



THE CITY OF SAN DIEGO

Report to the Hearing Officer

DATE ISSUED: June 12, 2019 REPORT NO. HO-19-061

HEARING DATE: June 19, 2019

SUBJECT: MPF 7920 Arjons Drive, Suite "H," Process Three Decision

PROJECT NUMBER: [585414](#)

OWNER/APPLICANT: K&K Simpson Properties, LLC, Owner and Norma Lee Ortiz, Applicant

SUMMARY

Issue: Should the Hearing Officer approve a Marijuana Production Facility located at 7920 Arjons Drive, Suite "H," in the IL-2-1 Zone of the Mira Mesa Community Plan area?

Staff Recommendation: Deny Conditional Use Permit No. 2064704.

Community Planning Group Recommendation: On May 20, 2019, the Mira Mesa Community Planning Group (MMCPG) voted 10-5-0 to recommend denial of the project (Attachment 4).

Environmental Review: This project was determined to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Section 15303(c), New construction or conversion of small structures. An appeal of the CEQA determination was previously made and the City Council denied the CEQA appeal on April 16, 2019, [Resolution No. R-312386](#). The scope of the subject hearing only includes the project, and not the environmental determination.

BACKGROUND

The project is a request for a Conditional Use Permit (CUP) pursuant to San Diego Municipal Code (SDMC) section 126.0303 to operate a Marijuana Production Facility (MPF) comprising of an operational area of 5,235 square feet within an existing 41,054 square-foot industrial building. The project site is located on a 2.86-acre site at 7920 Arjons Drive, Suite "H," (Attachments 1 and 2) in the IL-2-1 Zone within the Mira Mesa Community Plan area (Attachment 3).

Pursuant to SDMC section 141.1004, MPFs are restricted to forty City-wide, within light and heavy industrial zones. As of the published date of this report, 34 CUP applications for MPFs have been approved. Six (6) additional CUP applications for MPFs have been approved by the Hearing Officer;

however, the decisions of the Hearing Officer on these applications have been appealed to the Planning Commission. The appeals to Planning Commission are currently in process.

Conclusion:

On April 3, 2019, the City of San Diego Hearing Officer has approved a total of 40 CUP applications for MPFs. Pursuant to SDMC section 141.1004, no more than 40 MPFs may be permitted in the City of San Diego. Therefore, City staff cannot support the Project's CUP findings for approval (Attachment 5), specifically SDMC section 126.0305(b), (c), and (d) and recommends the Hearing Officer deny the Project as no more than 40 MPFs are allowed City-wide by the adopted City Ordinance.

