

## Sorrento Therapeutics Passes on \$1.17B Offer

**PHARMA:** Three Bids Made for Co. Working On Opioid Alternative

■ By JARED WHITLOCK

**Sorrento Therapeutics** on Jan. 27 said it rejected a private equity fund's acquisition bid that valued the company at as much as \$1.17 billion, the third suitor the company has reportedly rebuffed in recent months.

The San Diego biotech said the offer of up to \$7 per share significantly undervalued the company and was not in the best interest of shareholders. The bidder was not disclosed.

"Sorrento's management continues to execute on the core drug development and to pursue multiple potential strategic alliances and transactions," said the company in a statement, adding its board unanimously turned down the offer.

The company did not respond to interview requests. Sorrento has one drug on the market, with cancer programs and an opioid alternative undergoing clinical trials.

Sorrento disclosed the buyout proposal Jan. 9. In November, the company said it declined unsolicited bids from two unnamed pharmaceutical companies, which offered between \$3 and \$5 for Sorrento's outstanding shares.

Analyst **John McCamant**, who edits the **Medical Technology Stock Letter** that's geared toward investors, questioned why Sorrento passed on the latest offer.

He said the bid of up to \$7 per share is well above Sorrento's stock price, which closed at \$3.88 on Jan. 27. He added that it appears Sorrento faces a cash crunch, with the company spending heavily on clinical development.

Sorrento started 2019 with \$158.7

➔ *Sorrento page 35*



John McCamant

## Experiential Lodging Hits Hotel Circle

**TOURISM:** \$200 Million Resort Aims to Inspire



Photo courtesy of Legacy International

Made largely of limestone rock quarried in Israel, Legacy International Center's grand opening is set for March.

■ By RAY HUARD

Rising from a Mission Valley site that was once a liquor store, motel, gas station and fitness center is the \$200 million dream of a San Diego televangelist — a resort center meant to become a new tourist attraction for the city.

Construction is in the final stages of the Bible-themed **Legacy International Center** on Hotel Circle South where Interstate 8 meets state Route 163.

Made largely of glistening limestone rock quarried in Israel, the center will have a 126-room hotel, a 500-seat performing arts theater, casual and formal dining options, a show fountain that's visible from the freeways, an International Experience Center with a 100-seat movie theater that features a hang gliding tour of Israel, an underground stone maze replica of the catacombs of ancient Rome, a 6,000 square-foot conference center, and an open air plaza with a replica of the Wailing Wall in Jerusalem and an international marketplace meant to resemble the open-air markets of the Middle East.

Designed by **Carrier Johnson + Culture** with **Clark Construction** as the general contractor, the religious-themed center being built by **Morris Cerullo** had a soft opening of sorts in December with an



Photo courtesy of Legacy International

The center will include a hotel, performing arts theater, dining options, and an international marketplace among other features.

outdoor Christmas performance that highlighted the fountain with dancing streams of water that are choreographed to accompany a musical show.

### Drawing Events

A formal opening is set for March, but already a number of religious groups, community organizations and wedding parties have had events at Legacy.

"The purpose of Legacy originally was as a ministry," said **Jim Penner**, executive director of **Legacy Center Foundation**.

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## Grain and Grit Rises to Challenges of Growth

**DINING:** Solid Teamwork A Must for Expansion

■ By MARIEL CONCEPCION

In 2019, **Grain and Grit Collective Inc.**, a San Diego-based hospitality group, served over three quarters of a million guests throughout its then seven restaurants, according to the company. Its revenue that year was \$9.1 million.

In 2020, with the opening of at least three more restaurants later this year, including a yet-to-be-named "**Sam the Cooking Guy**" concept in **Seaport Village**, Grain and Grit CEO **Michael Joseph Di-Norscia** said he forecasts the company's revenue will reach \$15 million.

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## Co. Sees Solar Storage Boom On the Way

**ENERGY:** Battery Storage System Can Provide Critical Backup

■ By JOE TASH

The market for battery storage to capture energy generated by rooftop solar systems is poised to take off, and a Poway-based company is among the businesses hoping to take advantage of that boom.

"The storage market is absolutely about to explode. It's only a question of when," said **Brad Heavner**, policy

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REAL ESTATE: RPG has already been making a name for itself with North County developments

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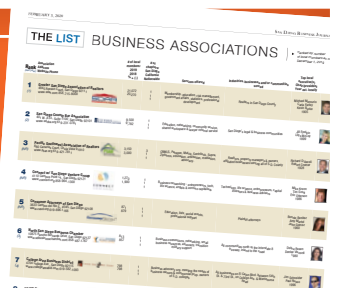
PHARMA: Histogen gets Nasdaq listing via reverse merger with Conatus

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## Legacy:

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Cerullo, 88, had traveled the globe training people but decided he wanted a place in his hometown where people could come for their training, Penner said.

Over time, that morphed into building an 18-acre resort that would focus on Cerullo's ministry and be the headquarters for **Morris Cerullo World Evangelism** but also be a place open to the general community.

