



**THE CITY OF SAN DIEGO**

**M E M O R A N D U M**

DATE: June 4, 2021

TO: Hearing Officer

FROM: Sammi Ma, Development Project Manager III, Cannabis Business Division

SUBJECT: 2605 CAMINO DEL RIO S CANNABIS OUTLET CUP - PROJECT NO. 622996

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Please note the following revisions to Report to the Hearing Officer HO-21-029:

1. P.3 of the Report to the Hearing Officer, additional information is added under Separation Requirements. Please refer to attachment No. 1 of this memorandum titled "Revised Report HO-21-029".
2. P. 4 of 7 of Attachment 4 – Draft Resolution with Findings, additional information is added under Finding No. 3 and Finding No. 4. Please refer to the attachment No. 2 of this memorandum titled "Revised Draft Resolution with Findings" to this memo.
3. P. 5 of 7 of Attachment 5 – Draft Permit with Conditions, Condition No. 32 is clarified to read as follows:

The Owner/Permittee shall enter into, and maintain a lease for an additional 8,725 square feet within the 27,117-square-foot building and retain it as vacant space. The lease shall specifically state that the additional 8,725 square feet leased space is to be kept vacant and not to be occupied at any time during the entire term, for any use whatsoever, including storage space, to the satisfaction of the City Engineer.

Should you have any questions, please contact me at (619) 446-7390 or email [SMa@sanidiego.gov](mailto:SMa@sanidiego.gov).

Thank you,

A handwritten signature in blue ink that reads "Sammi Ma".

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Hearing Officer  
June 3, 2021

Attachments:

1. Revised Report HO-21-029
2. Revised Draft Resolution with Findings

CC:

File  
Hearing Officer Legislative Recorder  
Office of the City Attorney



THE CITY OF SAN DIEGO

## Report to the Hearing Officer

DATE ISSUED: June 2, 2021 REPORT NO. HO-21-029

HEARING DATE: June 9, 2021

SUBJECT: 2605 CAMINO DEL RIO CANNABIS OUTLET CUP, Process Three Decision

PROJECT NUMBER: [622996](#)

OWNER/APPLICANT: 420 Oceanside, LLC, a California Limited Liability Company, Owner  
Adam Knopf, Permittee

### SUMMARY

Issue: Should the Hearing Officer approve a Conditional Use Permit (CUP) to allow the operation of a 2,596-square-foot Cannabis Outlet in Suite 100, with 8,725 square feet of space to remain vacant, within an existing four-story, 27,117-square-foot commercial building located at 2605 Camino Del Rio South in the CO-2-2 Zone within the Mission Valley Community Plan Area?

Staff Recommendation: Approve CUP No. 2233027.

Community Planning Group Recommendation: On April 7, 2021, the Mission Valley Planning Group voted 13-2-1 to recommend approval of the proposed project without additional conditions (Attachment 7).

Environmental Review: This project was determined to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Section 15301, Existing Facilities. This project is not pending an appeal of the environmental determination. The environmental exemption determination for this project was made on March 9, 2021, and the opportunity to appeal that determination ended March 23, 2021 (Attachment 6).

### BACKGROUND

On March 25, 2014, the City of San Diego adopted Ordinance No O-20356 to implement regulations for Medical Marijuana Consumer Cooperatives (MMCCs), which allowed the sale of medicinal marijuana with the approval of a Conditional Use Permit (CUP). On February 22, 2017, Ordinance No. O-20793 was approved, which included amendments to the Land Development Code and the Local Coastal Program, replacing the MMCC use with a new retail sales use, Marijuana Outlet. On January 8, 2020, the San Diego Municipal Code (SDMC) was amended by Council Ordinance [O-21163](#). The

revision replaced the word “marijuana” with “cannabis”, to reflect consistency with the State of California cannabis regulations. Therefore, Marijuana Outlet was renamed to Cannabis Outlet. A Cannabis Outlet may be allowed with the approval of a Process Three CUP, pursuant to [SDMC Section 126.0303](#), in specific land use zones of the City. Pursuant to [SDMC Section 141.0504](#), these types of facilities are limited to no more than four per Council District (CD), and 36 City-wide. A Cannabis Outlet is allowed to sell both medicinal and retail cannabis/cannabis products and is subject to State licensing requirements as defined in California Business and Professions Code section 26001. A total of three CUPs for Cannabis Outlets have been approved in CD 7; therefore, there remains capacity for one additional Cannabis Outlet to be approved in CD 7.

