

Report to the Hearing Officer

DATE ISSUED: September 12, 2018 REPORT NO. HO-18-074

HEARING DATE: September 19, 2018

SUBJECT: MPF 7740 Formula Place, Process Three Decision

PROJECT NUMBER: <u>585486</u>

OWNER/APPLICANT: Sarnow Family Trust, Owner/Applicant

SUMMARY

<u>Issue:</u> Should the Hearing Officer approve operation of a Marijuana Production Facility to operate within an existing 9,200-square-foot building for production of edible marijuana products located at 7740 Formula Place in Mira Mesa Community Plan area?

Staff Recommendation: Approve Conditional Use Permit No. 2067535.

<u>Community Planning Group Recommendation</u>: On August 20, 2018, the Mira Mesa Community Planning Group voted 12-0-0 to recommend approval of the project with no additional conditions (Attachment 7).

<u>Environmental Review</u>: This project was determined to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15303(c), Conversion of Small Structures and Minor Modifications. This project is not pending an appeal of the environmental determination. The environmental exemption determination for this project was made on June 22, 2018, and the opportunity to appeal that determination ended July 9, 2018.

BACKGROUND

The project site is within the Light Industrial Land Use area and the Miramar Subarea of the Mira Mesa Community Plan (Attachment 1). The Light Industrial designation is intended to accommodate manufacturing, storage, warehousing, distribution, and similar uses. The Miramar Subarea was foreseen in the community plan to be developed with a mix of light industrial and specialized commercial uses. The 3.60-acre site is located at 7740 Formula Place in the IL-2-1 Zone (Attachment 2). The building, constructed in 1981, is currently being used for commercial bakery (Attachment 3). The purpose and intent of the IL-2-1 Zone is to accommodate a range of industrial and manufacturing activities in designated areas to promote balanced land use and provide flexibility in

the design of new and redeveloped industrial projects, while assuring high quality development and protecting land for industrial uses and limiting nonindustrial uses. The development standards of this zone are intended to encourage sound industrial development by providing an attractive environment free from adverse impacts associated with some heavy industrial uses. The IL Zones are intended to permit a range of uses, including nonindustrial uses in some instances. Specifically, the IL-2-1 Zone allows a mix of light industrial, office, and commercial uses.

The project site is designated Industrial Employment by the Land Use and Community Planning Element of the General Plan. The General Plan identifies a citywide shortage of land suitable for manufacturing activities and a need to protect a reserve of manufacturing land from non-manufacturing uses.

The Industrial and Business Park designation would permit light manufacturing uses, thereby providing additional land suitable for manufacturing activities. The proposed project will promote the policies of the General Plan because Marijuana Production Facilities (MPFs) are industrial manufacturing uses.

MPFs are restricted to forty City-wide, within light and heavy industrial zones. MPFs require compliance with San Diego Municipal Code (SDMC) Section 141.1004, which require a 1,000-foot separation, measured between property lines from, resource and population-based City parks, churches, child care centers, playgrounds, City libraries, minor-oriented facilities, residential care facilities, and schools. MPFs also require a minimum distance requirement of 100 feet from a residential zone. Security requirements include interior and exterior lighting, security cameras, alarms and a security guard. The security guard must be licensed by the State of California and be present on the premises during business hours. MPFs must also comply with SDMC Chapter 4, Article 2, Division 15 which provides guidelines for lawful operation.

DISCUSSION

Project Description

The project proposes to operate a MPF within an existing 9,200 square-foot building at 7740 Formula Place. The 3.60-acre site is in the IL-2-1 Zone within the Mira Mesa Community Plan area. The MPF operations would re-purpose an existing commercial bakery to produce edible marijuana products.

The project proposes interior improvements that include non-load bearing partitions, doors, lighting, security cameras and system, millwork, finishes throughout and associated mechanical, electrical and plumbing improvements. Other minor site improvements are proposed consistent with the City of San Diego requirements. Public improvements would include reconstruction of the existing driveways, satisfactory to the City Engineer. No exterior building alterations would occur. The proposed improvements would require the Owner/Permittee to obtain a change of use/occupancy building permit consistent with all California Codes and Regulations in effect at the time of building permit, satisfactory to the Building Official. The facility is also subject to State California statues and regulations.

Conclusion

City staff has reviewed the proposed project and all issues identified through the review process have been resolved in conformance with adopted City Council policies and regulations of the Land Development Code. The design of the proposed Project complies with all development regulations of the IL-2-1 Zone and no deviations are required to approve the project. Staff has provided draft findings (Attachment 4) to support the proposed development and draft conditions of approval (Attachment 5). Staff is recommending the Hearing Officer approve the Project as presented.

ALTERNATIVES

- 1. Approve Conditional Use Permit No. 2067535, with modifications.
- 2. Deny Conditional Use Permit No. 2067535, if the findings required to approve the project cannot be affirmed.

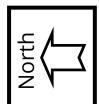
Respectfully submitted,

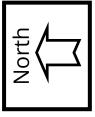
Tim Daly

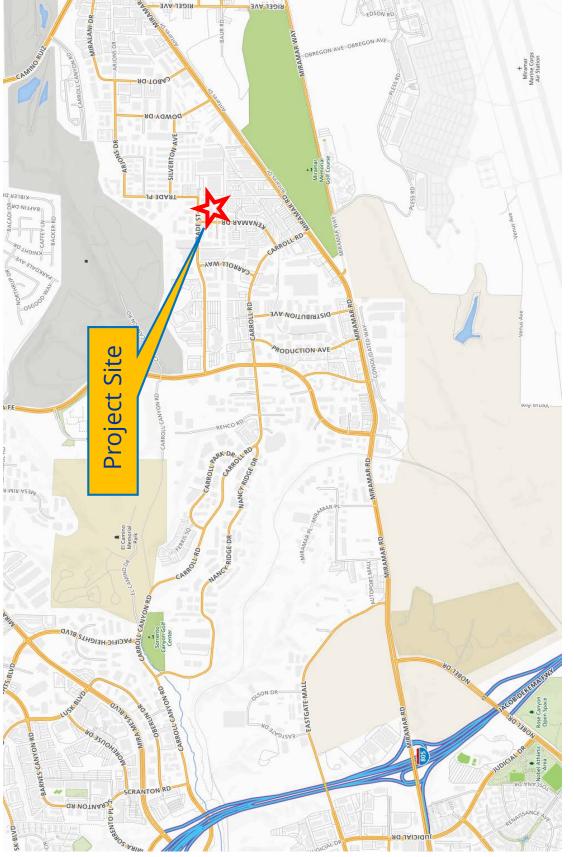
Development Project Manager

Attachments:

- 1. Community Plan Land Use Map
- 2. Project Location 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







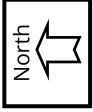
SCHILT AVE

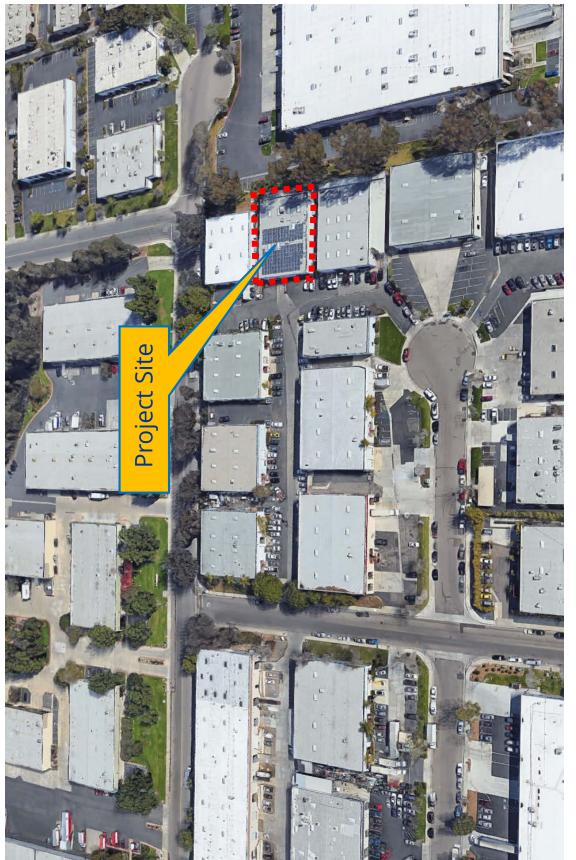


Project Location Map

PROJECT NO. 585486, MPF 7740 FORMULA PLACE 7740 FORMULA PLACE, SAN DIEGO CA 92121



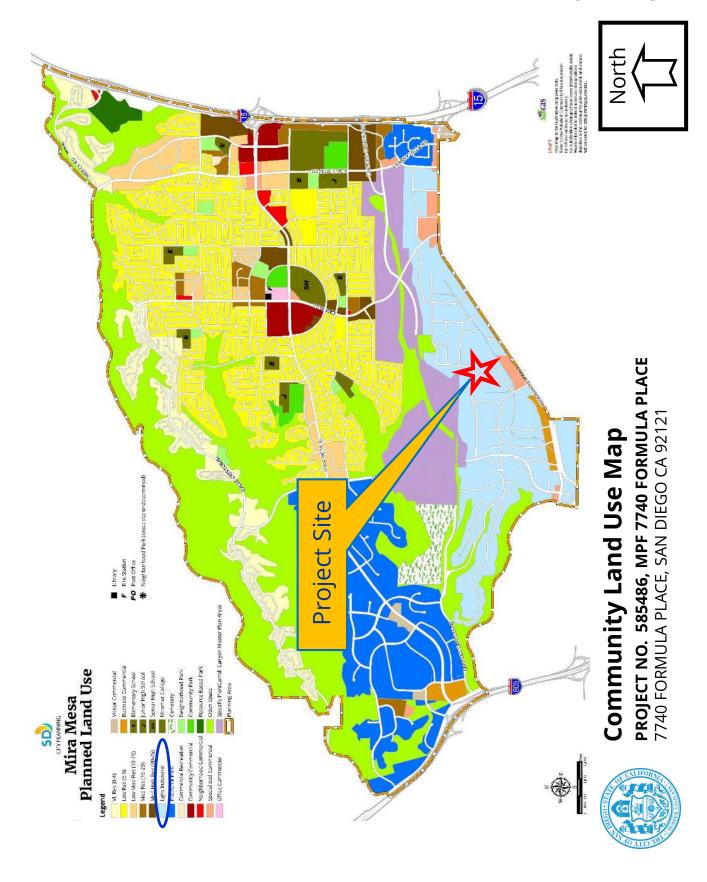




Aerial Photograph

PROJECT NO. 585486, MPF 7740 FORMULA PLACE 7740 FORMULA PLACE, SAN DIEGO CA 92121





HEARING OFFICER RESOLUTION NO. _____ CONDITIONAL USE PERMIT NO. 2067535 MPF 7740 FORMULA PLACE - PROJECT NO. 585486

WHEREAS, SARNOW FAMILY TRUST, Owner/Permittee, filed an application with the City of San Diego for a permit to operate a Marijuana Production Facility within an existing 9,200 square-foot building (as described in and by reference to the approved Exhibits "A" and corresponding conditions of approval for the associated Permit No. 2067535), on portions of a 3.60-acre site;

WHEREAS, the project site is located at 7740 Formula Place in the IL-2-1 Zone of the Mira Mesa Community Plan;

WHEREAS, the project site is legally described as Lot 6 of Trade Business Park, according to Map thereof No. 9778, filed August 20, 1980, and as corrected by document recorded June 30, 1981 as File No. 81-205558 of Official Records dated November 12, 1996;

WHEREAS, on June 22, 2018, 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 15303(c) New Construction or Conversion of Small Structures; and there was no appeal of the Environmental Determination filed within the time period provided by San Diego Municipal Code Section 112.0520;

WHEREAS, on September 19, 2018, the Hearing Officer of the City of San Diego considered Conditional Use Permit No. 2067535 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 as follows:

That the Hearing Officer adopts the following written Findings, dated September 19, 2018.

A. <u>CONDITIONAL USE PERMIT [SDMC Section 126.0305]</u>

1. <u>Findings for all Conditional Use Permits:</u>

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

The proposed project requests a Conditional Use Permit to operate a Marijuana Production Facility (MPF) within an existing 9,200 square-foot building. The 3.60-acre site is located at 7740 Formula Place in the IL-2-1 Zone of the Mira Mesa Community Plan.