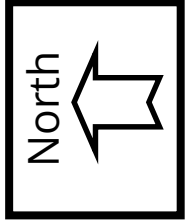
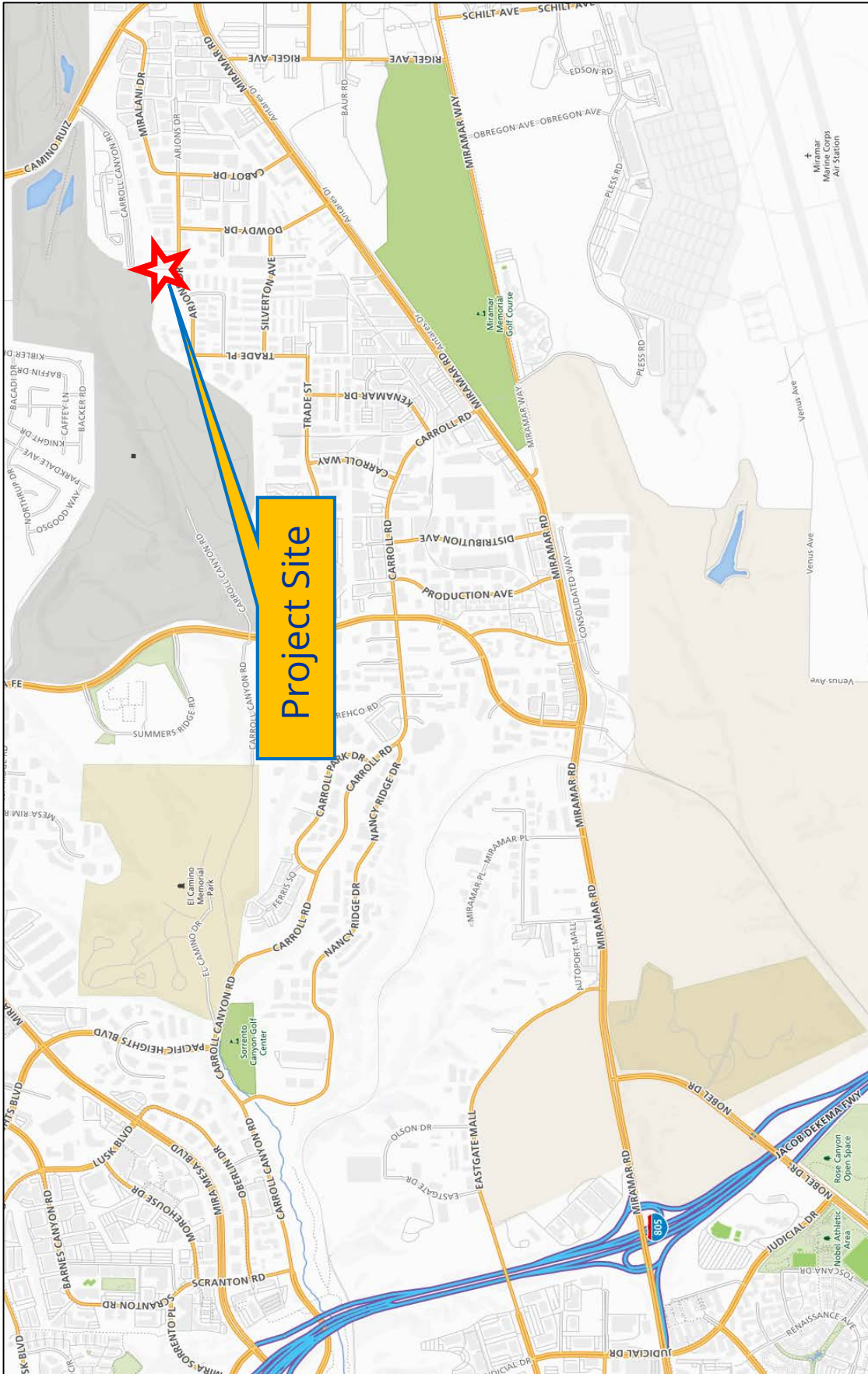
Respectfully submitted,



Tim Daly, Development Project Manager

Attachments:

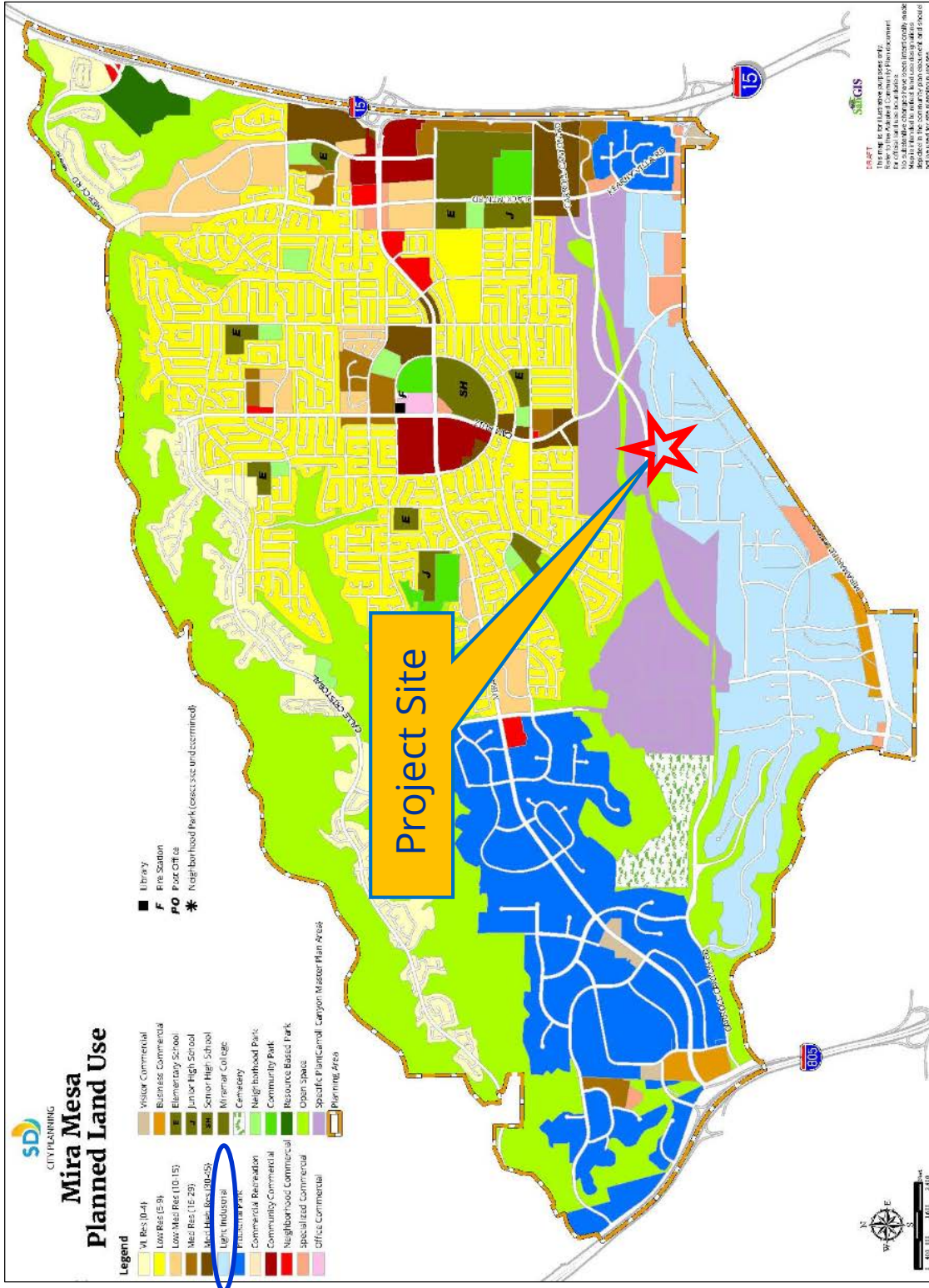
1. Project Location Map
2. Community Plan Land Use Map
3. Aerial Photograph
4. Community Planning Group Recommendation
5. Draft Resolution with Findings
6. Ownership Disclosure Statement



Project Location Map

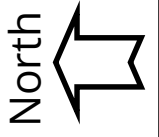
PROJECT NO. 585414, MPF 7920 ARJONS DRIVE, SUITE H
7920 ARJONS DRIVE, SUITE H, SAN DIEGO CA 92126

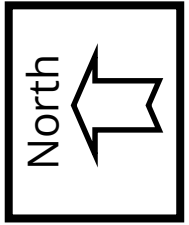




Community Land Use Map

PROJECT NO. 585414, MPF 7920 ARJONS DRIVE, SUITE H
7920 ARJONS DRIVE, SUITE H, SAN DIEGO CA 92126





Aerial Photograph

PROJECT NO. 585414, MPF 7920 ARJONS DRIVE, SUITE H
7920 ARJONS DRIVE, SUITE H, SAN DIEGO CA 92126



From: [Albert Lee](#)
To: [Daly, Tim](#); "[Jeff Stevens \(MMCPG Chair\)](#)"
Subject: RE: PN 585414 MPF 7920 Arjons Dr, Suite H - MMCPG vote on May 20, 2019
Date: Tuesday, May 28, 2019 9:52:13 AM
Attachments: [image001.png](#)

The motion to deny was made by Julia Schriber, seconded by Craig Radke. The motion to deny was passed with a vote of 10-5-0.