The 0.99-acre site is located at 2605 Camino Del Rio South, west of Interstate 805, south of Interstate 8, in the CO-2-2 Zone, Federal Aviation Authority (FAA) Part 77 Noticing Area, Airport Land Use Compatibility Overlay Zone, Airport Influence Area (Montgomery and San Diego International Airport – Review Area 2), Fire Brush Zones, High Fire Severity Zone, and Transit Priority Area within the Mission Valley Community Plan Area (Attachment 1). The project site is located within Council Districts 3 and 7; however, the building structure where the proposed Cannabis Outlet is located at is entirely within Council District 7.

The project site is currently developed with an existing four-story commercial building that was constructed in 1979, which includes several professional office and commercial services suites. The proposed Cannabis Outlet will be located on the basement level in Suite 100. Adjacent uses include multi-story commercial office buildings to the east and west, open space/hillside to the south, and interstate 8 to the north (Attachment 3). The project site abuts the North Park Community Plan area to the south.

## DISCUSSION

### Project Description:

This project is a request for a CUP to allow the operation of a 2,596-square-foot of Cannabis Outlet in Suite 100, with an additional 8,725 square feet of space to remain vacant, within an existing four-story, 27,117-square-foot commercial building located at 2605 Camino Del Rio South in the CO-2-2 Zone, Federal Aviation Authority (FAA) Part 77 Noticing Area, Airport Land Use Compatibility Overlay Zone, Airport Influence Area (Montgomery and San Diego International Airport – Review Area 2), Fire Brush Zones, High Fire Severity Zone, and Transit Priority Area within the Mission Valley Community Plan Area. Cannabis Outlet, classified as retail sales, is allowed in the CO-2-2 Zone with a CUP pursuant to [SDMC Section 126.0303](#). The project was reviewed to be in compliance with the Airport Land Use Compatibility Plans policies, and staff determined that a consistency determination is not required for this application.

The proposed Cannabis Outlet features interior improvements that include an entry/security area, reception, dispensary floor, pick-up areas, manager’s room, safe room, information technology room, inventory storage room, employee break room, an exit area, and delivery hub area totaling 2,596 square feet in Gross Floor Area. The project is required to allocate 8,725 square feet of space to be kept vacant and unoccupied throughout the duration of the CUP as conditioned; Suite No. 101 and No. 102 (2,796 square feet) located on the basement level, combining with Suite No. 200 and No. 210 (5,929 square feet) located on the first floor (Attachment 5, Condition No. 30).

The vacant floor space is not to be used for any purpose, including storage. Prior to issuance of any public improvement or building permits being issued for the proposed development, construction plans will be reviewed for compliance with all Building, Electrical, Mechanical, Plumbing and Fire Code requirements, and City construction standards. Public improvements include restriping parking spaces and reconstruction of a 24-foot wide driveway consistent with current City Standards, located adjacent to the site on Camino Del Rio South. Cannabis Business Division (CBD) staff will ensure all cannabis related permits and state licensing requirements are met prior to issuance of a certificate of occupancy. Cannabis Business Division (CBD) staff will ensure all cannabis related permits and state licensing requirements are met prior to issuance of a certificate of occupancy. These compliance checks will ensure the proposed development will not be detrimental to the public health, safety and welfare.

The project is required to restripe parking spaces in order to comply with the 63 off-street parking for all uses on the premises, which includes 11 spaces for the proposed 2,596-square-foot Cannabis Outlet at a rate of five spaces per 1,000 square feet of floor area, and 52 spaces for the remaining commercial services and office use within the building at a rate of 3.3 spaces per 1,000 square feet of floor area.

