



THE CITY OF SAN DIEGO

## Report to the Planning Commission

DATE ISSUED: August 1, 2024 REPORT NO. PC-24-036

HEARING DATE: August 8, 2024

SUBJECT: PALM & HOLLISTER APARTMENTS, Process Five Decision

PROJECT NUMBER: [PRJ-0698277](#)

OWNER/APPLICANT: D.I.M.E. Hollister, LLC, and Palm Hollister, LLC

REFERENCE: Initiation of an Amendment to the Otay Mesa-Nestor Community Plan to re-designate an approximate 5.92-acre site from Residential Low Density, Mixed-Use, and Open Space to Residential Medium-High Density, Planning Commission Report No. [PC-21-020](#)

### SUMMARY

Issue(s): Should the Planning Commission recommend approval to the City Council of an application for the subdivision of a 5.92-acre site for the development of 198 multiple dwelling units which would include the provision of eight affordable homes as well as associated site improvements and a boundary line adjustment to the Multi-Habitat Planning Area at 555 Hollister Street within the Otay Mesa-Nestor Community Planning Area?

### Proposed Actions:

1. RECOMMEND City Council ADOPT Environmental Impact Report No. 698277/SCH No. 2022060468 and associated Mitigation, Monitoring, and Reporting Program;
2. RECOMMEND City Council ADOPT a resolution to Amend the Otay Mesa-Nestor Community Plan (PMT-3288227) to redesignate the site from Open Space, Mixed Use, and Residential Low Density (5 - 10 dwelling units per acre (du/ac)), to Residential Medium-High Density (20 - 35 du/ac);
3. RECOMMEND City Council ADOPT an ordinance to Rezone (PMT-2587530) the site from the Residential Multiple (RM-1-1), Residential Single (RS-1-7), and Agricultural Residential (AR-1-2) zones to Residential Multiple (RM-2-6) zone;
4. RECOMMEND City Council APPROVE Site Development Permit No. PMT-2587528, and Neighborhood Development Permit No. PMT-3288228;

5. RECOMMEND City Council APPROVE Vesting Tentative Map No. PMT-2587526; and
6. RECOMMEND City Council APPROVE the Multi-Habitat Planning Area Boundary Line Adjustment

Fiscal Considerations: All costs associated with this action are paid from a deposit account maintained by the applicant.

Housing Impact Statement: The proposed project would add 198 multiple dwelling units which would include eight affordable homes on-site at 60 percent area median income for a period of 55 years. The Otay Mesa-Nestor Community Plan designates the 5.92-acre project site as Residential Low Density, Mixed-Use, and Open Space. Up to 32 homes could be developed consistent with the adopted community plan land use designation. The project requires a rezone to the Residential Multiple (RM-2-6) zone to provide 198 residential units on the 5.92-acre project site. The RM-2-6 zone permits a maximum density of one dwelling unit for each 1,250 square feet of lot area, which would permit up to a maximum density of 34.85 du/ac and would support up to 206 dwelling units, or eight additional units, on the proposed project site. The project site is located in a low resource area based on the California Tax Credit Allocation Committee [2024 Opportunity Map](#).

Community Planning Group Recommendation: On July 12, 2023, the Otay Mesa-Nestor Community Planning Group voted 10-0-0 to recommend approval of the proposed project without conditions (Attachment #12).

Environmental Impact: [Environmental Impact Report \(EIR\) No. 698277/SCH No. 2022060468](#) has been prepared for the Palm & Hollister Apartments project. The EIR has been prepared in accordance with, and complies with, all criteria, standards, and procedures of the California Environmental Quality Act (CEQA) of 1970 as amended (PRC 21000 et seq.), State CEQA Guidelines (CAC 15000 et seq.), and City of San Diego's EIR Preparation Guidelines. Pursuant to CEQA Guidelines Section 15091 for the following significant impacts identified in the EIR: Air Quality, Historical Resources, and Tribal Cultural Resources. A Mitigation Monitoring and Reporting Program (MMRP) (Attachment #7) will be implemented.

## BACKGROUND

### *Location*

The 5.92-acre site is located at 555 Hollister Street within the Otay Mesa-Nestor Community Planning Area (Attachment #1). The site is situated north of the Palm Avenue Trolley Station, south of the Otay Valley Regional Park, approximately one mile west of Interstate-5, and on the east side of Hollister Street in the Palm City neighborhood.

### *Existing Uses*

The site currently contains an abandoned single-family home, garage, two smalls storage structures, and canopy structure. The remainder of the site is vacant. The project site has been previously graded for prior agricultural use. The site consists of non-native plant species. The site is currently being used as a construction staging area by the Metropolitan Transit System (MTS).

### *Existing Adjacent Land Uses*

The site is surrounded by a mixture of transportation, mobile home park, institutional, and open space uses. The site is bounded by Hollister Street and the Metropolitan Transit System (MTS) Trolley right-of-way to the west. A mobile home park, an undeveloped private lot, and private school recreation fields are located south of the subject site. The portion of the Otay Valley Regional Park that is located north and east of the subject site, is being leased to a nursery.

### *Community Plan Land Use Designation*

The site is located within the Otay Mesa-Nestor community planning area and has the following land use designations: Residential Low Density (5 - 10 du/acre), Mixed-Use, and Open Space.

### *Current Zoning*

The site has the following underlying base zones: RM-1-1, RS-1-7, and AR-1-2 (Attachment 5). The RM-1-1 (Residential – Multiple Unit) zone is intended to accommodate development of lower density multifamily homes at a density of one home for each 3,000 square feet of lot area. The RS-1-7 (Residential – Single Unit) zone is intended to accommodate development of single homes on minimum 5,000 square foot lots. The AR-1-2 (Agricultural-Residential) zone is intended to accommodate agriculture uses and related agriculture uses as well as the development of single homes on minimum 1-acre lots.

### *Multi-Habitat Planning Area*

The northern portion of the project site is mapped within the Multi-Habitat Planning Area and subject to the Environmentally Sensitive Lands regulations.

### *Airport Land Use Compatibility Overlay Zone*

The project site is located within the Airport

Influence Area (AIA) Review Area 2 identified in the ALUCP for Brown Field Municipal Airport, NOLF Imperial Beach, and NAS North Island. It is not within the airport noise contours or safety zone.