The Mira Mesa Community Plan designates the site for Light Industrial Land Use Area and the Miramar Subarea. The Light Industrial designation is intended to accommodate manufacturing, storage, warehousing, distribution, and similar uses. The Miramar Subarea was foreseen in the community plan to be developed with a mix of light industrial and specialized commercial uses. The purpose and intent of the IL-2-1 Zone is to accommodate a range of industrial and manufacturing activities in designated areas to promote balanced land use and provide flexibility in the design of new and redeveloped industrial projects, while assuring high quality development and protecting land for industrial uses and limiting nonindustrial uses. The development standards of this zone are intended to encourage sound industrial development by providing an attractive environment free from adverse impacts associated with some heavy industrial uses. The IL Zones are intended to permit a range of uses, including non-industrial uses in some instances. Specifically, the IL-2-1 allows a mix of light industrial, office, and commercial uses.

The project site is designated Industrial Employment by the Land Use and Community Planning Element of the General Plan. The General Plan identifies a citywide shortage of land suitable for manufacturing activities and a need to protect a reserve of manufacturing land from non-manufacturing uses.

The Industrial and Business Park designation would permit light manufacturing uses, thereby providing additional land suitable for manufacturing activities. The proposed project will promote the policies of the General Plan because MPFs are industrial manufacturing uses.

The proposed MPF, classified as an industrial use, is a compatible use for this location with a Conditional Use Permit and is consistent with the community plan, and therefore will not adversely affect the applicable land use plan.

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

The MPF is proposed within an existing 9,200 square-foot building. The project proposes interior improvements that include non-load bearing partitions, doors, lighting, security cameras and system, millwork, finishes throughout and associated mechanical, electrical and plumbing improvements. Other minor site improvements are proposed consistent with the City of San Diego requirements. No exterior building alterations would occur.

The proposed improvements would require the Owner/Permittee to obtain a change of use/occupancy building permit consistent with all California Codes and Regulations in effect at the time of building permit, satisfactory to the Building Official. Public improvements would include the reconstruction of two existing driveways, satisfactory to the City Engineer.

MPFs are restricted to forty City-wide, within light and heavy industrial zones. MPFs require compliance with San Diego Municipal Code (SDMC) Section 141.1004, which require a 1,000-foot separation, measured between property lines from, resource and population-based City parks, churches, child care centers, playgrounds, City libraries, minor-oriented facilities, residential care facilities, and schools. MPFs also a minimum distance requirement of 100 feet from a residential zone. Security requirements include interior and exterior lighting, security cameras, alarms and a security guard. The security guard must be licensed by the State of California and be present on the premises during business hours. Marijuana Production Facilities must also comply with SDMC Chapter 4, Article 2, Division 15 which provides guidelines for lawful operation.

The proposed project will be required to comply with the development conditions as described in the Conditional Use Permit No. 2067535. The Conditional Use Permit No. 2067535 will be valid for five years and may be revoked if the Owner/Permittee violates the terms, conditions, lawful requirements, or provisions of the Permit.

The proposed development will not be detrimental to the public's health, safety and welfare in that the discretionary permit controlling the use of this site contains specific regulatory conditions of approval, as referenced in the Conditional Use Permit No. 2067535. The referenced regulations and conditions have been determined as necessary to avoid adverse impact upon the health, safety and general welfare of persons patronizing, residing or working within the surrounding area. Therefore, the proposed MPF will not be detrimental to the public health, safety and welfare.

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

The MPF within an existing 9,200 square-foot building is located at 7740 Formula Place on a 3.60-acre site. The site is located in the IL-2-1 Zone in the Mira Mesa Community Plan area. The site was developed in 1981. The project proposes interior improvements to convert a commercial bakery into a bakery producing edible marijuana products. Other minor site improvements are proposed consistent with the City of San Diego requirements.

MPFs are allowed in the IL-2-1 Zone of the Mira Mesa Community Plan with a Conditional Use Permit. The proposed use requires compliance with SDMC Section 141.1004 and SDMC Chapter 4, Article 2, Division 15. SDMC Section 141.1004 requires a 1,000-foot separation, measured between property lines from, resource and population-based City parks, churches, child care centers, playgrounds, City libraries, minor-oriented facilities,

residential care facilities, and schools. There is also a minimum distance requirement of 100 feet from a residential zone. The proposed MPF complies with the separation requirements between uses. The proposed MPF is subject to specific operational requirements for security, as referenced in Conditional Use Permit No. 2067535, in lighting, security cameras, alarms, and a security guard. The security guard must be licensed by the State of California and be present on the premises during business hours. MPFs must also comply with SDMC Chapter 4, Article 2, Division 15 which provides guidelines for lawful operation.

The proposed MPF is consistent with all land development regulations relevant for the site and the use and no deviations are requested or required. Therefore, the proposed MPF will comply with the regulations of the Land Development Code.

d. The proposed use is appropriate at the proposed location.

The proposed MPF within an existing 9,200 square-foot building is located at 7740 Formula Place in the IL-2-1 Zone of the Mira Mesa Community Plan. The Mira Mesa Community Plan designates the site for Light Industrial Land Use Area and the Miramar Subarea. The Light Industrial designation is intended to accommodate manufacturing, storage, warehousing, distribution, and similar uses. The Miramar Subarea was foreseen in the community plan to be developed with a mix of light industrial and specialized commercial uses. The purpose and intent of the IL-2-1 Zone is to accommodate a range of industrial and manufacturing activities in designated areas to promote balanced land use and provide flexibility in the design of new and redeveloped industrial projects, while assuring high quality development and protecting land for industrial uses and limiting nonindustrial uses. The development standards of this zone are intended to encourage sound industrial development by providing an attractive environment free from adverse impacts associated with some heavy industrial uses. The IL Zones are intended to permit a range of uses, including non-industrial uses in some instances. Specifically, the IL-2-1 allows a mix of light industrial, office, and commercial uses.

The project site is designated Industrial Employment by the Land Use and Community Planning Element of the General Plan. The General Plan identifies a citywide shortage of land suitable for manufacturing activities and a need to protect a reserve of manufacturing land from non-manufacturing uses.

The Industrial and Business Park designation would permit light manufacturing uses, thereby providing additional land suitable for manufacturing activities. The proposed project will promote the policies of the General Plan because MPFs are industrial manufacturing uses.

The proposed MPF, classified as an industrial use, is a compatible use for this location with a Conditional Use Permit and is consistent with the community plan. The proposed MPF is consistent with all land development regulations relevant for the site and the use and no deviations are requested or required. The proposed MPF is a compatible use for this location with a Conditional Use Permit. Therefore, the proposed MPF is an appropriate use 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. 2067535 is hereby GRANTED by the Hearing Officer to the

referenced Owner/Permittee, in the form, exhibits, terms and conditions as set forth in Permit No.

