

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE APPROVING CONDITIONAL USE PERMIT CUP25-00003 ALLOWING THE ESTABLISHMENT AND OPERATION OF A CANNABIS CULTIVATION FACILITY AT 1319 SLEEPING INDIAN ROAD  
(SOUTH MORRO HILLS 47, LLC. – APPLICANT)

WHEREAS, an application has been submitted for Conditional Use Permit CUP25-00003 to permit the establishment and operation of a cannabis cultivation facility at 1319 Sleeping Indian Road on certain real property more particularly described in Exhibit “A” attached hereto and incorporated herein by reference; and

WHEREAS, on March 23, 2026, the Planning Commission of the City of Oceanside, after holding a duly advertised public hearing, adopted Resolution No. 2026-P02 by a 5-0 vote recommending City Council approval of Conditional Use Permit CUP25-00003 as set forth in Chapter 36 of the Zoning Ordinance; and

WHEREAS, on May 20, 2026, the City Council held a duly noticed public hearing and heard and considered all evidence and testimony by all interested parties on the above identified Conditional Use Permit (CUP25-00003); and

WHEREAS, based upon such evidence, testimony and staff reports, this City Council makes the findings of fact as set forth in Planning Commission Resolution No. 2026-P02 and attached hereto as Exhibit “B”, and incorporates them by reference as if fully set forth herein; and

WHEREAS, pursuant to the California Environmental Quality Act of 1970, and the State Guidelines thereto, it has been determined that this project is categorically exempt from environmental review pursuant to Article 19, Categorical Exemptions, Section 15301 Existing Facilities of the California Environmental Quality Act (CEQA) Guidelines; and,

WHEREAS, pursuant to Zoning Ordinance § 4603, this resolution becomes effective upon its adoption.

NOW, THEREFORE, the City Council of the City of Oceanside does resolve as follows:

1. Conditional Use Permit CUP25-00003 is hereby approved pursuant to the findings and conditions contained within Planning Commission Resolution No. 2026-P02 attached hereto as Exhibit “B” and incorporated herein by this reference.
2. Notice is hereby given that the time within which judicial review must be sought on

1 the decision is governed by CCP Section 1094.6. and Public Resources Code Section 21167 (d).  
2 PASSED AND ADOPTED by the City Council of the City of Oceanside, California, this 20<sup>th</sup> of  
3 May, 2026, by the following vote:

4 AYES:

5 NAYS:

6 ABSENT:

7 ABSTAIN:  
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9 **MAYOR OF THE CITY OF OCEANSIDE**

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11 ATTEST:

APPROVED AS TO FORM:

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13 \_\_\_\_\_  
City Clerk

12   
13 \_\_\_\_\_  
City Attorney

**EXHIBIT "A"**  
Legal Description

For **APN/Parcel ID(s):** 121-150-20-00

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

PARCEL 4 OF PARCEL MAP NO. 13364, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 6, 1986.

EXCEPT THEREFROM THAT PORTION CONVEYED TO THE CITY OF OCEANSIDE, A MUNICIPAL CORPORATION, AS SET FORTH AND DESCRIBED BY THAT CERTAIN DOCUMENT RECORDED APRIL 25, 2025 AS INSTRUMENT NO. 2025-0107759 OF OFFICIAL RECORDS.

PARCEL B:

AN EASEMENT FOR ROAD AND UTILITY PURPOSES OVER, UNDER, AND ACROSS THE NORTHERLY 60.00 FEET OF THE SOUTHWESTERLY ONE QUARTER OF THE SOUTHWESTERLY ONE QUARTER OF SECTION 23, TOWNSHIP 10 SOUTH, RANGE 4 WEST, SAN BERNARDINO BASE AND MERIDIAN, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ALL LYING EASTERLY OF THE CENTER LINE OF THE PROPOSED EXTENSION OF WILSHIRE ROAD.

