannabis outlet and shall only contain the name of the business, which shall contain only alphabetic characters, and shall be limited to two colors. Secondary signs advertising cannabis, window signs and any display visible from the public right-of-way, are not permitted. No marketing or advertising for cannabis or cannabis products shall be displayed visible from the public right-of-way. All cannabis licensees, and any person acting on behalf of a licensee, must comply with the State of California statutes and regulations governing commercial cannabis advertising and/or promoting.

20. The name and emergency contact phone number of the designated responsible managing operator shall be posted in a location visible from outside the cannabis outlet in character size at least two inches in height.

21. The cannabis outlet shall operate only between the hours of 7:00 a.m. and 9:00 p.m., seven days a week.

22. The use of vending machines which allow access to cannabis and cannabis products except by a responsible person, as defined in San Diego Municipal Code Section 42.1502, is prohibited. For purposes of this Section, a vending machine is any device which allows access to cannabis and cannabis products without a human intermediary.

23. An annual operating permit shall be obtained as required pursuant to San Diego Municipal Code Chapter 4, Article 2, Division 15.

24. Deliveries shall be permitted as an accessory use only from the cannabis outlet with a valid Conditional Use Permit unless otherwise allowed pursuant to state law.

25. The cannabis outlet, adjacent public sidewalks, and areas under the control of the cannabis outlet, shall be maintained free of litter and graffiti at all times.

26. The Owner/Permittee shall provide daily removal of trash, litter, and debris of the premises. Graffiti shall be removed from the premises within 24 hours.

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27. Consultations by medical professionals shall not be a permitted accessory use at the cannabis outlet.

TRANSPORTATION REQUIREMENTS:

28. The automobile, motorcycle and bicycle parking spaces must be constructed in accordance with the requirements of the SDMC. All on-site parking stalls and aisle widths shall be in compliance with requirements of the City's Land Development Code and shall not be converted and/or utilized for any other purpose, unless otherwise authorized in writing by the appropriate City decision maker in accordance with the SDMC.

INFORMATION ONLY:

- The issuance of this discretionary permit alone does not allow the immediate commencement or continued operation of the proposed use on site. Any operation allowed by this discretionary permit may only begin or recommence after all conditions listed on this permit are fully completed and all required ministerial permits have been issued and received final inspection.

- Any party on whom fees, dedications, reservations, or other exactions have been imposed as conditions of approval of this Permit, may protest the imposition within ninety days of the approval of this development permit by filing a written protest with the City Clerk pursuant to California Government Code-section 66020.

- This development may be subject to impact fees at the time of construction permit issuance.

- Cannabis businesses that operate or provide services within the City of San Diego are liable for a monthly gross receipts tax. As referenced in San Diego Municipal Code Section 34.0103(b), taxable activities include, but are not limited to, transporting, manufacturing, cultivating, packaging, and/or retail sales of cannabis and any ancillary products in the City of San Diego. For additional information, contact the Office of the City Treasurer at (619) 615-1580.

APPROVED by the Hearing Officer of the City of San Diego on February 22, 2023 and HO-7486.

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Conditional Use Permit No: 2581324
Coastal Development Permit No: 2581325
Date of Approval: February 22, 2023

AUTHENTICATED BY THE CITY OF SAN DIEGO DEVELOPMENT SERVICES DEPARTMENT

Francisco Mendoza
Development Project Manager

NOTE: Notary acknowledgment must be attached per Civil Code section 1189 et seq.

The undersigned Owner/Permittee, by execution hereof, agrees to each and every condition of this Permit and promises to perform each and every obligation of Owner/Permittee hereunder.

HELF SORRENTO LLC
a California limited liability company
Owner

By _____
NAME EDWARD L. GOLDBERG
TITLE ASSET MANAGER

SEAN ST. PETER
Permittee

By _____
Sean St. Peter

NOTE: Notary acknowledgments must be attached per Civil Code section 1189 et seq.