### *Coastal Zone*

The project site is not within the Coastal Zone.

### *Transit*

The site is within a Transit Priority Area (TPA) and is approximately 0.10 miles north of the Palm Avenue Trolley Station. The site is served by Metropolitan Transit Service (MTS) Blue Line Trolley and MTS bus routes 932, 933 and 934, with multiple bus stops on near the intersection of Palm Avenue and Hollister Street less than 0.25 miles south of the site (Attachment 6).

### *Circulation*

The Otay Mesa-Nestor Community Plan identifies Hollister Street as a two-lane collector (Attachment 7). There are currently missing sidewalk segments on both sides of Hollister Street. Access to the project site would be provided via an easement located at the southwest corner of the project site, connecting the project site to Palm Avenue through the Palm Avenue Trolley Station site. The driveway

also serves the adjacent Palm Avenue Trolley Station parking lot.

*Bike Facilities*

The Otay Mesa-Nestor Community Plan identifies Hollister Street with a Class III Bikeway that shares the right-of-way with other vehicles and is identified by signs only (Attachment 8) Hollister Street currently has a Class III Bikeway.

*Complete Communities Mobility Choices*

The project is in Complete Communities Mobility Choices Zone 2. Multi-family development in Mobility Zone 2 is required to provide amenities to support non-auto modes of transportation.

*Public Facilities*

The project site is within proximity to numerous public facilities. The site is located within 1.5 miles of the Otay Mesa-Nestor Branch Library. The site is located within proximity to two public recreation facilities: 1) the Montgomery-Waller Community Park and Recreation Center, located approximately 1.3 miles southeast of the site; and 2) the South Bay Recreation Center, located approximately 1.7 miles southwest of the site. Two schools are near the site: 1) Sunnyslope Elementary School is 0.6 miles south of the site, and 2) Montgomery High School is approximately 1.5 miles east of the site. The site is located approximately 1.2 miles north of San Diego Fire-Rescue Department Station 30 and the San Diego Police Department located on Coronado Avenue.

*Community Plan Amendment Initiation*

On June 10, 2021, the Planning Commission approved resolution No. 5140-PC, which authorized initiating an amendment to the Otay Mesa-Nestor Community Plan to re-designate the site from Open Space, Mixed Use, and Residential Low Density to Residential Medium Density or Residential Medium High Density.

*Housing and Population*

The following table show the 2022 estimated housing and population for the Otay Mesa-Nestor Community Plan Areas according to the San Diego Association of Governments. The Median Household Income in 2022 for Otay Mesa-Nestor was \$69,914. Overall, the community had a 2.60 vacancy rate with a 3.56 people living in a home. Single family homes represent 58 percent and multi-family represents only 31 percent of all homes in the community.

<b>Population Type</b>	<b>Population</b>	<b>Home Type</b>	<b>Homes</b>	<b>Households</b>	<b>Vacancy</b>
<i>Total Population</i>	61,117	All Types	17,606	17,143	2.60%
<i>Household</i>	61,074	Single Family - Detached	9,138	8,897	2.60%
<i>Group Quarter</i>	43	Single Family - Attached	1,085	1,051	3.10%
<i>Persons Per Household</i>	3.56	Multi-Family	5,462	5,326	2.50%

	Mobile Homes and Other	1,921	1,869	2.70%
--	------------------------	-------	-------	-------

According to the San Diego Housing Commission [Affordable Housing Dashboard](#), there are 53 properties with 1,611 existing affordable homes in the Otay Mesa-Nestor community.

DISCUSSION

*Project Description*

The Palm & Hollister project proposes the development of 198 multiple dwelling units with eight affordable homes including associated site improvements at 555 Hollister Street within the Otay Mesa-Nestor Community Planning Area. The 5.92-acre project site is adjacent to the Palm Avenue Trolley Station in the Palm City neighborhood. The project also proposes a community plan amendment, rezone and a boundary line adjustment to the Multi-Habitat Planning Area.

*Residential*

A total of 198 multiple dwelling units, including eight affordable housing units, would be provided in 13 buildings. The mix of homes would include one bedroom/one bath, two bedroom/two bath, and three bedroom/two bath units. The buildings would be one to three stories with tuck-under garages, as well as single-level homes over carports.

*Affordable Homes*

Prior to the issuance of any building permits, the Owner/Permittee would be required to enter into an affordable housing agreement with the San Diego Housing Commission to provide eight affordable homes onsite, which is four percent of the total homes in compliance with the City's Inclusionary Affordable Housing Regulations (San Diego Municipal Code (SDMC) Section 142.1301).

*Amenities*

The main resident amenities would be provided in the western and central portions of the project site, and would include a pool, spa, fire pits, playground, patio/barbeque areas, fitness center, co-working spaces, and the leasing office. A private pedestrian landscaped walkway along the top of the northern slope provides views of the river valley and a continuous connection from the residential buildings to the project amenity areas.

*Parking*

The project would provide a total of 262 vehicle parking spaces in garages (100 spaces), carports (48 spaces), and surface parking (114 spaces). Ten percent, or 27 of the parking spaces provided, would be electric vehicle parking spaces. The project would also provide 48 bicycle parking spaces and 50 percent, or 23 spaces, would be supplied with individual outlets for electric charging of e-bikes.

*Easements*

The proposed easements are located west and south of the project site. Local access to the site is via Palm Avenue through the Palm Avenue Trolley Station Metropolitan Transit System (MTS) site. An

access easement has been established with MTS, which would allow for ingress and egress from Palm Avenue through the Palm Avenue Trolley Station parking lot. Pedestrian and bicycle access would also be provided within the MTS easement. The project would include upgrading the existing curb return where the drive aisle and Palm Avenue meet to comply with Americans with Disabilities Act (ADA) requirements, replacing curb ramps, restriping portions of the drive aisle, and addition of a six-inch curb along the eastern side of the drive aisle. The easement would also allow for utility connections and project signage, as well as the addition of landscaping along the eastern border of the drive aisle.

A five-foot-wide concrete east-west sidewalk parallel to the project site and project's southwestern property line within a nine-foot-wide pedestrian access easement would tie into the existing MTS sidewalk at the northwest corner of the MTS parking lot. Within the access easement drive aisle, the project would also provide a five-foot-wide running track that runs from the project site's southern property line along a portion of the eastern side of the drive aisle through the MTS parcel.