APN: 121-150-20-00 (PORTION)

**EXHIBIT "B"**

**PLANNING COMMISSION  
RESOLUTION NO. 2026-P02**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE  
CITY OF OCEANSIDE, CALIFORNIA, RECOMMENDING  
APPROVAL OF A CONDITIONAL USE PERMIT ON CERTAIN  
REAL PROPERTY IN THE CITY OF OCEANSIDE**

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**APPLICATION NO: CUP25-00003  
APPLICANT: SOUTH MORRO HILLS 47 LLC  
LOCATION: 1319 SLEEPING INDIAN ROAD**

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**THE PLANNING COMMISSION OF THE CITY OF OCEANSIDE, CALIFORNIA  
DOES RESOLVE AS FOLLOWS:**

**WHEREAS, there was filed with this Commission a verified petition on the forms prescribed by the Commission requesting a Conditional Use Permit for a Regulated Use under the provisions of Articles 14, 36 and 41 of the Zoning Ordinance of the City of Oceanside to permit the following:**

**A cannabis cultivation facility within twenty-five hoop houses consisting of 43,375 square-feet on certain real property described in the project description.**

**WHEREAS, the Planning Commission, after giving the required notice, did on the 23rd day of March, 2026, conduct a duly-advertised public hearing as prescribed by law to consider said application.**

**WHEREAS, pursuant to the California Environmental Quality Act of 1970, and State Guidelines thereto, it has determined that this project is categorically exempt from environmental review pursuant to Article 19, Categorical Exemptions, Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines;**

**WHEREAS, there is hereby imposed on the subject development project certain fees, dedications, reservations and other exactions pursuant to state law and city ordinance;**

**WHEREAS, pursuant to Gov't Code §66020(d)(1), NOTICE IS HEREBY GIVEN that the project is subject to certain fees, dedications, reservations and other exactions as provided below:**

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Description	Authority for Imposition
Public Facility (Commercial/Industrial)	Ord. No. 91-09 Reso. No. 15-R0638-1
School District Fee (Commercial/Industrial)	Ord. No. 91-34 OUSD Res. 13(12-13) CUSD Res. 21-1314
Traffic Signal & Thoroughfare (Commercial/Industrial)	Reso. No. 16-R0324-1
Drainage and Flood Control Fee	Ord. No. 85-23 Reso. No. 15-R0638-1
Wastewater System Capacity Buy-in Fee (Non-Residential and Multi-Family Residential)	Reso. No. 87-97 Ord. No. 15-OR0479-1 City Code 37.7.37
Water System Capacity Buy-in Fee (Residential and Non-Residential)	Reso. No. 87-96 Ord. No. 15-OR0480-1 City Code 37.7.37
San Diego County Water Authority (Residential and Non-Residential)	SDWA Ord. 2017

18  
19 WHEREAS, the fees listed above have been identified by the City as being  
20 applicable to the project as proposed. Failure by the City to list an applicable fee above does  
21 not relieve the developer from paying all applicable fees at the time when such fees become  
22 due;

23 WHEREAS, unless otherwise provided by this resolution, all impact fees shall be  
24 calculated and collected at the time and in the manner provided in Chapter 32B of the  
25 Oceanside City Code and the City expressly reserves the right to amend the fees and fee  
26 calculations consistent with applicable law;

27 WHEREAS, the City expressly reserves the right to establish, modify or adjust any  
28 fee, dedication, reservation or other exaction to the extent permitted and as authorized by  
29 law;

30  
31 WHEREAS, pursuant to Gov't Code §66020(d)(1), NOTICE IS FURTHER GIVEN  
32 that the 90-day period to protest the imposition of any fee, dedication, reservation, or other

1 exaction described in this resolution begins on the effective date of the Oceanside City  
2 Council resolution approving the project, and any such protest must be in a manner that  
3 complies with Section 66020;

4 WHEREAS, the documents or other material which constitute the record of  
5 proceedings upon which the decision is based will be maintained by the City of  
6 Oceanside Planning Department, 300 North Coast Highway, Oceanside, California  
7 92054.