General Plan and Community Plan Consistency:

The project site is designated Commercial Employment, Retail and Services by the General Plan, and Office and Visitor Commercial use by the Mission Valley Community Plan (Attachment 2). Both land use designations are intended to provide a variety of commercial uses such as goods, services, and employment opportunities for community members. The proposed Cannabis Outlet, classified as a retail sales use category by the SDMC, is consistent with the community plan land use designation and objective of encouraging a range of retail uses integrated with other uses, and with a CUP, is a compatible use with the surrounding commercial establishments.

Separation Requirements:

[SDMC Section 141.0504 \(a\)\(1\) and \(2\)](#) contain specific siting requirements for placement of Cannabis Outlets, only allowing this use in certain commercial and industrial zones and limiting quantity to no more than four per Council District, 36 city-wide. A total of three CUPs for Cannabis Outlets have been approved in Council District 7 and there is capacity for one additional Cannabis Outlet CUP to be approved. A Cannabis Outlet use is allowed in the CO-2-2 Zone with a CUP and subject to separation requirements set forth in SDMC Section 141.0504(a), including a 1,000-foot separation from resource and population-based city parks, other Cannabis Outlets, churches, childcare centers, playgrounds, libraries owned and operated by the City of San Diego, minor-oriented facilities, residential care facilities, and schools, measured in accordance with SDMC [Section 141.0504](#) and [Section 113.0225](#); there is also a minimum distance requirement of 100 feet from the property line of a residentially zoned lot or premises. City staff has reviewed the 100/1,000-foot radius map and the 100/1,000-foot radius map spreadsheet submitted by the applicant identifying all the existing surrounding uses, and determined that the proposed Cannabis Outlet complies with the minimum separation requirements between uses. See analysis below:

Residential Zone: The project site abuts the RS-1-1 (Residential - Single Unit) Zone to the south, which is designated Open Space in the North Park Community Plan. Per the Community Plan, the open space designation is intended to provide for preservation and community character and form. The proposed Cannabis Outlet is located approximately 300 feet from the RS-1-1 Zone, measured property to property line. The RS-1-1 Zone is located at the top of the hillside with an overall slope gradient of 40 percent and an elevation difference of approximately 240 feet. In accordance with SDMC Section 113.0225(c), where there is a natural topographical barrier, distance can be measured as the most direct route around the barrier in a manner that established direct access. A street route to this site from the proposed Outlet would be greater than 1,000 feet, and therefore, the proposed Cannabis Outlet is in compliance with the minimum separation requirement.

The Academy of Our Lady of Peace: a school as defined in SDMC [Section 113.0103](#), located at 4860 Oregon Street, is within the 1,000-radius of the proposed Cannabis Outlet. This is a private school located approximately 600 feet south of the project site, measured property line to property line. The school is located on top of a hillside with a slope gradient greater than 40% and an elevation difference of approximately 240 feet, which is considered a natural topographic barrier that impedes direct access to the proposed Cannabis Outlet. Per SDMC [Section 113.0225\(c\)](#), when measuring distance between uses, natural topographical barriers and constructed barriers such as freeways or flood control channels that would impede direct physical access between the uses can be taken into consideration. In such case, the distance is measured as the most direct route around the barrier in a manner that establishes direct access. A direct public route to the school from the proposed Cannabis Outlet would be greater than 1,000 feet. Therefore, the proposed Cannabis Outlet is in compliance with the minimum separation requirements.

March & Ash: a permitted Cannabis Outlet located at 2835 Camino Del Rio S., Suite #100, is measured to be over 1,000 feet from the proposed Cannabis Outlet. Therefore, the proposed Cannabis Outlet is in compliance with the minimum separation requirements.

If approved by the Hearing Officer, the proposed project would be the fourth Cannabis Outlet CUP approved within Council District 7 and the 25<sup>th</sup> within the City and would bring forward another new business in San Diego's emerging cannabis industry.