A ten-foot access easement exists to the north of the project site for pedestrian access to the OVRP. An access point to the OVRP to the west of the project site would be provided within a proposed nine-foot pedestrian access easement proposed by the project.

The project would require connection to SDG&E utilities to provide electricity service to the project. Additionally, the project would remove and/or relocate existing SDG&E utilities and easements that occur on-site to accommodate the project.

### Required Approvals

Due to process consolidation, all actions are processed concurrently as a Process Five. Development of the proposed project requires:

- Process 5 Land Use Plan Amendment to amend the Otay Mesa-Nestor Community Plan to redesignate 5.92-acre site from Residential Low Density (5 - 10 du/acre), Mixed-Use, and Open Space to Residential Medium High, which would permit multi-family residential development at a density range of 20 to 35 dwelling units per acre;
- Process 5 Rezone, in accordance with SDMC Section [123.0105](#), of the 5.92-acre project site from RM-1-1, RS-1-7, and AR-1-2 to RM-2-6 to allow residential development;
- Process 4 Vesting Tentative Map in accordance with SDMC Section [125.0430](#), to allow the creation of a single lot for 198 residential condominium units;
- Process 3 Site Development Permit, in accordance with SDMC Section [126.0502](#), for development on environmentally sensitive lands (ESLs); and
- Process 2 Neighborhood Development Permit, in accordance with SDMC Section [143.0920](#) and Section [126.0404](#), for deviations from applicable development regulations.

### General Plan and Community Plan Analysis

The following analysis addresses how the proposed project is consistent with the General Plan policies cited.

#### *Land Use*

The proposed project would increase land designated for residential and the number of allowed homes (LU-C.3). The project includes a Community Plan Amendment to redesignate 5.92-acre from Residential Low Density, Mixed-Use, and Open Space to Residential-Medium High (20-35 dwelling units per acre), and this also includes a General Plan Amendment to redesignate the same 5.92-acres from Parks, Open Space and Recreation and Multiple Use to Residential. The Residential Medium-High Density land use designation would allow the proposed 198 multiple dwelling units which would result in a density of 33.44 du/ac and is consistent with the proposed land use designation of RM-2-6. The proposed project would increase housing opportunities in areas planned and zoned for single-family residential densities (HE-A.5). The proposed project would provide housing for moderate- to middle-income workers adjacent to the Palm Avenue Trolley Station which provides access to regional employment centers (HE-C.3).

#### *City of Villages Strategy*

The General Plan Land Use and Community Planning Element contains the City of Villages strategy which encourages future development to increase housing supply and diversity with compact, mixed-use activity centers that are integrated into the larger community. The site is identified as being with an area having a higher village propensity on General Plan Figure LU-1. The project would provide needed housing and focus growth in an area with proximity to the Palm Avenue Trolley Station consistent with the City of Villages strategy. As a residential development, the project would increase the housing supply within the Otay Mesa-Nestor Community Plan area, within a Transit Priority Area, and in proximity to existing and planned commercial uses.

#### *Housing*

The General Plan Housing Element addresses the City's comprehensive housing needs and promotes the development and maintenance of policies and programs that identify obstacles to building affordable housing, infill housing, and smart growth housing development including regulatory strategies and tools that will streamline the development process. The City of Villages strategy which includes a commitment to creating and maintaining economically and socially diverse communities, which can be achieved by providing a mix of housing types that are suitable for households of various income levels and by providing more opportunities for people to live near their workplace. The proposed project will assist the City in meeting housing goals by providing new housing, provide new housing opportunities to the City by utilizing an underutilized site, provide an infill development adjacent to the Palm Avenue Trolley Station and provide a cohesive design that is compatible in use, scale and character with the surrounding neighborhood. The proposed project would provide a variety of housing types including eight affordable homes on-site at 60 percent area median income for a period of 55 years (LU-H.3). The proposed project would contain family-oriented units with a mix of one-bedroom, two-bedroom, and three-bedroom units to support families in the area and to provide workforce housing.

#### *Public Facilities*

Consistent with Housing Element Policy HE-A.2, the proposed project would add homes near public facilities in the area, including the Palm Avenue Trolley Station, two schools, two public recreation facilities, and one library as addressed in the background section. The proposed project would be near community serving retail and services. The Southland Plaza Shopping Center is located at Palm Avenue and Saturn Boulevard which is 1 mile from the site.

### *Mobility*

The proposed project would increase density adjacent to a trolley station which helps make transit convenient for more people. Consistent with ME-A.6(d), the project would address pedestrian needs by providing pedestrian and bicycle access from the project site to the Palm Avenue Trolley Station through an easement. The project would improve and or replace existing curb returns and curb ramps from Palm Avenue to the project site.

### *Urban Design*

The General Plan Urban Design Element Goals support a built environment that respects San Diego's natural environment and climate, and a pattern and scale of development that provides visual diversity, choice of lifestyle, opportunities for social interaction, and that respects desirable community character and context. The project proposes 13 residential buildings that would be one to three stories which would help to integrate the new buildings with the existing fabric and scale of with the adjacent Palm City neighborhood which is one to two stories (UD-B.1). The project proposes deviations to setback and building height regulations while providing smart growth benefits of orientating the buildings near the transit station and providing onsite affordable homes (HE-C.12).

The proposed project has been designed in a sensitive manner to complement the adjacent open space in the Otay Valley River Park with materials and colors that blend with the natural landscape (UD-A.3). The proposed project would also include fencing that would permit views into the Otay Valley River Park, provide a barrier, and architectural interest in its rear elevations for views from the Otay Valley River Park.

The amendment to the Community Plan would remove reference to the following two view and access points which are adjacent to the project site from Appendix C, View Corridors and View and Access Points:

- A - Palm Avenue Transit Center/Park-and-Ride: Provide a viewpoint overlooking the valley, north of the trolley station parking lot. Provide physical access, via a stairway, into the valley.
- B - Midway Baptist Church: Encourage the Church to provide a public viewpoint overlooking the valley.