8 WHEREAS, studies and investigations made by this Commission and on its behalf  
9 reveal the following facts:

10 Findings for the Conditional Use Permit:

- 11
- 12 1. The proposed location of the use is in accord with the objectives of the Zoning  
13 Ordinance and the purposes of Agricultural (A) district.

14 The use is an agricultural activity consistent with existing agricultural uses in  
15 the area.

16 All activity will be conducted within the project site in conformance with  
17 applicable development standards.

- 18 2. The proposed location of the conditional use and the proposed conditions under  
19 which it would be operated or maintained will be consistent with the General  
20 Plan; will not be detrimental to the public health, safety or welfare of persons  
21 residing or working in or adjacent to the neighborhood of such use; and will  
22 not be detrimental to properties or improvements in the vicinity or to the  
23 general welfare of the City.

24 The use will continue to operate as an agricultural use with the addition of  
25 cannabis, but will continue to not generate customer traffic, will add 24-hour  
26 security measures, and will properly mitigate noise, light, and odor as required  
27 by the local license.

- 28 3. The proposed conditional use will comply with the provisions of the Zoning  
29 Ordinance, including any specific condition required for the proposed  
30 conditional use in the district in which it would be located.  
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1           The project involves activities consistent with the purpose and intent of the  
2           Agricultural zoning district and conforms to all applicable development  
3           standards.

4           NOW, THEREFORE, BE IT RESOLVED that the Planning Commission does  
5 hereby RECOMMEND APPROVAL of Conditional Use Permit CUP25-00003 subject to  
6 the following conditions:

7           **Building:**

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- 9           1.    The CUP documents that were submitted for the existing agricultural hoop houses  
10           do not appear to include items requiring a building permit and none are being asked  
11           for at this time. To obtain written confirmation that all of the proposed work items  
12           would be exempt from requiring a building permit, a Permit Exemption Application  
13           may be submitted to the Building Division.
- 14           2.    When and if plans are submitted for anything that requires a permit for the proposed  
15           project they will need to show compliance with the applicable code that is in effect  
16           at the time of permit application. Please note on the first plan sheet that the applicable  
17           Code for this project is the 2025 edition of the California Code of Regulations (CCR);  
18           Title 24 (California Building Standards Code), and the amendments to the City of  
19           Oceanside Administrative Code for Building Regulations Chapter 6 Building  
20           Construction Regulations Municipal Code.
- 21           3.    The 2025 triennial edition of the California Code of Regulations, Title 24 (California  
22           Building Standards Code) applies to all occupancies that applied for a building permit  
23           on or after January 1, 2026, and remains in effect until the effective date of the 2028  
24           triennial edition which will be January 1, 2029. More information about the  
25           CALIFORNIA BUILDING STANDARDS CODE can be obtained at the Building  
26           Standards Commission website: <https://www.dgs.ca.gov/BSC/Codes>.
- 27           4.    All architects, engineers, designers, developers, owners and contractors MUST be  
28           familiar with the codes in effect at the time of plan submittal. Oceanside  
29           Development Services department (ODS), as required by State law, CANNOT  
30           approve projects that do not comply with the codes in effect at the time of plan  
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1           submittal.

2    **Engineering:**

- 3    5.     Within six (6) months of CUP approval, the applicant shall obtain an approved  
4           grading permit addressing all onsite undocumented grading and associated  
5           stormwater requirements, including corrective grading, drainage, erosion control,  
6           and permanent stormwater best management practices, to the satisfaction of the City  
7           Engineer. If grading plans are not approved within the 6-month timeframe, the  
8           Conditional Use Permit (CUP25-00003) will be subject to revocation. Grading plans  
9           may be submitted under the existing incomplete grading permit for the site.  
10   6.     Following approval of the grading permit, the applicant shall complete all approved  
11           remedial grading and stormwater improvements within one (1) year. If the remedial  
12           grading and stormwater improvements are not complete within the one-year  
13           timeframe, the Conditional Use Permit (CUP25-00003) will be subject to revocation.