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CALIFORNIA ACKNOWLEDGMENT CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Diego }

On July 12, 2023 (*Date*) before me, Stacie L. Maxwell, Notary Public (*Here Insert Name and Title of the Officer*),

personally appeared ---Francisco Mendoza, Development Project Manager--- (*Name(s) of Signer(s)*),

who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

STACIE L. MAXWELL
Notary Public - California
San Diego County
Commission # 2350718
My Comm. Expires Mar 10, 2025

Place Notary Seal and/or Stamp Above

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (*Signature of Notary Public*)

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Cannabis 21+ Sorrento Valley - Project No. 696758

Document Date: February 22, 2023 Number of Pages: 19

Signer(s) Other Than Named Above: ---Edward L. Goldberg and Sean St. Peter---

Capacity(ies) Claimed by Signer(s)

Signer's Name:	Signer's Name:
☐ Corporate Officer – Title(s):	☐ Corporate Officer – Title(s):
☐ Partner – ☐ Limited ☐ General	☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other:	☐ Other:
Signer is Representing:	Signer is Representing:

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)

On 6/7/23 (Date) before me, Lori J. Leib, Notary Public (Here Insert Name and Title of the Officer),

personally appeared SEAN ST. PETER (Name(s) of Signer(s)),

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

LORI J. LEIB
Notary Public - California
San Diego County
Commission # 2295425
My Comm. Expires Jun 28, 2023

Signature Lori J. Leib
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document
Title or Type of Document: CONDITIONAL USE PERMIT
Document Date: _____ Number of Pages: _____
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)

On 6/7/23 before me, Lori J. Leib, Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared EDWARD L. GOLDBERG
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

LORI J. LEIB
Notary Public - California
San Diego County
Commission # 2295425
My Comm. Expires Jun 28. 2023

Signature _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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Description of Attached Document
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Document Date: _____ Number of Pages: _____
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☐ Other: _____
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☐ Other: _____
Signer Is Representing: _____

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HEARING OFFICER
RESOLUTION NO. HO-7486-1
CONDITIONAL USE PERMIT NO. 2581324
COASTAL DEVELOPMENT PERMIT NO. 2581325
CANNABIS 21+ SORRENTO VALLEY - PROJECT NO. 696758
(AMENDMENT TO CONDITIONAL USE PERMIT NO. 1927100 AND
COASTAL DEVELOPMENT PERMIT NO. 2173348)

WHEREAS, HELF SORRENTO LLC, a California limited liability company, Owner, and SEAN ST. PETER, Permittee, filed an application with the City of San Diego for an amendment to Conditional Use Permit No. 1927100 and Coastal Development Permit No. 2173348 to operate and expand an existing 3,475-square-foot Cannabis Outlet in a proposed 5,480-square-foot tenant space, on the first floor of an existing 50,284-square-foot, three-story building (as described in and by reference to the approved Exhibits "A" and corresponding conditions of approval for the associated Permit Nos. 2581324 and 2581325, and herein as the project) on portions of a 12.04-acre site;

WHEREAS, the project site is located at 10150 Sorrento Valley Road, Suites 100 and 110, in the IL-3-1 Zone, the Coastal Overlay Zone (Appealable and Non-Appealable), the MCAS Miramar Land Use Compatibility Overlay Zone (Airport Influence Area – Review Area 1 and Accident Potential Zone 2), the FAA Part 77 Noticing Area, the Prime Industrial Lands, the Parking Impact Overlay Zone (Coastal and Campus), the Special Flood Hazard Area (100 Year Floodplain and 100 Year Floodway), and the Transit Priority Area within the Torrey Pines Community Plan area;

WHEREAS, the project site is legally described as Acre Lot 3 of the Sorrento Lands and Townsite, in the City of San Diego, County of San Diego, State of California, according to Map therefor No. 483, filed in the Office of the County Recorder of San Diego County, February 9, 1888, more particularly described in Grant Deed Recorded June 12, 2006, as Document No. 2006-0413147, of Official Records of the Office of the San Diego County Recorder;