The proposed project would interrupt eastward views into the Otay Valley River Park. While the Otay Mesa-Nestor Community Plan encourages a future viewpoint from the adjacent church property, public views on the church property do not exist. The removal of the View and Access Points A and B results in consistency with Community Plan Appendix C. With adoption of the Community Plan Amendment, there are no designated public view corridors or public viewing areas through the project site.



A 10-foot access easement exists to the north of the project site for pedestrian access to the OVRP. The proposed project would provide a ten-foot-wide pedestrian access from the Palm Avenue Trolley Station to the Otay Valley River Park (UD-A.3(n)). The proposed project fosters a sense of community through building orientation and architectural design features that promote interaction and active lifestyles with adjacent access to Otay Valley River Park and the Palm Avenue Trolley Station (HE-M.2).

### *Community Plan*

The Otay Mesa-Nestor Community Plan identifies the Palm City neighborhood as a neighborhood center focused on redeveloping the Palm Avenue Trolley Station and adjacent parcels into a transit-oriented developments. The proposed project would develop a multifamily development with direct connections to the trolley station consistent with the strategy and guidelines of the Palm City Neighborhood Center Topic of the Community Plan. The project would redevelop a vacant site and construct a residential development improving the project area through rehabilitation and economic revitalization of the project site. The change in residential density would be consistent with the Community Plan as the Palm City neighborhood is identified as a neighborhood center that should provide residential opportunities. The project would be consistent with the applicable goals and policies of the Community Plan.

### Community / Project Benefits Summary:

Overall, the 5.92-acre site would best serve the City and the Otay Mesa-Nestor Community with the proposed residential use with 198 multiple dwelling units rather than maintaining the site as vacant land which multiple land use designations. The community will benefit directly from an increased and diversified housing supply because of the project. The project would provide the needed affordable and workforce housing to this underutilized site within proximity to the Palm Avenue Trolley Station which provides transit access to regional job and educational centers. Therefore, with the proposed amendment to the Otay Mesa-Nestor Community Plan, the project would not conflict with or be incompatible with the adjacent land uses and General Plan and Community Plan.

### *Rezone*

The project also includes an associated rezone from RM-1-1, RS-1-7 and AR-1-2 to RM-2-6, which would implement the proposed residential community plan land use designation. The RM-2-6 zone permits a maximum density of one home for each 1,250 square feet of lot area. This would permit up to a maximum density of 34.85 du/ac which would result in 206 homes on the project site.

### Project Related Issues

#### *Deviations*

The project has four deviations listed below:

1. Deviation: Municipal Code Section 142.0340(d)(1): Two retaining walls with a maximum height of six feet each are permitted in the required side and rear yard if the two retaining walls are separated by a minimum horizontal distance equal to the height of the upper wall. The project includes a deviation from the Municipal Code for the proposed single retaining wall up to 24.5 feet in height.

Justification: To ensure the required space for fire apparatus circulation, as well as space for pedestrian circulation, site amenities, and parking, it is necessary to construct a retaining wall along the northern edge of the property at a height that exceeds the SDMC allowed maximum height for walls. In the existing condition, the proposed project property elevation is 20-25 feet higher than the adjacent property to the north, with a 2:1 slope within the project boundary accommodating this grade difference. Installing the retaining wall will allow for site grading in a manner that maximizes the usable area and efficient use of the property.

2. Deviation: Municipal Code Section 131.0443(e)(1)(A): Up to 50 percent of the width of the building envelope may observe the minimum 15-foot front setback, provided the remaining percentage of the building envelope width observes the standard 20-foot setback. This may occur on a floor-by-floor basis. The project proposes a deviation to allow for 100 percent of the building envelope to observe the minimum 15-foot front setback.

Justification: This deviation allows for more efficient and maximal use of the previously disturbed site area, allows for more minimal grading of the site, and reinforces the transit and multi-modal orientation of the project site by bringing the building envelope closer to the property line and the Palm Avenue Trolley Station.

3. Deviation: Municipal Code Section 131.0443(e)(2)(A): The minimum side setback is five feet or 10 percent of the premises width, whichever is greater. The project includes a deviation for the proposed building encroachment into the required side setback where 22 is required and 7.9 feet is proposed.

Justification: Like the front setback deviation, this deviation allows for the more efficient and maximal use of the previously disturbed site area, allows for more minimal grading of the site, and reinforces the transit and multi-modal orientation of the site by bringing the building envelope closer to the property line and, therefore, the Palm Avenue Trolley Station, as well as other pedestrian facilities, such as future trail connections to the Otay Valley Regional Park that may occur to the east or west of the project site.

4. Deviation: Municipal Code Section Table 131-04G: Maximum structure height is 40 feet. The project proposes a maximum structure height of 59 feet, six inches (from the existing grade structure height).

Justification: When measured from finished grade, project structures would be 40 feet in height or less. The structures height at finished grade would be consistent with the base zone regulation. As such, this deviation would allow for development that is consistent with the underlying zone and would not result in overly tall structures.

#### *Multi-Habitat Planning Area Boundary Line Adjustment*

The Palm & Hollister Apartments project site is located within the City's Multiple Species Conservation Program (MSCP) area, which covers 206,124 acres within the City's jurisdiction; the northern portion of the project site is mapped within the MHPA. A Site Development Permit (SDP) is required to allow for development of the project within Environmentally Sensitive Land (ESL) in the form of sensitive

biological resources. The ESL regulations specify development requirement inside and outside if the Multi-Habitat Planning Area (MHPA). The northern portion of the project site is mapped within the MHPA.

MHPA lands are mapped in the northern part of the project site totaling 2.2 acres of disturbed land. Pursuant to Sections 143.0142 and 131.0250(b) of the Land Development Code and pages 13-15 of the City's Biology Guidelines, if a project would encroach into the MHPA beyond the allowable development area, an MHPA boundary line adjustment is required. Under the City's MSCP Subarea Plan, an adjustment to the City's MHPA boundary is allowed only if the new MHPA boundary results in an exchange of lands that are functionally equivalent or higher in biological value. A determination of functionally equivalent or higher biological value is based on site-specific information (both quantitative and qualitative) that addresses six boundary adjustment criteria outlined in Section 5.4.3 of the Final MSCP Plan (August 1998).