14   **Planning:**

- 15   7.     The Conditional Use Permit shall lapse three years after the effective date of approval  
16           by City Council unless implemented in accordance with the City of Oceanside  
17           Zoning Ordinance or unless a time extension is granted.  
18   8.     The Conditional Use Permit grants the following use only: a cannabis cultivation  
19           (mixed-light) facility within twenty-five hoop houses located at 1319 Sleeping Indian  
20           Road. Any change in the use of the premises that is not in substantial conformance  
21           with this approval will require a revision to the Conditional Use Permit or a new  
22           Conditional Use Permit approved by the City Council.  
23   9.     The Conditional Use Permit is subject to review by the City Council from the date  
24           of commencement of operations to determine the business compatibility with  
25           surrounding land uses. The City Council may add new conditions and/or delete  
26           and/or modify existing conditions as it deems necessary to protect the general  
27           health, safety and welfare of residents in the area or surrounding land uses.  
28   10.    Failure to meet any conditions of approval for this use shall constitute a violation of  
29           the Conditional Use Permit.  
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- 1 11. The Conditional Use Permit may be called for review by the City Council if  
2 if complaints are filed and verified as valid by the Code Enforcement Office or  
3 Oceanside Police Department concerning the violation of any of the approved  
4 conditions or assumptions made by the application.
- 5 12. The Conditional Use Permit approves only a cannabis cultivation facility as shown  
6 on the plans and exhibits presented to the Planning Commission for review and  
7 recommendation to the City Council. No deviation from these approved plans and  
8 exhibits shall occur without Planning Division approval. Substantial deviations shall  
9 require a revision to the Conditional Use Permit.
- 10 13. Prior to the transfer of ownership and/or operation of the site the owner shall provide  
11 a written copy of the applications, staff report and resolutions for the project to the  
12 new owner and or operator. This notification provision shall run with the life of the  
13 business.
- 14 14. Unless expressly waived, compliance with all current zoning standards and City  
15 ordinances and policies are required of this use. This approval constitutes the  
16 applicant's agreement with all statements contained within the Description and  
17 Justification and materials submitted with this application, unless specifically waived  
18 by a condition of approval.
- 19 20 15. The applicant, permittee or any successor-in-interest shall defend, indemnify and  
21 hold harmless the City of Oceanside, its agents, officers or employees from any  
22 claim, action or proceeding against the City, its agents, officers, or employees to  
23 attack, set aside, void or annul an approval of the City, concerning Conditional Use  
24 Permits CUP25-00003. The City will promptly notify the applicant of any such  
25 claim, action or proceeding against the city and will cooperate fully in the defense.  
26 If the City fails to promptly notify the applicant of any such claim action or  
27 proceeding or fails to cooperate fully in the defense, the applicant shall not,  
28 thereafter, be responsible to defend, indemnify or hold harmless the City.
- 29 30 16. The permittee shall be responsible for trash abatement on the site, and shall keep  
31 the site free of litter, trash and other nuisances.  
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- 1 17. The building floor plans and business operation shall be substantially the same as  
2 those reviewed by the Planning Commission and approved by the City Council.
- 3 18. All signs associated with this business shall be subject to the provisions of the  
4 Zoning Ordinance. The site shall not be allowed any advertising signage.
- 5 19. The hours-of-operation for this business operation are limited to 6:00 a.m. to 10:00  
6 p.m. These hours may be further limited by the City Council upon review of any  
7 valid issues or complaints pertaining to the hours of operation.
- 8 20. Pursuant to Chapter 7, Article XIII, deliveries shall occur only between 8:00am to  
9 9:00pm.
- 10 21. A covenant or other recordable document approved by the City Attorney shall be  
11 prepared by the developer and recorded prior to issuance of a business license. The  
12 covenant shall provide that the property is subject to this resolution, and shall  
13 generally list the conditions of approval.
- 14 22. The project shall comply with the provisions of the City's anti-graffiti (Ordinance  
15 No. 93-19/Section 20.25 of the City Code). These requirements, including the  
16 obligation to remove or cover with matching paint all graffiti within 24 hours.
- 17 23. Business owner shall maintain a current Local License in full compliance with  
18 Chapter 7, Article XIII of the City Code.
- 19 24. Facility must be in full compliance with Chapter 7, Article XIII of the City Code.
- 20 25. Prior to issuance of a business license, applicant must submit copy of state license  
21 application and approval. Any inconsistencies between City and State approval  
22 may be called for review by the City Council.
- 23 26. Applicant shall make the cannabis facility premises, books, records all other  
24 documents related to its operation available for inspection by any City officer or  
25 official for purposes of determining compliance with all applicable legal  
26 requirements.
- 27 27. Applicant shall ensure cannabis maintained at the facility is kept and stored in a  
28 secured manner within a limited access area or restricted access area at all times  
29 in compliance with the approved site plan.  
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- 1 28. On-site smoking, ingestion, or consumption of cannabis shall be prohibited.
- 2 29. Alcohol sales, distribution, or consumption is prohibited.
- 3 30. A copy of the Local License and Conditional Use Permit shall be displayed in a
- 4 conspicuous place at the entrance to the facility.
- 5 31. Odor control provisions must be provided as shown on the plans and exhibits
- 6 presented to the Planning Commission for review and recommendation to the City
- 7 Council.
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9 **Solid Waste:**