2067535, a copy of which is attached hereto and made a part hereof.

Tim Daly

Development Project Manager

Development Services

Adopted on: September 19, 2018

IO#: 24007578

RECORDING REQUESTED BY

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: 24007568

SPACE ABOVE THIS LINE FOR RECORDER'S USE

CONDITIONAL USE PERMIT NO. 2067535 MPF 7740 FORMULA PLACE PROJECT NO. 585486 HEARING OFFICER

This Conditional Use Permit No. 2067535 is granted by the Hearing Officer of the City of San Diego to Sarnow Family Trust, Owner/Permittee, pursuant to San Diego Municipal Code [SDMC] section 126.0305. The 3.60-acre site is located at 7740 Formula Place in the IL-2-1 Zone, within the Mira Mesa Community Plan area. The project site is legally described as Lot 6 of Trade Business Park, according to Map thereof No. 9778, filed August 20, 1980, and as corrected by document recorded June 30, 1981 as File No. 81-205558 of Official Records dated November 12, 1996.

Subject to the terms and conditions set forth in this Permit, permission is granted to Owner/Permittee to operate a Marijuana Production Facility within an existing 9,200 square-foot building described and identified by size, dimension, quantity, type, and location on the approved exhibits [Exhibit "A"] dated September 19, 2018, on file in the Development Services Department.

The project shall include:

- a. Operation of a Marijuana Production Facility within an existing 9,200 square-foot building. The operation shall include the production of edible marijuana products consistent with the requirements of the State of California statues and the California Departments of Food and Agriculture, Consumer Affairs and Public Health regulations; and the wholesale distribution and storage of marijuana products;
- b. The Marijuana Production Facility operations would include the production of edible marijuana products to state licensed marijuana outlets;
- 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. 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 October 4, 2021.
- 2. This Conditional Use Permit [CUP] and corresponding use of this site shall expire on October 4, 2023. Upon expiration of this Permit, the facilities and improvements described herein shall be removed from this site and the property shall be restored to its original condition preceding approval of this Permit.
- 3. 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.
- 4. 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.
- 5. 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.
- 6. The continued use of this Permit shall be subject to the regulations of this and any other applicable governmental agency.
- 7. 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.).
- 8. 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.

- 9. 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.
- 10. 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.

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" conditions(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.

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.

BUILDING OFFICIAL REQUIREMENTS:

12. Prior to the commencement of operations granted by this Permit, the Owner/Permittee shall obtain a change of use/occupancy building permit consistent with all California Codes and Regulations in effect at the time of building permit, satisfactory to the Building Official.

PLANNING/DESIGN REQUIREMENTS:

- 13. All 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.
- 14. All operations shall be conducted indoors within a secured structure. All equipment and storage shall be also located within a secure structure.
- 15. Lighting shall be provided to illuminate the immediate surrounding area of the facility, including parking lots and adjoining sidewalks. Lighting shall be hooded or oriented to deflect light away from adjacent properties.
- 16. Security 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.
- 17. The name and emergency contact telephone number of an operator or manager shall be posted outside the marijuana production facility in a location visible to the public from the public right-of-way in character size at least two inches in height. The permittee shall provide this contact information to the San Diego Police Department. The operator or manager shall also be available 24 hours a day to address public nuisance complaints and interact with local, state, and federal law enforcement authorities. Other than the contact information, a marijuana production facility shall limit signage on the exterior of the property visible from the public right-of-way to the address.
- 18. A permit shall be obtained as required pursuant to Chapter 4, Article 2, Division 15.
- 19. This Conditional Use Permit for a marijuana production facility shall expire five years from the date of issuance.
- 20. The retail sale of marijuana and marijuana products shall only be conducted by a marijuana outlet in accordance with Section 141.0504. A marijuana production facility is prohibited from providing marijuana and marijuana products to any person other than another marijuana production facility, a testing lab, or a marijuana outlet.
- 21. The marijuana production facility, adjacent public sidewalks, and areas under the control of the marijuana production facility shall be maintained free of litter and graffiti at all times.
- 22. The marijuana production facility shall provide daily removal of trash, litter, and debris. Graffiti shall be removed from the premises within 24 hours.

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

ENGINEERING REQUIREMENTS:

- 24. Prior to the issuance of any construction permits, the Owner/Permittee shall assure, by permit and bond, the reconstruction of the two existing driveways per current City Standards, adjacent to the site on Trade Street and Kenmar Drive, satisfactory to the City Engineer.
- 25. Prior to the issuance of any construction permit, the Permittee shall incorporate any construction Best Management Practices necessary to comply with Chapter 14, Article 2, Division 1 (Grading Regulations) of the San Diego Municipal Code, into the construction plans or specifications.
- 26. Prior to the issuance of any construction permit the Owner/Permittee shall submit a Water Pollution Control Plan (WPCP). The WPCP shall be prepared in accordance with the guidelines in Part 2 Construction BMP Standards Chapter 4 of the City's Storm Water Standards.

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.

APPROVED by the Hearing Officer of the City of San Diego on September 19, 2018 by Resolution No. (to be completed).

Permit Type/PTS Approval No.: Conditional Use Permit No. 2067535 Date of Approval: September 19, 2018

| AUTHENTICATED BY THE CITY OF SAN DIE | EGO DEVELOPMENT SERVICES DEPARTMENT |
|--|---|
| | |
| Tim Daly | |
| 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 |
| | n and every obligation of Owner/Permittee hereunder. |
| | SARNOW FAMILY TRUST, Owner/Permittee |
| | Ву |

Name: Title:

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

NOTICE OF EXEMPTION

| (Check | one or boti | h) | | |
|--------|-------------|--|-------|--|
| TO: | X | Recorder/County Clerk P.O. Box 1750, MS A-33 1600 Pacific Hwy, Room 260 San Diego, CA 92101-2400 | FROM: | City of San Diego Development Services Department 1222 First Avenue, MS 501 San Diego, CA 92101 |
| | | Office of Planning and Research 1400 Tenth Street, Room 121 Sacramento, CA 95814 | | |

Project Name/Number No.: MPF 7740 Formula Place / 585486 **SCH No.:** N.A.