#### Operational and Security Requirements:

The proposed Cannabis Outlet is subject to specific operational and security requirements and restrictions as set forth in SDMC Section 141.0504(b) through (m), which have also been incorporated as conditions in the CUP including prohibition of consultation by medical professionals on-site; prohibition of the use of specified vending machines except by a responsible person (as defined by the SDMC); provision of interior and exterior lighting, operable cameras, alarms, security guard; restriction of hours of operation to between 7:00 am and 9:00 pm daily; maintenance of area and adjacent public sidewalks free of litter and graffiti, and removal of graffiti within 24 hours; restriction of signage to business name, two-color signs, and alphabetic characters; and signage advertising cannabis may not be visible from the public right-of-way. Cannabis Outlets must also comply with Chapter 4, Article 2, Division 15 which provides guidelines for lawful operation.

Conclusion:

City staff has reviewed the application for a CUP for a Cannabis Outlet at this location and has determined that the project is consistent with adopted City Council policies and the recommended land use and development standards in effect for this site per the SDMC, including all development regulations of the CO-2-2 Zone and the minimum separation requirements. The project is not requesting, nor does it require any deviation or variance from the applicable regulations and policy documents. The permit has been conditioned to ensure the proposed Cannabis Outlet would not be detrimental to the public, health, safety and welfare. Staff has prepared draft findings (Attachment 4) for consideration and draft conditions of approval (Attachment 5) and is recommends approval of the project as proposed.

ALTERNATIVES

1. Approve Conditional Use Permit No. 2233027, with modifications.
2. Deny Conditional Use Permit No. 2233027, if the findings required to approve the project cannot be affirmed.

Respectfully submitted,



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Sammi Ma, Development Project Manager

Attachments:

1. Project Location Map
2. Community Plan Land Use Map
3. Aerial Photograph
4. Draft Resolution with Findings
5. Draft Permit with Conditions
6. Environmental Exemption
7. Community Planning Group Recommendation
8. Ownership Disclosure Statement
9. Project Plans

HEARING OFFICER  
RESOLUTION NO. XXXX  
CONDITIONAL USE PERMIT NO. 2233027  
**2605 CAMINO DEL RIO S CANNABIS OUTLET CUP - PROJECT NO. 622996**

WHEREAS, 420 Oceanside, LLC, a California Limited Liability Company, Owner, and Adam Knopf, Permittee, filed an application with the City of San Diego for a Conditional Use Permit to allow the operation of a 2,596-square-foot Cannabis Outlet in Suite 100, with 8,725 square feet of vacant space, within an existing four-story 27,117-square-foot commercial building (as described in and by reference to the approved Exhibits "A" and corresponding conditions of approval for the associated Permit No 2233027), on portions of a 0.99-acre site; and

WHEREAS, the project site is located at 2605 Camino Del Rio South in the CO-2-2 Zone, Federal Aviation Authority (FAA) Part 77 Noticing Area, Airport Land Use Compatibility Overlay Zone, Airport Influence Area (Montgomery and San Diego International Airport – Review Area 2), Fire Brush Zones, High Fire Severity Zone, and Transit Priority Area of the Mission Valley Community Plan area; and

WHEREAS, the project site is legally described as Lot 1 of the Pepper Tree Company, In the City of San Diego, County of San Diego, State of California, according to Map thereof No. 8051, filed in the office of the County Recorder of San Diego County, December 30, 1974; and

WHEREAS, on March 9, 2021, the City of San Diego, as Lead Agency, through the Development Services Department, made and issued an Environmental Determination that the project is exempt from the California Environmental Quality Act (CEQA) (Public Resources Code Section 21000 et seq.) under CEQA Guideline Section 15301, Existing Facilities; and there was no appeal of the Environmental Determination filed within the time period provided by San Diego Municipal Code Section 112.0520; and



WHEREAS, on June 9, 2021, the Hearing Officer of the City of San Diego considered Conditional Use Permit No. 2233027 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 No. 2233027:

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

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

This project is a request for a Conditional Use Permit (CUP) to operate a 2,596-square-foot Cannabis Outlet in Suite 100, with 8,725 square feet of vacant space and 15,796 square feet of existing office use, within an existing four-story, 27,117-square-foot commercial building located at 2605 Camino Del Rio South. The 0.99-acre site is in the CO-2-2 Zone, Federal Aviation Authority (FAA) Part 77 Noticing Area, Airport Land Use Compatibility Overlay Zone, Airport Influence Area (Montgomery and San Diego International Airport – Review Area 2), Fire Brush Zones, High Fire Severity Zone, and Transit Priority Area of the Mission Valley Community Plan area. The project site is located within Council Districts 3 and 7; however, the building structure where the proposed Cannabis Outlet is located at is entirely within Council District 7.