- 10 32. The plans must include an area for storage of landfill, recycling, and food
- 11 scraps/organics within an enclosure and/or storage area screened from public view.
- 12 Plans should also label service bins for each stream. For additional information or
- 13 questions on bin/cart dimensions, servicing, or compactor service design standards
- 14 please refer to the City of Oceanside Enclosure Guidelines and the City's website.
- 15 In Oceanside, food scraps and green waste are collected separately. All customers
- 16 must subscribe and store for landfill, recycling, and food scraps. Green waste
- 17 recycling may be accommodated through the franchise provider, by a third party,
- 18 or waived for green waste only if there is no green waste onsite. Documentation is
- 19 required by the city annually for management of green waste services.
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- 21 33. The City of Oceanside Enclosure Guidelines establish a minimum number of
- 22 enclosures required based on square footage in order to establish adequate service
- 23 levels. Adjustments to the amount of enclosures required may be permitted if the
- 24 applicant can indicate adequate servicing (same cubic yard requirements) through
- 25 increased frequency of service.
- 26 34. Enclosure location(s) cannot block the alleyway, public right of way, or create
- 27 public nuisance. Plans should provide the traffic pathway for service vehicles to
- 28 ensure adequate access. Refer to the City of Oceanside Enclosure Guidelines for
- 29 enclosure location and hauler access requirements.
- 30 35. The City of Oceanside reserves the right to review program and services levels and
- 31 request increases if deemed necessary. The City of Oceanside Municipal Code
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1 Chapter 13 requires that Oceanside residents, businesses and multifamily projects  
2 are to separate all recyclable material from other solid waste. Additionally, the  
3 State of California