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WHEREAS, on February 22, 2023, the Hearing Officer of the City of San Diego considered Conditional Use Permit Amendment No. 2581324 and Coastal Development Permit Amendment No. 2581325 pursuant to the Land Development Code of the City of San Diego; NOW, THEREFORE,

BE IT RESOLVED by the Hearing Officer of the City of San Diego, that it adopts the following findings with respect to Conditional Use Permit Amendment No. 2581324 and Coastal Development Permit Amendment No. 2581325:

A. **CONDITIONAL USE PERMIT FINDINGS [SDMC Section 126.0305]**

1. **The proposed development will not adversely affect the applicable land use plan.**

The proposed development is a request for Conditional Use Permit (CUP) and Coastal Development Permit (CDP) amendments to allow the continued operation and expansion of an existing 3,475-square-foot Cannabis Outlet in a proposed 5,480-square-foot tenant space on the first floor of an existing 50,284-square-foot, three-story commercial building (the Project). The developed 12.04-acre project site is located at 10150 Sorrento Valley Road, Suite 100 and 110, in the IL-3-1 zone of the Torrey Pines Community Plan (TPCP). The TPCP designates the project site as Industrial within its Industrial Element. TPCP land use in Sorrento Valley is generally implemented by the IL-3-1 Zone, which is an industrial zone that allows industrial, retail, and commercial uses. The expanded Cannabis Outlet, a retail use, is allowed in the IL-3-1 Zone with the approval of a CUP. The TPCP industrial element also has a policy of preventing the development of freestanding retail commercial uses in industrial areas. The project will prevent adverse effects to this policy by reserving, at minimum, 2,595 square feet of non-retail uses allowed by right in the IL-3-1 zone for the duration of the CUP as reflected in the "Exhibit A".

The project site is designated Industrial Employment by the Land Use and Community Planning Element and Prime Industrial Land (PIL) by the Economic Prosperity Element of the General Plan. The proposed project will promote the policies of the General Plan because outlets will supply jobs and encourage or facilitate commerce within the San Diego Region. A General Plan goal for identifying PIL is to protect valuable employment land for base sector industries important to the region's economy. The General Plan allows development or redevelopment of individual properties pursuant to the development regulations and permitted uses of the existing zone and community plan designation provided a site is not critical to base sector employment. The project site is not critical to achieving the City's base sector employment goal, as it is developed with commercial and retail uses to support the region. General Plan policies also specifically restrict sensitive receptor land uses such as residential and public assembly in PIL. A Cannabis Outlet is not a sensitive receptor land use.

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Therefore, the proposed Cannabis Outlet is a compatible use at this location with a CUP, it is consistent with the Community Plan land use policies and will not adversely affect the applicable land use plans.

2. **The proposed development will not be detrimental to the public health, safety, and welfare.**

The project proposes interior improvements to existing tenant spaces, including entry, reception, administrative offices and facility, and sales area. The project will not be detrimental to the public's health, safety and welfare because the discretionary permit controlling the development and continued use of this site contains specific regulatory conditions of approval. These regulations, which are implemented and enforced through the permit, are specifically intended to reduce, mitigate and/or prevent all adverse impacts to the public and community at large.

All public improvements adjacent to the site meet current City standards and are not being replaced with this project. Approval of the CUP would allow the sale of cannabis to be conditioned to prevent potential adverse impacts on the community. The proposed Cannabis Outlet is subject to specific operational requirements and restrictions as set forth in SDMC Section 141.0504 (b) through (m), which have also been incorporated as conditions in the CUP. Outlets must also comply with SDMC Chapter 4, Article 2, Division 15 which provides guidelines for lawful operation. The CUP is valid for five years, however, may be revoked if the use violates the terms, conditions, lawful requirements, or provision of the permit. Construction of the project authorized through this and subsequent permits will be subject to all adopted building, electrical, mechanical, fire and plumbing codes, which will be enforced through plan review and building inspections completed by the City's building inspectors. Based on the above analysis, project features and conditions of approval, the proposed development will not be detrimental to the public health, safety, and welfare.