Project Location-Specific: 7740 Formula Place, San Diego, CA 92121

Project Location-City/County: San Diego/San Diego

Description of nature and purpose of the Project: The project is a request for a Conditional Use Permit (CUP) for a Marijuana Production Facility (MPF) to operate within an existing 9,900 square-foot building for production, warehouse, and office space located at 7740 Formula Place in the Mira Mesa Community Plan area. Project operations would include the production and packaging, and distribution of edible cannabis products to State of California licensed outlets. The site is designated Light Industrial and is in the IL-2-1 Zone, Prime Industrial Lands, FAA Part 77 Noticing Area for MCAS Miramar (485'), Airport Influence Area for MCAS Miramar Review Area 1, and Airport Land Use Compatibility Overlay Zone for MCAS Miramar. Council District 6.

Name of Public Agency Approving Project: City of San Diego

Name of Person or Agency Carrying Out Project: Marcela Sarnow and Gerald Sarnow, 7740 Formula Place, San Diego, CA 92121, (858) 536-5910

Exempt Status: (CHECK ONE)

- () Ministerial (Sec. 21080(b)(1); 15268);
- () Declared Emergency (Sec. 21080(b)(3); 15269(a));
- () Emergency Project (Sec. 21080(b)(4); 15269 (b)(c))
- (X) Categorical Exemption: Section 15303(c) (New Construction or Conversion of Small Structures)
- () Statutory Exemptions:

Reasons why project is exempt: The City of San Diego conducted an environmental review which determined that the project would not have the potential for causing a significant effect on the environment. The project meets the criteria set forth in CEQA Section 15303 (c) which allows for the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. In urbanized areas, the exemption also applies to up to four such commercial buildings not exceeding 10,000 square feet in floor area on sites zoned for such use if not involving the use of significant amounts of hazardous substances where all necessary public services and facilities are available, and the surrounding area is not environmentally sensitive. No environmental impacts were identified for the proposed project. Additionally, the exceptions listed in CEQA Section 15300.2 would not apply.

Lead Agency Contact Person: Elizabeth Shearer-Nguyen, Senior Planner Telephone: 619-446-5369

| if filed by applicant: | | |
|---|------------------------------------|--|
| 1. Attach certified document of exer | nption finding. | |
| 2. Has a notice of exemption been f | iled by the public agency approvin | g the project? ()Yes ()No |
| It is hereby certified that the City of Sar | Diego has determined the above | activity to be exempt from CEQA |
| | Senior Planner | September 12, 2018 |
| Signature/Title | | Date |
| Check One: | | |
| (X) Signed By Lead Agency | Date Receiv | ved for Filing with County Clerk or OPR: |

| 1. | Robert Mixon | 6. | Jeff Stevens | 11. | Julia Schriber | 16. | <mark>Bari Vaz</mark> |
|----|--------------|-----|------------------------|-----|----------------|-----|--|
| 2. | Craig Radke | 7. | Ted Brengel | 12. | Wayne Cox | 17. | Albert Lee |
| 3. | Bruce Brown | 8. | Marv Miles | 13. | Tom Derr | 18. | Chris Morrow |
| 4. | Joe Punsalan | 9. | <mark>Jon Labaw</mark> | 14. | Craig Jackson | 19. | <mark>Justin</mark> <mark>Mandelbaum</mark> |
| 5. | Kent Lee | 10. | Ralph Carolin | 15. | Michael Linton | 20. | |

(HIGHLIGHTED INDICATES ATTENDANCE)

Mira Mesa Community Planning Group Minutes

Date/Time: Monday, June 18, 2018, 7:00pm

Location: Mira Mesa Public Library, 8405 New Salem Street, San Diego CA 92126

Call to Order/Confirm quorum:

- 1. Non-Agenda Public Comments: None.
- 2. Modifications to the Agenda.
 - 1. City Council report by Luis Pallera moved to first on the agenda.
- 3. Adopt Previous Meeting Minutes (Action). Approved unanimously.
- 4. Report of the Chair
 - 1. All staff reports have been received for MPF's
 - 2. Community plan update 3 year process
 - 1. Existing conditions report Please take a look
 - 3. 3 Roots project
 - 1. Looked at low income housing portion of the project
 - 1. Due to financial constraints, it was not possible to spread out the low income housing site areas
 - 2. Will be asking for approval in October
 - 4. Mira Mesa marketplace signs approved
 - 5. No environmental review required for any MPF
- 5. Old Business
 - 1. Mira Mesa Community Plan Update Alex Frost
 - 1. Community workshop on Oct 11
 - 2. Please see the website for documents and the presentation that was shown Planmiramesa.org
 - 2. Mesa Rim Climbing Center/Project No. 607546 Glenn Linthicum (Action)
 - 1. Built in 2009 Existing use was 80% gym, 20% office use;
 - 2. Action: Jon Labaw/Chris Morrow; Approved 13-0-0
 - 3. 4930 Directors Place Substantial Conformance Review Michael Asaro (Action)
 - 1. HCP Life Science Public traded REIT Life Science focus

- 2. 600,000 Sorrento Mesa SF
- 3. 5 story building uses all FAR
- 4. Ratio of Lab to Office space? Generally speaking 50/50
- 5. City response to SCR?
 - 1. Landscaping/Storm Water/Brush Management
- 6. Concern from Flightpath?
 - 1. Compatible with 1996 plan (APZ 2)
- 7. Action: Ted Brengel/Craig Jackson; Approved 13-0-0
- 4. MPF Subcommittee Report Craig Jackson
 - 1. None adequately addressed impacts to community
- 5. MPF 585533 7542 Trade Street (Action) Jessica McElfresh
 - 1. Manufacturing/Distribution
 - 2. Closed loop system/carbon dioxide
 - 3. 7350 SF, Existing Building
 - 4. Improve driveway and update parking to current code
 - 5. Comments
 - 1. Is the site operational currently?
 - 1. Not for over a month
 - 2. Any studies done on volatility/safety issues?
 - 1. Yes, can provide as requested
 - 3. Can you have multiple licenses for uses?
 - 1. Yes
 - 4. Is same air filtration system going to be in place?
 - 1. Yes, same method, but needs to be fixed
 - 5. Ted Brengel/Chris Morrow Note odors have been reports, condition that odor control be improved. Acceptable subject to odor mitigation control. (As reported by adjacent businesses) 13-0-0 Approved.
- 6. MPF 585617 9212 Mira Este Ct (Action) Gina Austin
 - 1. This is an existing location for medical manufacturing/distribution
 - 2. Adding Production to use type
 - 3. 15,950 SF
 - 4. Seeking CUP approval
 - 5. Will use butane
 - 6. Craig Jackson Unacceptable due to inadequate information
 - Action: Ted Brengel/Chris Morrow move to approve provided that more information is given on butane safety(12-1-0) (Craig Jackson voted against) Approved
- 7. MPF 585651 7755 Arjons Drive (Action) Marty Reed
 - 1. Manufacturing
 - 2. Action: Motion to approve Jon Labaw/Chris Morrow 12-0-0 Approved
- 8. MPF 585503 7745 Arjons Drive (Action) Gina Austin
 - 1. Cultivation/Distribution
 - 2. 12,393 SF
 - 3. No volatile solids
 - 4. Action: Jon Labaw/Bari Vaz (13-0-0) Approved
- 9. MPF 585486 7740 Formula Place (Action) Joe Esposito
 - 1. Use: Bakery
 - 2. Action: Jon Labaw/Craig Jackson; 12-0-0 Approved