Albert Lee | Senior Architect | LEED AP BD+C
Qualcomm, Inc.
QREF
O: 858.845.5087 | M: 858.414.1387



From: Daly, Tim <TPDaly@sandiego.gov>
Sent: Saturday, May 25, 2019 3:02 PM
To: 'Jeff Stevens (MMCPG Chair)' <mmcp.g.chair@gmail.com>
Cc: Albert Lee <leeal@qualcomm.com>
Subject: [EXT] RE: PN 585414 MPF 7920 Arjons Dr, Suite H - MMCPG vote on May 20, 2019

Great, thank you.

Tim Daly

Development Project Manager III
City of San Diego Development Services Dept., MS-501
1222 First Ave., San Diego, CA 92101
Pho. 619.446.5356
Office Hours: 7:30am - 3:30pm, Mon. - Fri.
[SanDiego.gov](#)

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From: Jeff Stevens (MMCPG Chair) <[mmcp.g.chair@gmail.com](#)>
Sent: Saturday, May 25, 2019 2:08 PM
To: Daly, Tim <[TPDaly@sandiego.gov](#)>
Cc: Albert Lee <[leeal@qualcomm.com](#)>

Subject: RE: PN 585414 MPF 7920 Arjons Dr, Suite H - MMCPG vote on May 20, 2019

That is correct. The motion was to recommend denial because of incompatibility with surrounding businesses. It passed, but there were some no votes.

Albert, can you please reply with the vote count on that motion?

Thanks,
Jeff

From: Daly, Tim <TPDaly@sandiego.gov>

Sent: Saturday, May 25, 2019 1:08 PM

To: 'Jeff Stevens (MMCPG Chair)' <mmcpg.chair@gmail.com>

Subject: RE: PN 585414 MPF 7920 Arjons Dr, Suite H - MMCPG vote on May 20, 2019

Hello Jeff,
Can you please either confirm the below vote to recommend denial, including vote count. This item is scheduled for Hearing Officer on June 19, 2019, with staff recommend to deny.
Thank you,

Tim Daly

Development Project Manager III
City of San Diego Development Services Dept., MS-501
1222 First Ave., San Diego, CA 92101
Pho. 619.446.5356
Office Hours: 7:30am - 3:30pm, Mon. - Fri.
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From: JEsposito@EstradaLandPlan.com <JEsposito@EstradaLandPlan.com>

Sent: Tuesday, May 21, 2019 11:24 AM

To: Daly, Tim <TPDaly@sandiego.gov>

Subject: PN 585414 MPF 7920 Arjons Dr, Suite H

Hi Tim,

We presented to the Mira Mesa CPG yesterday and were denied. They will be sending the official results soon.

Thanks.

Joe Esposito, PLA, ASLA

Estrada Land Planning

225 Broadway, Suite 1160 | San Diego, CA 92101

619.236.0143 | jesposito@estradalandplan.com

Hours: Mon-Thurs 7:00am-6:00pm, Closed Fri



Please consider the environment before printing this email.