3. **The proposed development will comply with the regulations of the Land Development Code including any allowable deviations pursuant to the Land Development Code.**

The project site is in the IL-3-1 zone and a Cannabis Outlet is an allowed use with the approval of a CUP pursuant to SDMC Table 131-05B. No deviations are requested or required by this project. As the project is limited to interior modifications and will not increase the density, floor area ratio or height of the existing structure, the project is exempt from the Airport Land Use Compatibility Overlay regulations and FEMA Floodways and Floodplains regulation. The permits for the project include various conditions and corresponding exhibits of approval relevant to achieving compliance with the SDMC relative to parking, signage, lighting, security measures, hours of operation, and site maintenance. No variance or deviations are requested as part of this application. Therefore, the proposed development will comply with the regulations of the Land Development Code.

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4. **The proposed use is appropriate at the proposed location.**

Cannabis outlets are unique in that only four allowed in each Council District (5 in a few locations as a result of redistricting). No other retail business regulated by the City of San Diego is subject to such restrictions. The proposed project is located in District 1, which contains 5 cannabis outlets. Since the City's recreational cannabis regulations were first adopted in 2017, the zoning and separation requirements for cannabis outlets as applied in Council District 1 (CD1) have resulted in very few locations that meet all locational criteria. This project site is one of those locations and the proposed amendment would not change the number of outlets currently within CD1.

The business is current with respect to any tax obligations per the Office of the City Treasurer and maintains a current Cannabis Outlet Permit in accordance with SDMC Section 42.1504. The expanded Cannabis Outlet would continue to provide a needed commercial service to the region and continue to provide tax revenues to the City.

As stated in findings A.1., A.2., and A.3. above, and incorporated here by reference, the project meets all requirements for cannabis outlets, as well as the requirements of the applicable land use plans and the Land Development Code. Therefore, for the foregoing reasons, the proposed use is appropriate at the proposed location.

B. **COASTAL DEVELOPMENT PERMIT FINDINGS [SDMC Section 126.0708]**

1. **The proposed coastal development will not encroach upon any existing physical accessway that is legally used by the public or any proposed public accessway identified in the Local Coastal Program land use plan; and the proposed coastal development will enhance and protect public views to and along the ocean and other scenic coastal areas as specified in the Local Coastal Program land use plan.**

The project proposes interior improvements to an existing tenant space, including entry, reception, administrative offices and facility, and sales area. The project site is located approximately 2.6 miles from the Pacific Ocean. The project will not encroach upon any existing or proposed physical access to the coast. The site does not contain a public view as identified within the TPCP and Local Coastal Land Use Plan. The proposed project meets all the development standards required by the underlying IL-3-1 zone. Therefore, the project will not impact public views to and along the ocean and other scenic coastal areas as specified in the TPCP and Local Coastal Program Land Use Plan.

2. **The proposed coastal development will not adversely affect environmentally sensitive lands.**

The project site contains Environmentally Sensitive Lands (ESL) in the form of Special Flood Hazard Area (100 Year Floodplain and 100 Year Floodway). The project has been determined to be exempt from the permit requirements of the ESL regulations pursuant to SDMC Sections 143.0110(b)(4) and (c)(1), because no encroachment into the environmentally sensitive lands is proposed and the development is limited to interior modifications that do not increase the footprint of an existing building and will not encroach into the

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environmentally sensitive lands during or after construction. The project requests a CUP and CDP to expand an existing Cannabis Outlet in a tenant suite within an existing building. Therefore, the proposed development will not adversely affect Environmentally Sensitive Lands.

3. **The proposed coastal development is in conformity with the certified Local Coastal Program land use plan and complies with all regulations of the certified Implementation Program.**

The project proposes interior improvements to an existing tenant space, including entry, reception, administrative offices and facility, and sales area. The project site is located approximately 2.6 miles from the Pacific Ocean. The project will not encroach upon any existing or proposed physical access to the coast. The site does not contain a public view as identified within the Local Coastal Land Use Plan. The proposed project meets all the development standards required by the underlying zone.