4 **Water:**

- 5 36. For developments requiring new water service or increased water service to a  
6 property, the landowner must enter into an agreement with the City providing for  
7 landowner's assignment of any rights to divert or extract local groundwater supplies  
8 for the benefit of the property to receive new or increased water service, in return for  
9 water service from the City, upon such terms as may be provided by the Water  
10 Utilities Director.  
11
- 12 37. All existing active and non-active groundwater wells must be shown on conceptual,  
13 grading, and improvement plans.
- 14 38. The developer will be responsible for developing all water and sewer utilities  
15 necessary to develop the property. Any relocation of water and/or sewer utilities is  
16 the responsibility of the developer and shall be done by an approved licensed  
17 contractor at the developer's expense.
- 18 39. All Water and Wastewater construction shall conform to the most recent edition of  
19 the *Water, Sewer, and Recycled Water Design and Construction Manual* or as  
20 approved by the Water Utilities Director.
- 21 40. The property owner shall maintain private water and wastewater utilities located on  
22 private property.  
23
- 24 41. Water services and sewer laterals constructed in existing right-of-way locations are  
25 to be constructed by an approved and licensed contractor at developer's expense.
- 26 42. There is an existing 14-inch CCP water main and an existing 16-inch AC water main  
27 that traverse the property and are located within a City easement. The water mains  
28 shall be protected at all times at the Developer's expense. On-site locations with  
29 unpaved roads where heavy grading equipment and trucks will cross over the existing  
30 pipelines shall be reinforced with steel plates to protect the water mains.  
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- 1 43. All water meters shall be equipped with an RP Backflow device per City standard  
2 drawings.
- 3 44. Structures requiring an NFPA 13 or NFPA 13R automatic sprinkler system for fire  
4 protection shall have a dedicated fire service connection to a public water main with  
5 a double check detector backflow assembly. Location of the backflow assembly must  
6 be approved by Fire Department.
- 7 45. Any water and/or sewer improvements required to develop the proposed property  
8 will need to be included in the improvement plans and designed in accordance with  
9 the *Water, Sewer, and Recycled Water Design and Construction Manual*.
- 10 46. All public water and/or sewer facilities not located within the public right-of-way  
11 shall be provided with easements sized according to the *Water, Sewer, and Recycled*  
12 *Water Design and Construction Manual*. Easements shall be constructed for all  
13 weather access.
- 14 47. No trees, structures or building overhang shall be located within any water or  
15 wastewater utility easement.
- 16 48. Show location of existing and proposed septic system & leach fields. Reference  
17 County document number approving the existing or proposed system.
- 18 49. Provide stationing and offsets for existing and proposed water service connections.
- 19 50. Any unused water services or sewer laterals by the proposed development or  
20 redevelopment, shall be abandoned in accordance with Water Utilities  
21 requirements. If an existing water meter is abandoned then a credit will be applied  
22 towards future buy-in fees in the amount of the current buy-in fee of the existing  
23 meter.
- 24 51. The Comparative Water Use Analysis for the proposed Cannabis Cultivation in  
25 the City of Oceanside was reviewed by the Water Utilities Department. The  
26 analysis shows that the proposed transition from hemp to cannabis cultivation  
27 results in no increase to water demand at the property and no impact to the City's  
28 public water system.
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1 52. If a property goes through a zone change and an increase in density occurs, a water  
2 study will be required to be prepared by the developer at the developer's expense  
3 and reviewed and approved by the Water Utilities Department.

4 53. Show location and size of existing and proposed water meter(s) on site plan of  
5 building plans. Show waterline from proposed meter to connection point to building  
6 or residence.

7 54. Provide a fixture unit count table and supply demand estimate per the latest adopted  
8 California Plumbing Code (Appendix A) to size the water meter(s) and service  
9 line(s).

10 55. If a larger water meter is required, then the incremental increase in water buy-in fees  
11 between the existing and proposed meter size will be charged. If the existing water  
12 service connection is less than the proposed meter size, then the Owner/Developer  
13 will be required to abandon the existing water service and show on engineering and  
14 building plans the location and size of the new service connection to public main.

15 56. Water and Wastewater buy-in fees and the San Diego County Water Authority Fees  
16 are to be paid to the City at the time of Building Permit issuance per City Code  
17 Section 32B.7.  
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**PASSED AND ADOPTED Resolution No. 2026-P02 on March 23, 2026, by the following vote, to wit:**

**AYES:** Rosales, Morrissey, Anthony, Redgate, Gonzales

**NAYS:**

**ABSENT:** Balma & Dodds

**ABSTAIN:**

  
\_\_\_\_\_  
Tom Morrissey, Chairperson  
Oceanside Planning Commission

**ATTEST:**

  
\_\_\_\_\_  
Oscar Romero, Secretary

I, OSCAR ROMERO, Secretary of the Oceanside Planning Commission, hereby certify that this is a true and correct copy of Resolution No. 2026-P02.

Dated: March 23, 2026