- 10. MPF 585583 7830 Trade Street (Action) Joe Esposito
 - 1. Use: Bakery
 - 2. Minor site improvements (screening)
 - 3. Action: Craig Jackson/Jon Labaw; 12-0-0 Approved
- 11. MPF 585509 5752 Oberlin Drive Suite #111 (Action) Bert Telles
 - 1. CUP permit
 - 2. 964 SF
 - 3. Use: Laboratory
 - 4. Negative pressure design HVAC system
 - 5. Acceptable with a condition that a minor oriented business is not within the 1000' radius. 5627 Oberlin. Action: Jon Labaw/Craig Radke; 12-0-0 Approved
- 12. MPF 585637 7540 Trade Street (Action) Jessica McElfresh
 - 1. Non volatile manufacturing/distribution
 - 2. 5,557 SF
 - 3. Not operating currently
 - 4. Action: Craig Jackson/Justin Mandelbaum; Motion to approve 13-0-0.
- 13. MPF 585402 9938 Mesa Rim Road (Action) Kent Costi
 - 1. Use: Cultivation/Manufacturing
 - 2. 14,000 SF
 - 3. Ethanol Drying system
 - 4. Action: Ted Brengel/Jon Labaw; 12-0-0 Approved
- 14. MPF 585902 7720 Kenamar Court (Action) Jessica McElfresh
 - 1. Distribution/Cultivation/Manufacturing
 - 2. 60.431 SF
 - 3. Minor site improvements
 - 4. Action: Craig Jackson Move to defer to next month because of the inadequacy of information provided.
- 6. New Business none
- 7. Elected Officials/Government Agencies no reports
- 8. Announcements: None.
- 9. Reports: None.
- 10. Adjourn 9:30 PM.



City of San Diego Development Services 1222 First Ave., MS 302 San Diego, CA 92101 (619) 446-5000