HEARING OFFICER RESOLUTION NO. HO-XXXX
CONDITIONAL USE PERMIT NO. 2064704
MPF 7955 ARJONS DRIVE - PROJECT NO. 585414

WHEREAS, K&K SIMPSON PROPERTIES, LLC, a California Limited Liability Company, Owner and NORMA LEE ORTIZ, Permittee, filed an application with the City of San Diego for a Conditional Use Permit to operate a Marijuana Production Facility on portions of a 2.86-acre site;

WHEREAS, the project site is located at 7920 Arjons Drive, Suite "H", in IL-2-1 Zone, Prime Industrial Lands, Airport FAA Part 77 Noticing Area – MCAS Miramar, Airport Influence Area Review Area 1 – MCAS Miramar, Airport Land Use Compatibility Overlay Zone – MCAS Miramar, Airport Land Use Compatibility Overlay Zone – MCAS Miramar, and designated Light Industrial within the Mira Mesa Community Plan;

WHEREAS, the project site is legally described as Parcel 1, an undivided 8/116th interest in and to Lot 1 of Miralani Business Park Unit 1, Map No. 9503, recorded in the Office of the County Recorder of San Diego County, California, on December 26, 1979, and excepting Elements 1 through 112 and Balconies 1 through 4, as shown and defined in Miralani Business Park Phase One Condominium Plan, October 24, 1985 as instrument No. 85-397792 of official records, and Parcel 2, Elements 55 through 61 and Balcony 2, as referenced in Parcel 1;

WHEREAS, on January 28, 2019, 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 the Environmental Determination was appealed to City Council, which heard and denied the appeal on April 16, 2019 pursuant to Resolution No. R-312386;

WHEREAS, on June 19, 2019, the Hearing Officer of the City of San Diego considered Conditional Use Permit No. 2064704 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. 2064704:

A. CONDITIONAL USE PERMIT [SDMC Section 126.0305]

1. Findings for all Conditional Use Permits:

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

The proposed project requests a Conditional Use Permit (CUP) to operate a Marijuana Production Facility (MPF) comprising of an operational area of 5,235 square feet within an existing 41,054 square-foot industrial building. The project site is located on a 2.86-acre site at 7920 Arjons Drive, Suite "H," in the IL-2-1 Zone, Prime Industrial Lands, Airport FAA Part 77 Noticing Area – MCAS Miramar, Airport Influence Area Review Area 1 – MCAS Miramar, Airport Land Use Compatibility Overlay Zone – MCAS Miramar, and Airport Land Use Compatibility Overlay Zone – MCAS Miramar within the Mira Mesa Community Plan area (Community Plan) area.

The 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 proposed project requests a CUP to operate an MPF comprising of an operational area of 5,235 square feet within an existing 41,054 square-foot industrial building located on a 2.86-acre site at 7920 Arjons Drive, Suite "H." MPFs are allowed in the IL-2-1 Zone of the Mira Mesa Community Plan with a CUP. However, on April 3, 2019, the Hearing Officer of the City of San Diego approved a total of 40 CUP applications for MPFs. Pursuant to SDMC section 141.1004, no more than 40 MPFs may be permitted in the City of San Diego. The proposed MPF will not comply with the regulations of the Land Development Code as 40 CUP applications for an MPF have been previously approved. Therefore, the proposed MPF will 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.

MPFs are allowed in the IL-2-1 Zone of the Mira Mesa Community Plan with a CUP. However, on April 3, 2019, the Hearing Officer of the City of San Diego approved a total of 40 CUP applications for MPFs. Pursuant to SDMC section 141.1004, no more than 40 MPFs may be permitted in the City of San Diego. Therefore, the proposed MPF will not comply with the regulations of the Land Development Code as 40 CUP applications for an MPF have been previously approved.

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

The proposed project requests a CUP to operate an MPF comprising of an operational area of 5,235 square feet within an existing 41,054 square-foot industrial building located on a 2.86-acre site at 7920 Arjons Drive, Suite "H." The site is located in the IL-2-1 Zone within the Mira Mesa Community Plan area. Light Industrial designation is intended for manufacturing, storage, warehousing, distribution and similar uses. The purpose and intent of the IL Base Zone is to permit a range of uses, including nonindustrial uses in some instances. Specifically, the IL-2-1 allows a mix of light industrial, office, and commercial uses. Surrounding properties are zoned IL-2-1 and include uses consistent with the Light Industrial designation of the community plan.