The project would develop the entire project site; therefore, an MHPA boundary line adjustment is proposed as a part of the project to remove the 2.2 acres of disturbed land from the MHPA on-site and preserve higher quality habitat in the MHPA off site on the 9.92-acre Najor property (APN 366-031-12) located in the East Elliott preserve area in the City. Acquisition of the Najor property would occur in order to adjust (remove) the allowable development area of 25 percent for parcels within the MHPA. Palm Hollister LLC would acquire the entire 9.92-acre parcel and grant it to the City in fee title, to be managed by the City as MHPA land as a condition of the project. The US Fish and Wildlife Service and the California Department of Fish and Wildlife provided their concurrence for the MHPA boundary line adjustment on January 25, 2023.

#### Conclusion:

Staff reviewed the proposed actions and found the proposed project to be in conformance with the adopted City Council policies of the General Plan and Otay Mesa-Nestor Community Plan and regulations of the Land Development Code with evidence provided to support the deviations and required findings (Attachment #5 and 7). With the approval of the requested deviations, the project meets all applicable regulations and policy documents, and staff supports the determination that the project is consistent with the development regulations in effect for this site per the Municipal Code, the policies in Otay Mesa-Nestor Community Plan and the General Plan. Thus, staff recommends that the Planning Commission recommend City Council approve the project as proposed.

#### ALTERNATIVES

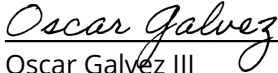
1. Recommend to the City Council to Adopt Environmental Impact Report No. 698277, adopt Mitigation, Monitoring and Reporting Program, and approve an amendment to the Otay Mesa Community Plan No. PMT-3288227, Rezone No. PMT-2587530, Site Development Permit No. PMT-2587528, Neighborhood Development Permit No. PMT-3288228, and Vesting Tentative Map No. PMT-2587526, with modifications.
2. Do not recommend to the City Council to adopt Environmental Impact Report No. 698277, Mitigation, Monitoring and Reporting Program, and approve an amendment to the Otay

Mesa Community Plan No. PMT-3288227, Rezone No. PMT-2587530, Site Development Permit No. PMT-2587528, Neighborhood Development Permit No. PMT-3288228, and Vesting Tentative Map No. PMT-2587526, with modifications, if the findings required to approve the project cannot be affirmed.

Respectfully submitted,

---

Renee Mezo  
Assistant Deputy Director  
Development Services Department

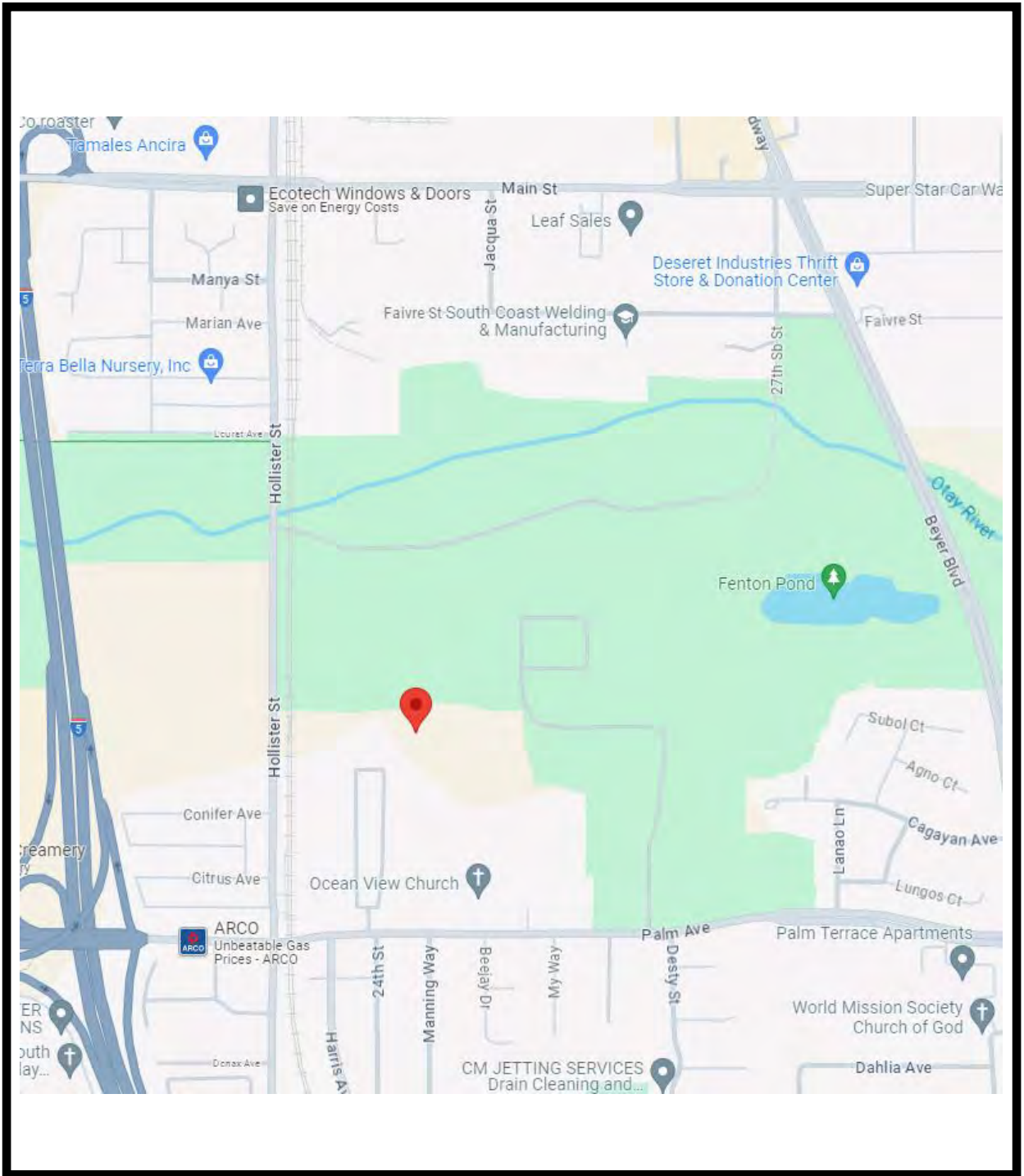
  
Oscar Galvez III  
Development Project Manager  
Development Services Department

---

Deputy Director  
Tait Galloway  
Planning Department

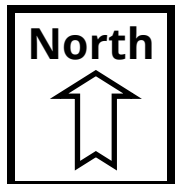
Attachments:

1. Location Map
2. Aerial Photograph
3. Draft Environmental Resolution with MMRP
4. Draft Permit with Conditions
5. Draft Permit Resolution with Findings
6. Draft Map Conditions
7. Draft Map Resolution with Findings
8. Community Planning Group Recommendation
9. Draft Rezone Ordinance
10. Rezone Exhibit Sheet B-4365
11. Response to the Issues in the Planning Commission Resolution No. 5140-PC
12. Draft Community Plan Amendment Resolution
13. Draft Community Plan Strikeout/Underline Text, and Revised Graphics
14. Ownership Disclosure Statement
15. Project Plans
16. Vesting Tentative Map



## Project Location

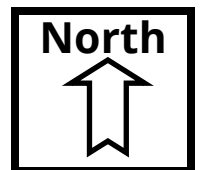
**Palm & Hollister Apartments**  
**Project No. PRJ-0698277**





## Aerial Photo

**Palm & Hollister Apartments**  
**Project No. PRJ-0698277**



RESOLUTION NUMBER R- \_\_\_\_\_

ADOPTED ON \_\_\_\_\_

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO  
CERTIFYING ENVIRONMENTAL IMPACT REPORT NO. PRJ-0698277/  
SCH NO. 2022060468, ADOPTING CANDIDATE FINDINGS AND  
STATEMENT OF OVERRIDING CONSIDERATIONS, AND ADOPTING  
THE MITIGATION MONITORING AND REPORTING PROGRAM**

WHEREAS, on December 3, 2021, Palm Hollister, LLC submitted an application to the Development Services Department for a Community Plan Amendment, Rezone, Neighborhood Development Permit, Site Development Permit, Easement Vacations, Boundary Line Adjustment, and Vesting Tentative Map for the Palm & Hollister Apartments Project (Project); and

WHEREAS, the matter was set for a public hearing to be conducted by the Council of the City of San Diego (City Council); and

WHEREAS, the issue was heard by the Council on October 1, 2024; and

WHEREAS, the City Council considered the issues discussed in Environmental Impact Report No. PRJ-0698277/ SCH NO. 2022060468 (Report) prepared for this Project;

WHEREAS, under Charter section 280(a)(2) this resolution is not subject to veto by the Mayor because this matter requires the City Council to act as a quasi-judicial body, a public hearing is required by law implicating due process rights of individuals affected by the decision, and the Council is required by law to consider evidence at the hearing and to make legal findings based on the evidence presented;

NOW THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego that it is certified that the Report has been completed in compliance with the California Environmental Quality Act of 1970 (CEQA) (Public Resources Code Section 21000 et seq.), as amended, and the State CEQA Guidelines thereto (California Code of Regulations, Title 14, Chapter 3, Section 15000 et seq.), that the Report reflects

the independent judgment of the City of San Diego as Lead Agency and that the information contained in said Report, together with any comments received during the public review process, has been reviewed and considered by the Council in connection with the approval of the Project.

BE IT FURTHER RESOLVED, that pursuant to CEQA Section 21081 and State CEQA Guidelines Section 15091, the Council of the City of San Diego hereby adopts the Findings of Fact made with respect to the Project, which are attached hereto as Exhibit A.

BE IT FURTHER RESOLVED, that pursuant to State CEQA Guidelines Section 15093, the Council of the City of San Diego hereby adopts the Statement of Overriding Considerations with respect to the Project, which is attached hereto as Exhibit B.

BE IT FURTHER RESOLVED, that pursuant to CEQA Section 21081.6, the Council of the City of San Diego hereby adopts the Mitigation Monitoring and Reporting Program, or alterations to implement the changes to the Project as required by this Council to mitigate or avoid significant effects on the environment, which is attached hereto as Exhibit C.

BE IT FURTHER RESOLVED, that the Report and other documents constituting the record of proceedings upon which the approval is based are available to the public at the office of the City Clerk, 202 C Street, San Diego, CA 92101.

BE IT FURTHER RESOLVED that the City Clerk, or designee, is directed to file a Notice of Determination in accordance with CEQA with the Clerk of the Board of Supervisors for the County of San Diego and the State Clearinghouse in the Office of Planning and Research regarding the Project after final passage of O-\_\_\_\_\_ rezoning the site from the existing AR-1-2, RM-1-1, and RS-1-5 zones into the RM-2-6 Zone.

APPROVED: MARA ELLIOTT, CITY ATTORNEY

By: \_\_\_\_\_



MARA ELLIOTT, CITY ATTORNEY

ATTACHMENT(S):

Exhibit A, Mitigation Monitoring and Reporting Program  
Exhibit B, Findings  
Exhibit C, Statement of Overriding Considerations

## EXHIBIT A

## MITIGATION MONITORING AND REPORTING PROGRAM

**Palm & Hollister Apartments**  
**Community Plan Amendment, Rezone, Site Development Permit, Neighborhood Development Permit, Easement Vacations, Boundary Line Adjustment, and Vesting Tentative Map**  
 PRJ-0698277

This Mitigation Monitoring and Reporting Program is designed to ensure compliance with Public Resources Code Section 21081.6 during implementation of mitigation measures. This program identifies at a minimum: the department responsible for the monitoring, what is to be monitored, how the monitoring shall be accomplished, the monitoring and reporting schedule, and completion requirements. A record of the Mitigation Monitoring and Reporting Program will be maintained at the offices of the Land Development Review Division, 1222 First Avenue, Fifth Floor, San Diego, CA, 92101. All mitigation measures contained in the Environmental Impact Report PRJ-0697277/SCH No. 2022060468 shall be made conditions of the Neighborhood Development Permit and Site Development Permit as may be further described below.