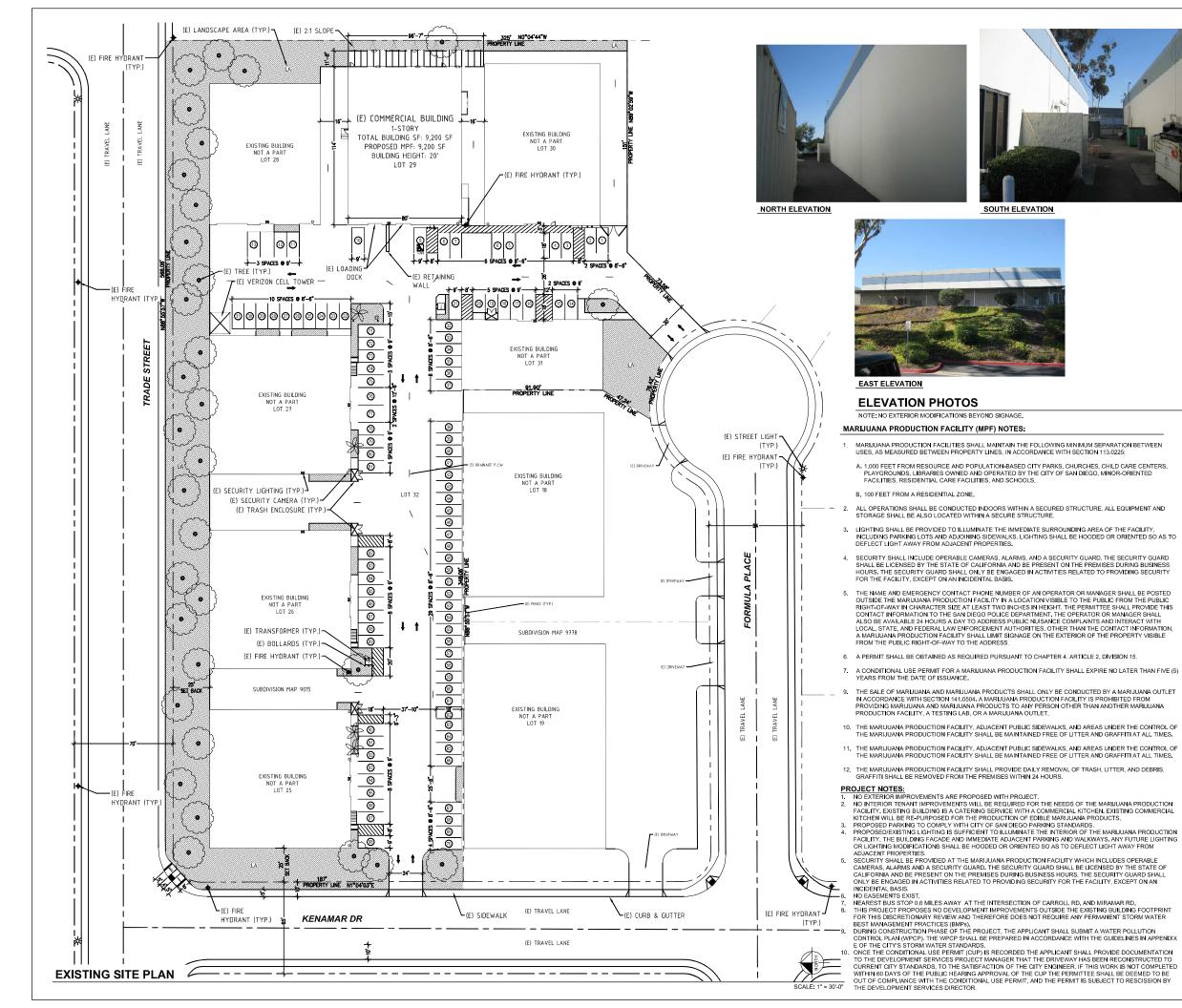
Ownership Disclosure Statement

FORM

DS-318

October 2017

| Approval Type: Check appropriate box for type of ap □ Neighborhood Development Permit □ Site Deve □ Tentative Map □ Vesting Tentative Map □ Map | elopment Permit Planned Developm | ent Permit 🔀 Conditional Use Permit 🗅 Variance |
|--|---|---|
| Project Title: (A) 11 D West 1 | volustries, luc | Project No. For City Use Only: |
| Project Title: WILD West 1. Project Address: 7740 705 mu | la Place, San | Diego, CA 92121 |
| | * | |
| Specify Form of Ownership/Legal Status (please | | |
| □ Corporation □ Limited Liability -or- □ General | - What State?Corporate | Identification No. |
| ☐ Partnership Individual | | |
| with the City of San Diego on the subject proper owner(s), applicant(s), and other financially interest individual, firm, co-partnership, joint venture, asso with a financial interest in the application. If the individuals owning more than 10% of the shares. officers. (A separate page may be attached if nece ANY person serving as an officer or director of A signature is required of at least one of the propositioning the Project Manager of any changes in the comments of the proposition of the propositio | ty with the intent to record an encum- sted persons of the above referenced po- polition, social club, fraternal organizar applicant includes a corporation or pa If a publicly-owned corporation, includent essary.) If any person is a nonprofit organization or as true the nonprofit organization or as true perty owners. Attach additional page ownership during the time the applica- ted the action of the corporation of the corporati | cation for a permit, map or other matter will be filed obrance against the property. Please list below the property. A financially interested party includes any tion, corporation, estate, trust, receiver or syndicate rtnership, include the names, titles, addresses of all de the names, titles, and addresses of the corporate ganization or a trust, list the names and addresses of stee or beneficiary of the nonprofit organization is if needed. Note: The applicant is responsible for ation is being processed or considered. Changes in the hearing on the subject property. Failure to provide st. |
| Property Owner | | |
| Name of Individual: MARCIAW : GE | _ | Owner Tenant/Lessee Successor Agency |
| Street Address: 7740 formul | a Place | , |
| city: San Dugo | | State: <u>CA</u> zip: <u>92121</u> |
| Phone No.: 858-536-5918 | Fax No. 858-536-5911 | |
| Signature: Naccale Salan | Windel Shir | Date: 11-2-17 |
| Additional pages Attached: Yes | DNO MOBIL | E # 858- 245-9920 |
| Applicant | | |
| Name of Individual: Marcia W & Gza | | ▼Owner □ Tenant/Lessee □ Successor Agency |
| Street Address: 7740 Formula | Place | |
| City: San Diego | | State: <u>CA</u> Zip: 92121 |
| Phone-No.: 858-536-5910 | Fax No. 858-574-5911 | Frail: MUSARNOW & gmail- |
| Signatura Machan | Land Xm | Date: 11-2-17 |
| Additional pages Attached: 🖸 Yes | □No | |
| Other Financially Interested Persons | | |
| Name of Individual: | | ☐ Owner ☐ Tenant/Lessee ☐ Successor Agency |
| Street Address: | | |
| City: | | State: Zip: |
| Phone No.: | Fax No.: | Email: |
| Signature: | | Date: |
| Additional pages Attached: Yes | □ No | |





WEST ELEVATION

SOUTH ELEVATION

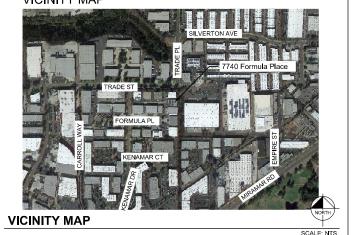
DEVELOPMENT SUMMARY

7740 Formula Place, San Diego, CA 92121

Namative: The proposed 9.900 square foot MPF located at 7740 Formula Place is within an existing one-story building. The building use is currently a catering company with a commercial kitchen. The project pr re-purposing the existing commercial kitchen for the production of edible cannabis products. Public vements include upgrading the existing driveways to City standard driveways and providing a

| Required Permits/Approvals | Conditional Use Permit | | |
|---------------------------------|--|--|--|
| | Marijuana Production Facility | | |
| Project Team | Estrada Land Planning, Joe Esposito, 619.236.0143 | | |
| Legal Description | 0097781 ot 6 | | |
| Assessor's Parcel Number | 343-210-29-00 | | |
| Owner's Name & Address | Wild West Industries, Inc. | | |
| | 7740 Formula Place | | |
| | San Diego, CA 92121 | | |
| Type of Construction | Type VN (Existing Building) | | |
| Occupancy Classification per CA | В | | |
| Building Code | | | |
| Sheet Index | Sheet 1: Existing Site Plan, Development Summary, MPF Notes, Elevati | | |
| | Photos | | |
| | Sheet 2: Proposed Site Plan, Existing/Proposed Floor Plan, Project Not | | |
| | Parking lable | | |
| Zoning Designation | 11-2-1 | | |
| Gross Site Area & Floor Area | Gross Site Area: 3.60 ACRES | | |
| | Building Floor Area: 9,900 SF | | |
| | Proposed MPF Floor Area: 9,900 SF | | |
| Existing Use | Commercial Services - Commercial Bakery | | |
| Proposed Use | Commercial Services - Marijuana Production Facility (Bakery) | | |
| Year Constructed | 1981 | | |
| | | | |
| Geologic Hazard Category | 51 | | |