The developed 12.04-acre project site is located at 10150 Sorrento Valley Road, Suite 100 and 110, in the IL-3-1 zone of the Torrey Pines Community Plan (TPCP). The TPCP designates the site as Industrial within its Industrial Element. TPCP land use in Sorrento Valley is generally implemented by the IL-3-1 Zone, which is an industrial zone that allows industrial, retail, and commercial uses as permitted uses. The expanded Cannabis Outlet is allowed in the IL-3-1 Zone with the approval of a CUP.

The site is designated Industrial Employment by the Land Use and Community Planning Element and Prime Industrial Land (PIL) by the Economic Prosperity Element of the General Plan. The proposed project will promote the policies of the General Plan because cannabis outlets supply jobs and encourage or facilitate commerce within the San Diego Region. A General Plan goal for identifying PIL is to protect valuable employment land for base sector industries important to the region's economy. The General Plan allows development or redevelopment of individual properties pursuant to the development regulations and permitted uses of the existing zone and community plan designation provided a site is not critical to base sector employment. The project site is not critical to achieving the City's base sector employment goal, as it is developed with commercial and retail uses to support the region. General Plan policies also specifically restrict sensitive receptor land uses such as residential and public assembly in PIL. A Cannabis Outlet is not a sensitive receptor land use. Therefore, the proposed coastal development is in conformity with the certified Local Coastal Program land use plan, the TPCP, and complies with all regulations of the certified Implementation Program.

4. **For every Coastal Development Permit issued for any coastal development between the nearest public road and the sea or the shoreline of any body of water located within the Coastal Overlay Zone the coastal development is in conformity with the public access and public recreation policies of Chapter 3 of**

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the California Coastal Act.

The site is not located between the nearest public road and the sea or the shoreline of any body of water located within the Coastal Overlay Zone, therefore the project is in conformity with the public access and public recreation policies of Chapter 3 of the California Coastal Act.

The above findings are supported by the minutes, maps and exhibits, all of which are incorporated herein by this reference.

BE IT FURTHER RESOLVED that, based on these findings adopted by the Hearing Officer, Conditional Use Permit No. 2581324 and Coastal Development Permit No. 2581325, amendments to Conditional Use Permit No. 1927100 and Coastal Development Permit No. 2173348, are hereby GRANTED by the Hearing Officer to the referenced Owner/Permittee, in the form, exhibits, terms and conditions as set forth in Permit Nos. 2581324/2581325, a copy of which is attached hereto and made a part hereof.

Francisco Mendoza
Development Project Manager
Development Services

Adopted on February 22, 2023

IO#: 24009048

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RESOLUTION NUMBER HO-7486-2

ADOPTED ON FEBRUARY 22, 2023

A RESOLUTION OF THE HEARING OFFICER OF THE CITY OF SAN DIEGO ADOPTING ADDENDUM NO. 696758 TO NEGATIVE DECLARATION NO. 545299 FOR CANNABIS 21+ SORRENTO VALLEY, PROJECT NO. 696758

WHEREAS, on May 1, 2017, HELF SORRENTO, LLC, a California limited liability company, and SEAN ST. PETER, submitted an application to the Development Services Department for a Conditional Use Permit and Coastal Development Permit for the operation of a Marijuana Outlet (hereon referred to as "Cannabis Outlet") for the Sorrento Valley MO (Project No. 545299); and

WHEREAS, the Environmental Analysis Section (EAS) of the Development Services Department determined that the project is in accordance with the State of California Quality Act (CEQA) Guidelines that no significant impacts were identified and no mitigation is required; and

WHEREAS, on September 19, 2018, the Negative Declaration No. 545299 was adopted, and the Project No. 545299 was approved by the Hearing Officer of the City of San Diego; and