**A. GENERAL REQUIREMENTS – PART I Plan Check Phase (prior to permit issuance)**

1. Prior to the issuance of a Notice To Proceed (NTP) for a subdivision, or any construction permits, such as Demolition, Grading or Building, or beginning any construction related activity on-site, the Development Services Department (DSD) Director's Environmental Designee (ED) shall review and approve all Construction Documents (CD), (plans, specification, details, etc.) to ensure the MMRP requirements are incorporated into the design.
2. In addition, the ED shall verify that the MMRP Conditions/Notes that apply ONLY to the construction phases of this project are included VERBATIM, under the heading, **"ENVIRONMENTAL/MITIGATION REQUIREMENTS."**

These notes must be shown within the first three (3) sheets of the construction documents in the format specified for engineering construction document templates as shown on the City website:

<http://www.sandiego.gov/development-services/industry/standtemp.shtml>

3. The **TITLE INDEX SHEET** must also show on which pages the "Environmental/Mitigation Requirements" notes are provided.
4. **SURETY AND COST RECOVERY** – The Development Services Director or City Manager may require appropriate surety instruments or bonds from private Permit Holders to ensure the long-term performance or implementation of required mitigation measures or programs. The City is authorized to recover its cost to offset the salary, overhead, and expenses for City personnel and programs to monitor qualifying projects.

**B. GENERAL REQUIREMENTS – PART II Post Plan Check (After permit issuance/Prior to start of construction)**

1. **PRE-CONSTRUCTION MEETING IS REQUIRED TEN (10) WORKING DAYS PRIOR TO BEGINNING ANY WORK ON THIS PROJECT.** The PERMIT HOLDER/OWNER is responsible to arrange and perform this meeting by contacting the CITY RESIDENT ENGINEER (RE) of the Field Engineering Division and City staff from the MITIGATION MONITORING COORDINATOR (MMC). Attendees must also include the Permit Holder's Representative(s), Job Site Superintendent and the following consultants:  
*Qualified Archaeological Monitor*

**Note: Failure of all responsible Permit Holder's representatives and consultants to attend shall require an additional meeting with all parties present.**

CONTACT INFORMATION:

- a) The PRIMARY POINT OF CONTACT is the **RE** at the **Field Engineering Division - 858-627-3200**
  - b) For Clarification of ENVIRONMENTAL REQUIREMENTS, applicant t is also required to call **RE and MMC at 858-627-3360.**
2. **MMRP COMPLIANCE:** This Project, Project Tracking System (PTS) Number 581984 and/or Environmental Document Number 581984, shall conform to the mitigation requirements contained in the associated Environmental Document and implemented to the satisfaction of the DSD's Environmental Designee (MMC) and the City Engineer (RE). The requirements may not be reduced or changed but may be annotated (i.e., to explain when and how compliance is being met and location of verifying proof, etc.). Additional clarifying information may also be added to other relevant plan sheets and/or specifications as appropriate (i.e., specific locations, times of monitoring, methodology, etc.).

**Note: Permit Holder's Representatives must alert RE and MMC if there are any discrepancies in the plans or notes, or any changes due to field conditions. All conflicts must be approved by RE and MMC BEFORE the work is performed.**

3. **OTHER AGENCY REQUIREMENTS:** Evidence of compliance with all other agency requirements or permits shall be submitted to the RE and MMC for review and acceptance prior to the beginning of work or within one week of the Permit Holder obtaining documentation of those permits or requirements. Evidence shall include copies of permits, letters of resolution or other documentation issued by the responsible agency:
  - N/A
4. **MONITORING EXHIBITS:** All consultants are required to submit, to RE and MMC, a monitoring exhibit on a 11"x17" reduction of the appropriate construction plan, such as site plan, grading, landscape, etc., marked to clearly show the specific areas including the **LIMIT OF WORK**, scope of that discipline's work, and notes indicating when in the construction schedule that work will be performed. When necessary for

clarification, a detailed methodology of how the work will be performed shall be included.

**Note: Surety and Cost Recovery - When deemed necessary by the Development Services Director or City Manager, additional surety instruments or bonds from the private Permit Holder may be required to ensure the long-term performance or implementation of required mitigation measures or programs. The City is authorized to recover its cost to offset the salary, overhead, and expenses for City personnel and programs to monitor qualifying projects.**

5. **OTHER SUBMITTALS AND INSPECTIONS:** The Permit Holder/Owner’s representative shall submit all required documentation, verification letters, and requests for all associated inspections to the RE and MMC for approval per the following schedule:

<b>DOCUMENT SUBMITTAL/INSPECTION CHECKLIST</b>		
<b>Issue Area</b>	<b>Document Submittal</b>	<b>Associated Inspection/Approvals/Notes</b>
General	Consultant Qualification Letters	Prior to Preconstruction Meeting
General	Consultant Construction Monitoring Exhibits	Prior to or at Preconstruction Meeting
Air Quality	Grading Plans	Grading Permit Issuance
Archaeology	Records Search/Monitoring Report(s)	Archaeology/Historic Site Observation
Tribal Cultural Resources	Archaeology Reports	Archaeology/Historic Site Observation
Bond Release	Request for Bond Release Letter	Final MMRP Inspections Prior to Bond Release Letter

**C. SPECIFIC MMRP ISSUE AREA CONDITIONS/REQUIREMENTS**

**MM AQ-1: Air Quality**

Prior to the Notice to Proceed (NTP) for any construction permits, including but not limited to, the first Grading Permit, Demolition Plans/Permits, and Building Plans/Permits, the Development Services Department (DSD) Director’s Environmental Designee shall verify the construction plans include a note requiring the Owner/Permittee reduce diesel exhaust emissions from all construction equipment greater than 100 hp with use of Tier 4 Final equipment, including equipment with an installed diesel particulate filter (DPF). Construction equipment greater than 100 hp that is certified less than Tier 4 Final may only be used if unavailable from vendors, in which case equipment with DPFs installed shall be used whenever possible and other measures shall be employed to reduce DPM emissions to achieve a below 10 in one million cancer risk from construction DPM to the satisfaction of the Mitigation Monitoring Coordinator. Such additional measures may include, but would not be limited to, a reduction in the number and/or horsepower rating of construction equipment and the use of construction haul trucks that utilize cleaner vehicle fuel (generates less DPM).