SHEET LEGEND: **EXISTING SITE PLAN ELEVATION PHOTOS DEVELOPMENT SUMMARY** MPF NOTES & PROJECT NOTES VICINITY MAP

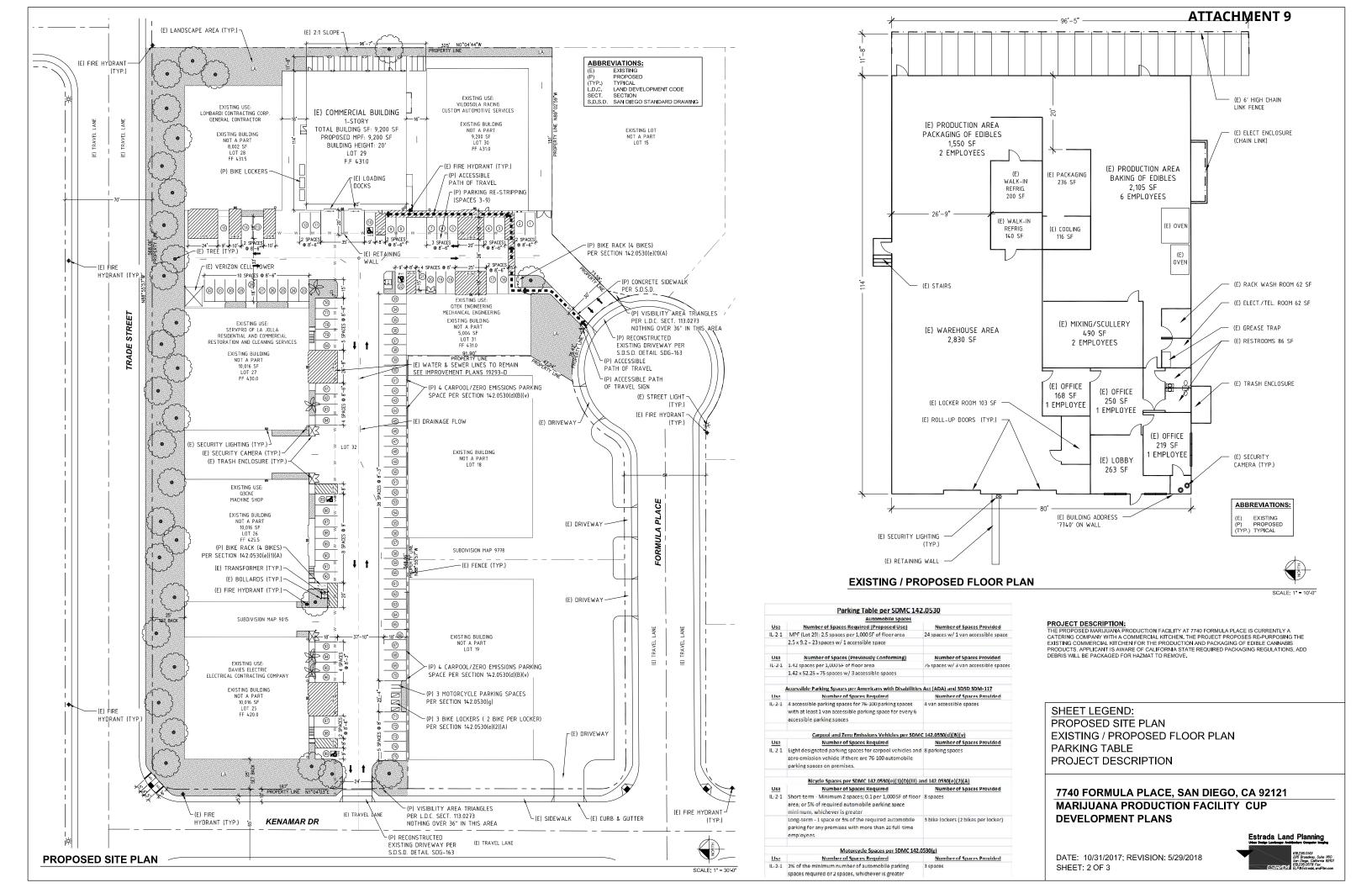


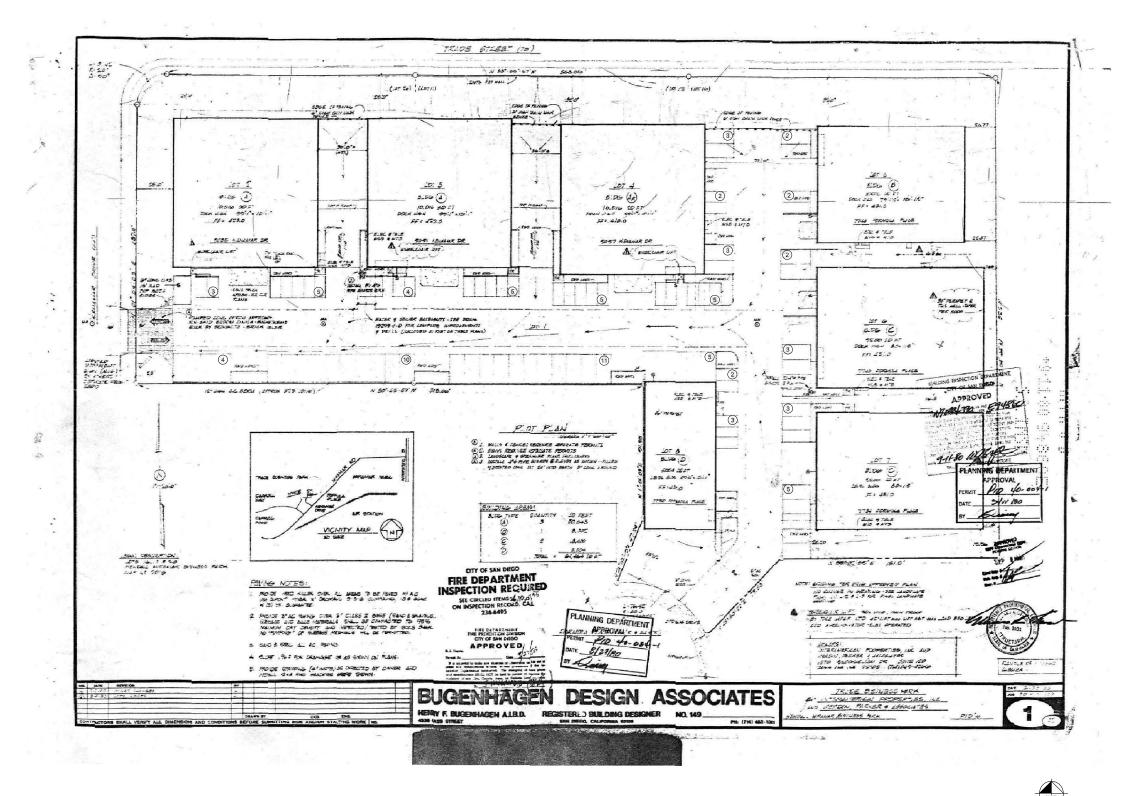
7740 FORMULA PLACE, SAN DIEGO, CA 92121 MARIJUANA PRODUCTION FACILITY CUP **DEVELOPMENT PLANS**

Estrada Land Planning

DATE: 10/31/2017; REVISION: 5/29/2018 SHEET: 1 OF 3







7740 FORMULA PLACE, SAN DIEGO, CA 92121
MARIJUANA PRODUCTION FACILITY CUP
DEVELOPMENT PLANS

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