The project site is designated Commercial Employment, Retail and Services by the General Plan, and Office and Visitor Commercial use by the Mission Valley Community Plan. Both land use designations are intended to provide a variety of commercial uses such as goods, services, and employment opportunities for community members. The proposed Cannabis Outlet, classified as a retail sales use category by the SDMC, is consistent with the community plan land use designation and objective of encouraging a range of retail uses integrated with other uses, and with a CUP, is a compatible use with the surrounding commercial establishments.

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

This project is a request for a CUP to operate a 2,596-square-foot Cannabis Outlet, located on the basement level of an existing four-story, 27,117-square-foot commercial building. The proposed Cannabis Outlet features interior improvements that include an entry/security area, reception, dispensary floor, pick-up areas, manager's room, safe room, information technology room, inventory storage room, employee break room, an exit area, and delivery hub area totaling 2,596 square feet in Gross Floor Area. The project is required to allocate 8,725 square feet of space to be kept vacant and unoccupied throughout the duration of the CUP as conditioned. The vacant space includes Suite No. 101 and No. 102 (2,796 square feet) located on the basement level,

combining with Suite No. 200 and No. 210 (5,929 square feet) located on the first floor (Attachment 5, Condition No. 30). The vacant floor space is not to be used for any purpose, including storage.

The project site is surrounded by existing development and contained within an urbanized area. The site does not contain sensitive habitat, and it does not contain nor is it adjacent to Multi-Habitat Planning Area designated lands. Furthermore, the existing building structure is more than 100 feet away from native and naturalized vegetation to the south. Therefore, this project does not require a brush management plan.

Cannabis Outlets are restricted to four per Council District, 36 city-wide, within commercial and industrial zones. Cannabis Outlets require compliance with SDMC Section 141.0504, which requires a 1,000-foot separation, measured in accordance with SDMC sections 141.0504 and 113.0225, from resource and population-based city parks, other Cannabis Outlets, churches, child care centers, playgrounds, libraries owned and operated by the City of San Diego, minor-oriented facilities, residential care facilities, and schools including private or public institutions of learning providing instruction in kindergarten grades 1 to 12; there is also a minimum distance requirement of 100 feet from the property line of a residentially zoned lot or premises. The proposed project meets all separation requirements.

The proposed Cannabis Outlet is subject to specific operational and security requirements and restrictions as set forth in SDMC Section 141.0504(b) through (m), which have also been incorporated as conditions in the CUP including prohibition of consultation by medical professionals on-site; prohibition of the use of specified vending machines except by a responsible person (as defined by the SDMC); provision of interior and exterior lighting, operable cameras, alarms, security guard; restriction of hours of operation to between 7:00 am and 9:00 pm daily; maintenance of area and adjacent public sidewalks free of litter and graffiti, and removal of graffiti within 24 hours; restriction of signage to business name, two-color signs, and alphabetic characters; and signage advertising cannabis may not be visible from the public right-of-way. Cannabis Outlets must also comply with Chapter 4, Article 2, Division 15 which provides guidelines for lawful operation, including designating one officer or manager to act as a responsible managing officer, fingerprinting and background checks, cannabis facility operational requirements, and regulatory actions which can be taken in the event of non-compliance. The CUP is valid for five years, however, it may be revoked if the use violates the terms, conditions, lawful requirements, or provision of the permit.