On April 3, 2019, the Hearing Officer of the City of San Diego has approved a total of 40 CUP applications for MPFs. Pursuant to SDMC section 141.1004, no more than 40 MPFs

may be permitted in the City of San Diego. Therefore, the proposed MPF is not 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. 2064704, is hereby DENIED by the Hearing Officer to the referenced Owner/Permittee.

Tim Daly
Development Project Manager
Development Services

Adopted on: June 19, 2019

IO#: 24007566

| | | | |
|---|---|--|--|
|  | City of San Diego Development Services 1222 First Ave., MS 302 San Diego, CA 92101 (619) 446-5000 | <h1 style="margin: 0;">Ownership Disclosure Statement</h1> | FORM DS-318 October 2017 |
|---|---|--|--|

Approval Type: Check appropriate box for type of approval(s) requested:
 ☐ Neighborhood Use Permit
 ☐ Coastal Development Permit
 ☐ Neighborhood Development Permit
 ☐ Site Development Permit
 ☐ Planned Development Permit
 ☒ Conditional Use Permit
 ☐ Variance
 ☐ Tentative Map
 ☐ Vesting Tentative Map
 ☐ Map Walver
 ☐ Land Use Plan Amendment
 ☐ Other _____

Project Title: MPF 7920 ARJONS DR. STE. H Project No. For City Use Only: 585414

Project Address: 7920 Arjons Drive Suite H, San Diego, CA 92126

Specify Form of Ownership/Legal Status (please check):
☐ Corporation ☒ Limited Liability -or- ☐ General - What State? California Corporate Identification No. 47-3634601
☐ Partnership ☐ Individual

By signing the Ownership Disclosure Statement, the owner(s) acknowledge that an application for a permit, map or other matter will be filed with the City of San Diego on the subject property with the intent to record an encumbrance against the property. Please list below the owner(s), applicant(s), and other financially interested persons of the above referenced property. A financially interested party includes any individual, firm, co-partnership, joint venture, association, social club, fraternal organization, corporation, estate, trust, receiver or syndicate with a financial interest in the application. If the applicant includes a corporation or partnership, include the names, titles, addresses of all individuals owning more than 10% of the shares. If a publicly-owned corporation, include the names, titles, and addresses of the corporate officers. (A separate page may be attached if necessary.) If any person is a nonprofit organization or a trust, list the names and addresses of ANY person serving as an officer or director of the nonprofit organization or as trustee or beneficiary of the nonprofit organization. A signature is required of at least one of the property owners. Attach additional pages if needed. Note: The applicant is responsible for notifying the Project Manager of any changes in ownership during the time the application is being processed or considered. Changes in ownership are to be given to the Project Manager at least thirty days prior to any public hearing on the subject property. Failure to provide accurate and current ownership information could result in a delay in the hearing process.

Property Owner

Name of Individual: K&K Simpson Properties LLC ☒ Owner ☐ Tenant/Lessee ☐ Successor Agency
 Street Address: 5920 Friars Rd suite 104
 City: San Diego State: CA Zip: 92108
 Phone No.: 619-302-2020 Fax No.: 619-220-0395 Email: kenny@pacificshoremgmt.com
 Signature: [Signature] Date: 11/6/17
 Additional pages Attached: ☐ Yes ☒ No

Applicant

Name of Individual: S.A.M.'s Management Venture, LLC ☐ Owner ☒ Tenant/Lessee ☐ Successor Agency
 Street Address: 1835A South Centre City Parkway, #438
 City: Escondido State: CA Zip: 92025
 Phone No.: (956) 459-2455 Fax No.: _____ Email: nortiz10@yahoo.com
 Signature: [Signature] Date: November 6, 2017
 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: _____