WHEREAS, on October 3, 2018, an environmental determination appeal (Appeal) and a project appeal were filed by SVRMC, LLC c/o Heather Riley; and

WHEREAS, on November 15, 2018, environmental determination appeal hearing, City staff requested a continuance to allow for additional time to analyze new information that had recently been presented by the Appellant alleging a traffic impact; and

WHEREAS, the City Council of the City of San Diego (City Council) continued the matter to January 28, 2019; and

WHEREAS, prior to the hearing of January 28, 2019, the Applicant reduced the square footage of the proposed Project No. 545299 from 3,980 square feet to 3,475 square feet and submitted revised plans to the City; and

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WHEREAS, the Negative Declaration No. 545299 was revised to reflect the square footage reduction and the analysis of the Project No. 545299 with the reduction determined there would be no significant impacts and no mitigation is required; and

WHEREAS, the Appellant argued at the January 28, 2019 hearing that the revised Negative Declaration required recirculation under CEQA Guidelines Section 15073.5; and

WHEREAS, the City Council continued the hearing to April 16, 2019 to allow for the recirculation of the Negative Declaration; and

WHEREAS, the revised Negative Declaration No. 545299 was recirculated on January 30, 2019 and the public review period ended February 28, 2019; and

WHEREAS, on April 16, 2019, the City Council of the City of San Diego denied the appeal of the environmental determination and adopted Resolution No. 312385 adopting Negative Declaration No. 545299, a copy of which is on file in the Office of the City Clerk in accordance with the California Environmental Quality Act of 1970 (CEQA) (Public Resources Code Section 21000 et seq.), as amended, and the State CEQA Guidelines thereto (California Code of Regulations, Title 14, Chapter 3, Section 15000 et seq.); and

WHEREAS, on June 13, 2019, the Planning Commission of the City of San Diego denied the project appeal, upheld the Hearing Officer's decision, and adopted Resolution No. 5018-PC; and

WHEREAS, on October 27, 2021, HELF SORRENTO LLC and SEAN ST. PETER, submitted an application to the Development Services Department for approval of a Conditional Use Permit Amendment and Coastal Development Permit Amendment for the Cannabis 21+ Sorrento Valley – Project No. 696758 (Project), as well as approval of minor technical changes or additions to the Project; and

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WHEREAS, State CEQA Guidelines section 15164(a) allows a lead agency to prepare an Addendum to a final Negative Declaration, if such Addendum meets the requirements of CEQA;

NOW, THEREFORE,

BE IT RESOLVED, by the Hearing Officer of the City of San Diego as follows:

1. That the information contained in the final Negative Declaration No. 545299 along with the Addendum No. 696758 has been reviewed and considered by this Hearing Officer prior to making a decision on the Project.

2. That there are no substantial changes proposed to the Project and no substantial changes with respect to the circumstances under which the Project is to be undertaken that would require major revisions in the Negative Declaration for the Project.

3. That no new information of substantial importance has become available showing that the Project would have any significant effects not discussed previously in the Negative Declaration or that any significant effects previously examined will be substantially more severe than shown in the Negative Declaration.

4. That no new information of substantial importance has become available showing that mitigation measures or alternatives previously found not to be feasible are in fact feasible which would substantially reduce any significant effects, but that the Project proponents decline to adopt, or that there are any considerably different mitigation measures or alternatives not previously considered which would substantially reduce any significant effects, but that the Project proponents decline to adopt.

5. That pursuant to State CEQA Guidelines Section 15164, only minor technical changes or additions are necessary to Negative Declaration No. 545299, and therefore, the Hearing Officer adopts Addendum No. 696758 to Negative Declaration No. 545299, a copy of which is on file in the Office of the Development Services Department.

BE IT FURTHER RESOLVED that the Development Services Department is directed to file a Notice of Determination with the Clerk of the Board of Supervisors for the County of San Diego regarding the Project.

APPROVED: February 22, 2023

By: _____
Francisco Mendoza, Development Project Manager

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