The project is required to restripe parking spaces in order to comply with the 63 off-street parking for all uses on the premises, which includes 11 spaces for the proposed 2,596-square-foot Cannabis Outlet at a rate of five spaces per 1,000 square feet of floor area, and 52 spaces for the remaining commercial services and office use within the building at a rate of 3.3 spaces per 1,000 square feet of floor area. Public improvements include restriping parking spaces and reconstruction of a 24-foot wide driveway consistent with current City Standards, located adjacent to the site on Camino Del Rio South. The discretionary permit controlling the development 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. The operation of the Cannabis Outlet in the CO-2-2 Zone, is allowed with a CUP at this location, and consistent with the goals and policies of the Mission Valley Community Plan. 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.**

This project is a request for a CUP to operate a 2,596-square-foot Cannabis Outlet, located on the basement level of an existing four-story, 27,117-square-foot commercial building. The SDMC has very specific siting requirements for placement of Cannabis Outlets, allowing this use in certain commercial and industrial zones and limiting quantity to no more than four per Council District, 36 city-wide. A total of three CUPs for Cannabis Outlets have been approved in CD 7; therefore, there remains capacity for one additional Cannabis Outlet to be approved in CD 7. A Cannabis Outlet use is allowed in the project site's MV-CO base zones with a CUP and subject to separation requirements set forth in SDMC Section 141.0504(a), including a 1,000-foot separation from resource and population-based city parks, other Cannabis Outlets, churches, childcare centers, playgrounds, libraries owned and operated by the City of San Diego, minor-oriented facilities, residential care facilities, and schools, measured in accordance with SDMC sections 141.0504 and 113.0225; there is also a minimum distance requirement of 100 feet from the property line of a residentially zoned lot or premises. The proposed Cannabis Outlet complies with these required separation requirements as explained below.

The project site abuts the RS-1-1 to the south, which is designated Open Space in the North Park Community Plan. Per the Community Plan, the open space designation is intended to provide for preservation and community character and form. The proposed Cannabis Outlet is separated from the residential use located at the top of the hillside with an overall slope gradient of 40 percent and an elevation difference of approximately 240 feet. In accordance with SDMC Section 113.0225(c), where there is a natural topographical barrier, distance can be measured as the most direct route around the barrier in a manner that established direct access. A street route to this site from the proposed Outlet would be greater than 1,000 feet, and therefore, the proposed Cannabis Outlet is in compliance with the minimum separation requirement.

Academy of Our Lady of Peace is a private school located at 4860 Oregon Street approximately 600 feet south of the proposed Cannabis Outlet, measured property line to property line. The school is located on top of a hillside with a slope gradient greater than 40 percent and an elevation difference of approximately 240 feet, which is considered a natural topographic barrier that impedes direct access to the proposed Cannabis Outlet. A street route to this site from the proposed Cannabis Outlet would be greater than 1,000 feet. Therefore, the proposed Cannabis Outlet is in compliance with the minimum separation requirement.

The project is required to restripe parking spaces in order to comply with the 63 off-street parking for all uses on the premises, which include 11 spaces for the proposed 2,596-square-foot Cannabis Outlet at a rate of five spaces per 1,000 square feet of floor area, and 52 spaces for the remaining commercial services and office use within the building at a rate of 3.3 spaces per 1,000 square feet of floor area. Public improvements include restriping parking spaces and reconstruction of a 24-foot wide driveway consistent with current City Standards, located adjacent to the site on Camino Del Rio South.

The permit for the project includes various conditions and corresponding exhibits of approval to ensure compliance with the SDMC, including those relative to parking, signage, lighting, security measures, hours of operation, and site maintenance. No variance or deviations are required as part of this application, and the proposed development will comply with the regulations of the Land Development Code.

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

This project is a request for a CUP to operate a 2,596-square-foot Cannabis Outlet within an existing 27,117-square-foot commercial building located at 2605 Camino Del Rio South. The 0.99-acre site is in the CO-2-2 Zone, Federal Aviation Authority (FAA) Part 77 Noticing Area, Airport Land Use Compatibility Overlay Zone, Airport Influence Area (Montgomery and San Diego International Airport – Review Area 2), Fire Brush Zones, High Fire Severity Zone, and Transit Priority Area of the Mission Valley Community Plan area. The project site is located within Council Districts 3 and 7, however, the proposed Cannabis Outlet is located within Council District 7.