The group had been headquartered in a 73,672 square-foot building in Kearny Mesa, which it sold in April for \$9.4 million and moved its offices to the Mission Valley center at the end of the year.

### Training Center, Travel Destination

The Legacy International Center will act as a retreat for Cerullo's followers and a training center for his worldwide ministry at various times during the year, Penner said.

For the rest of the time, it will be a destination resort for the general public, hosting weddings and civic events.

"It's a great luxury resort for the people of San Diego," Penner said.

Among its most visible features for passing motorists is the fountain at the north side of the open plaza at the center of the campus, with a casual restaurant and patio to the side overlooked by an outdoor amphitheater.

Lighted jets of water streaming from 30 fountain head are choreographed to move with music, dancing with the music, as they did with Christmas music during the soft opening in December.

"We wanted a show fountain," Penner said. "At night, it's pretty spectacular, it's pretty colorful," Penner said.

The fountain is the work of **Outside the Lines Inc. (OTL)** of Anaheim and **Aquatic Design Group** of Carlsbad.

"It's really there as a draw to really create a sense of excitement about the project," said **Chris Roy**, OTL director of creative design.

Describing the Legacy International fountain as a mini-version of the Fountains of **Bellagio** in Las Vegas, Roy said the 60 square-foot fountain took six months to build with the jets of water synchronized by computer to rise and fall with the musical notes of the performance it's accompanying.

### Wailing Wall

To the side of the fountain is a replica of the Wailing Wall in Jerusalem — 16-foot tall and 100 feet long.

Adjacent to the Wailing Wall replica on the east side of the plaza is the Legacy International Experience Center.

The Experience Center has an 18-foot tall globe inside that will give visitors a chance to learn about various cultures along with other displays. Admission will be about \$17 per person, Penner said.



Photo courtesy of Legacy International

Legacy widened two lanes of Hotel Circle in front of the center as part of efforts to ease traffic in an often congested area.



Photo courtesy of Legacy International

Resort's fountain show is described as mini-version of Bellagio's spectacular water feature.

The globe, which is actually a half sphere rising from the floor, is "a rounded, LED television set essentially," Penner said.

Touch-screen panels surround the globe. By touching a geographic area on a panel, a corresponding section of the globe will light up and the image of a person will appear on the globe talking about the highlighted portion.

"That stemmed from Dr. Cerullo

traveling the world," Penner said. "It's a way to learn about the nations of the world and the people and populations of the world beyond the newspaper headlines."

The activity center also will include a movie theater/ride designed by the same person who designed the Soaring Over California ride at Disney California Adventure Park.

Initially, the video will take visitors on a hang-gliding tour of Israel, but Penner

said plans are in the works to make a similar video tour of San Diego.

"I want to launch somebody off an aircraft carrier in that theater or hang glider off Torrey Pines," Penner said.

The Experience Center also will include the underground catacomb exhibit with artwork by 3-D artist **Kurt Wenner** depicting scenes from the New Testament.

### 'Walking Through the New Testament'

"You're kind of walking through the New Testament, so to speak," Penner said.

The five-story hotel is built on a rising slope at the south end of the center.

"At the top two floors, you can actually see **SeaWorld**," Penner said.

Daily room rates will average \$175, Penner said.

The hotel also will have a fine dining restaurant — Theresa's Prime Steak House.

"We're only going to serve prime steaks and the filets are thick, Penner said.

### Traffic Flow

To ease traffic congestion around the center, Legacy widened two lanes of Hotel Circle in front of the center.

Events also will be timed to avoid rush hour, with most scheduled for weekends, Penner said.

The area is notorious for flooding during heavy rains, but Penner said that the flooding will be alleviated by a bio-filtration system that captures most of the water coming that washes down the hillside from Hillcrest.

"You don't have the big runoff into the street that came off of this property," Penner said. ■

## Torrey Pines:

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### Your bank provides hotel franchising loans. How active is that market?

Torrey Pines Bank does a great deal of construction financing in a variety of product types — industrial, commercial, retail, multifamily, and of course hotel. Overall, this is a very active market and all

of these product types are performing well.

Projects are more likely to work in San Diego because of the area's limited land availability. Projects that can get approved and are properly sponsored are loans we can make. What's interesting is San Diego is turning into a market where we're redeveloping a lot of existing product to build newer more dense offerings.

### Do you think Big Tech can become a competitive force in banking?

Big Tech companies and financial

services are certainly making headlines, and this could have an effect on consumer banking. But our focus at Torrey Pines Bank is business banking. Our business customers appreciate the personal touch we provide, and the one-to-one interactions they have with their relationship manager. We pride ourselves on offering tailored solutions and thoughtful counsel that add value to our clients' businesses.

### Do you see a USMCA (trade agreement)

### creating a greater role for your International Banking group?

After the ink has dried on the USMCA we anticipate our portfolio clients who already conduct business in these regions to expand their footprints, while encouraging domestically focused businesses to consider branching out internationally. In both scenarios, we envision our international banking team will play an integral role in helping our clients navigate the complexities involved when moving into foreign markets. ■