The project site is designated Commercial Employment, Retail and Services by the General Plan, and Office and Visitor Commercial use by the Mission Valley Community Plan. Both land use designations are intended to provide a variety of commercial uses such as goods, services, and employment opportunities for community members. The proposed Cannabis Outlet, classified as a retail sales use category by the SDMC, is consistent with the community plan land use designation and objective of encouraging a range of retail uses integrated with other uses, and with a CUP, is a compatible use with the surrounding commercial establishments.

The project site is currently developed with an existing four-story commercial building that was constructed in 1979, which includes several professional office and commercial services suites. The proposed Cannabis Outlet will be located on the basement level in Suite 100. Adjacent uses include multi-story commercial office buildings to the east and west, open space/hillside to the south, and interstate 8 to the north. The project site abuts the North Park Community Plan area to the south.

The SDMC has very specific requirements for siting of Cannabis Outlets, only allowing this use in certain commercial and industrial zones and limiting quantity to no more than four per Council District, 36 city-wide. A total of three CUPs for Cannabis Outlets have been approved in Council District 7 and there is capacity for one additional Cannabis Outlet CUP to be approved. A Cannabis Outlet use is allowed in the CO-2-2 Zone with a

CUP and subject to separation requirements set forth in SDMC Section 141.0504(a), including a 1,000-foot separation, measured in accordance with SDMC sections 141.0504 and 113.0225, from specified uses; there is also a minimum distance requirement of 100 feet from the property line of a residentially zoned lot or premises. The proposed Cannabis Outlet complies with these required separation requirements as explained below.

The project site abuts the RS-1-1 to the south, which is designated Open Space in the North Park Community Plan. Per the Community Plan, the open space designation is intended to provide for preservation and community character and form. The proposed Cannabis Outlet is separated from the residential use located at the top of the hillside with an overall slope gradient of 40 percent and an elevation difference of approximately 240 feet. In accordance with SDMC Section 113.0225(c), where there is a natural topographical barrier, distance can be measured as the most direct route around the barrier in a manner that established direct access. A street route to this site from the proposed Outlet would be greater than 1,000 feet, and therefore, the proposed Cannabis Outlet is in compliance with the minimum separation requirement.

Academy of Our Lady of Peace is a private school located at 4860 Oregon Street approximately 600 feet south of the proposed Cannabis Outlet, measured property line to property line. The school is located on top of a hillside with a slope gradient greater than 40 percent and an elevation difference of approximately 240 feet, which is considered a natural topographic barrier that impedes direct access to the proposed Cannabis Outlet. A street route to this site from the proposed Cannabis Outlet would be greater than 1,000 feet. Therefore, the proposed Cannabis Outlet is in compliance with the minimum separation requirement.

Cannabis Outlets are also subject to specific operational requirements and restrictions set forth in SDMC Section 141.0504(b) – (m), which have also been incorporated as conditions in the CUP, including: (1) prohibiting consultation by medical professionals on-site; (2) prohibiting the use of specified vending machines except by a responsible person (as defined by the SDMC); (3) provision of interior and exterior lighting, operable cameras, alarms, and security guards; (4) restriction of hours of operation to between 7:00 am and 9:00 pm daily; (5) maintenance of the project site and adjacent public sidewalks free of litter and graffiti, and removal of graffiti within 24 hours; and (6) restriction of signage to business name, two-color signs, and alphabetic characters. Cannabis Outlets must also comply with Chapter 4, Article 2, Division 15 which provides guidelines for lawful operation. The proposed project would be the fourth Cannabis Outlet CUP approved within CD 7 and the 25<sup>th</sup> within the City, and would establish another new business in San Diego's emerging cannabis industry, providing community access to a facility where consumers can purchase cannabis products meeting State safety and testing requirements. Therefore, based on the above analysis, the proposed use is appropriate at the proposed location.

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 the findings hereinbefore adopted by the Hearing Officer, Conditional Use Permit No. 2233027 is hereby GRANTED by the Hearing Officer to the referenced Owner and Permittee, in the form, exhibits, terms and conditions as set forth in Permit No. 2233027, a copy of which is attached hereto and made a part hereof.

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Sammi Ma  
Development Project Manager  
Development Services

Adopted on: June 9, 2012

IO#: 24008101

DRAFT