**MM HIS-1: Archaeological Resources****I. Prior to Permit Issuance**

- A. Entitlements Plan Check
  - 1. Prior to issuance of any construction permits, including but not limited to, the first Grading Permit, Demolition Plans/Permits and Building Plans/Permits or a Notice to Proceed for Subdivisions, but prior to the first preconstruction meeting, whichever is applicable, the Assistant Deputy Director (ADD) Environmental designee shall verify that the requirements for Archaeological Monitoring and Native American monitoring have been noted on the applicable construction documents through the plan check process.
- B. Letters of Qualification have been submitted to ADD
  - 1. The applicant shall submit a letter of verification to Mitigation Monitoring Coordination (MMC) identifying the Principal Investigator (PI) for the project and the names of all persons involved in the archaeological monitoring program, as defined in the City of San Diego Historical Resources Guidelines (HRG). If applicable, individuals involved in the archaeological monitoring program must have completed the 40-hour HAZWOPER training with certification documentation.
  - 2. MMC will provide a letter to the applicant confirming the qualifications of the PI and all persons involved in the archaeological monitoring of the project meet the qualifications established in the HRG.
  - 3. Prior to the start of work, the applicant must obtain written approval from MMC for any personnel changes associated with the monitoring program.

**II. Prior to Start of Construction**

- A. Verification of Records Search
  - 1. The PI shall provide verification to MMC that a site-specific records search (1/4 mile radius) has been completed. Verification includes, but is not limited to a copy of a confirmation letter from South Coastal Information Center, or, if the search was in-house, a letter of verification from the PI stating that the search was completed.
  - 2. The letter shall introduce any pertinent information concerning expectations and probabilities of discovery during trenching and/or grading activities.
  - 3. The PI may submit a detailed letter to MMC requesting a reduction to the ¼ mile radius.
- B. PI Shall Attend Precon Meetings
  - 1. Prior to beginning any work that requires monitoring; the Applicant shall arrange a Precon Meeting that shall include the PI, Native American consultant/monitor (where Native American resources may be impacted), Construction Manager (CM) and/or Grading Contractor, Resident Engineer (RE), Building Inspector (BI), if appropriate, and MMC. The qualified Archaeologist and Native American Monitor shall attend any grading/excavation related Precon Meetings to make comments and/or suggestions concerning the Archaeological Monitoring program with the Construction Manager and/or Grading Contractor.
    - a. If the PI is unable to attend the Precon Meeting, the Applicant shall schedule a focused Precon Meeting with MMC, the PI, RE, CM or BI, if appropriate, prior to the start of any work that requires monitoring.

2. Identify Areas to be Monitored
  - a. Prior to the start of any work that requires monitoring, the PI shall submit an Archaeological Monitoring Exhibit (AME) (with verification that the AME has been reviewed and approved by the Native American consultant/monitor when Native American resources may be impacted) based on the appropriate construction documents (reduced to 11x17) to MMC identifying the areas to be monitored including the delineation of grading/excavation limits.
  - b. The AME shall be based on the results of a site-specific records search as well as information regarding existing known soil conditions (native or formation).
3. When Monitoring Will Occur
  - a. Prior to the start of any work, the PI shall also submit a construction schedule to MMC through the RE indicating when and where monitoring will occur.
  - b. The PI may submit a detailed letter to MMC prior to the start of work or during construction requesting a modification to the monitoring program. This request shall be based on relevant information such as review of final construction documents which indicate site conditions such as depth of excavation and/or site graded to bedrock, etc., which may reduce or increase the potential for resources to be present.

**III. During Construction**

- A. Monitor(s) Shall be Present During Grading/Excavation/Trenching
  1. The Archaeological Monitor shall be present full-time during all soil disturbing and grading/excavation/trenching activities which could result in impacts to archaeological resources as identified on the AME. The Construction Manager is responsible for notifying the RE, PI, and MMC of changes to any construction activities such as in the case of a potential safety concern within the area being monitored. In certain circumstances OSHA safety requirements may necessitate modification of the AME.
  2. The Native American consultant/monitor shall determine the extent of their presence during soil disturbing and grading/excavation/trenching activities based on the AME and provide that information to the PI and MMC. If prehistoric resources are encountered during the Native American consultant/monitor's absence, work shall stop and the Discovery Notification Process detailed in Section III.B-C and IV.A-D shall commence.
  3. The PI may submit a detailed letter to MMC during construction requesting a modification to the monitoring program when a field condition such as modern disturbance post-dating the previous grading/trenching activities, presence of fossil formations, or when native soils are encountered that may reduce or increase the potential for resources to be present.
  4. The archaeological and Native American consultant/monitor shall document field activity via the Consultant Site Visit Record (CSV). The CSV's shall be faxed by the CM to the RE the first day of monitoring, the last day of monitoring, monthly (Notification of Monitoring Completion), and in the case of ANY discoveries. The RE shall forward copies to MMC.
- B. Discovery Notification Process

1. In the event of a discovery, the Archaeological Monitor shall direct the contractor to temporarily divert all soil disturbing activities, including but not limited to digging, trenching, excavating or grading activities in the area of discovery and in the area reasonably suspected to overlay adjacent resources and immediately notify the RE or BI, as appropriate.
  2. The Monitor shall immediately notify the PI (unless Monitor is the PI) of the discovery.
  3. The PI shall immediately notify MMC by phone of the discovery, and shall also submit written documentation to MMC within 24 hours by fax or email with photos of the resource in context, if possible.
  4. No soil shall be exported off-site until a determination can be made regarding the significance of the resource specifically if Native American resources are encountered.
- C. Determination of Significance
1. The PI and Native American consultant/monitor, where Native American resources are discovered shall evaluate the significance of the resource. If Human Remains are involved, follow protocol in Section IV below.
    - a. The PI shall immediately notify MMC by phone to discuss significance determination and shall also submit a letter to MMC indicating whether additional mitigation is required.
    - b. If the resource is significant, the PI shall submit an Archaeological Data Recovery Program (ADRP) which has been reviewed by the Native American consultant/monitor, and obtain written approval from MMC. Impacts to significant resources must be mitigated before ground disturbing activities in the area of discovery will be allowed to resume. Note: If a unique archaeological site is also an historical resource as defined in CEQA, then the limits on the amount(s) that a project applicant may be required to pay to cover mitigation costs as indicated in CEQA Section 21083.2 shall not apply.
    - c. If the resource is not significant, the PI shall submit a letter to MMC indicating that artifacts will be collected, curated, and documented in the Final Monitoring Report. The letter shall also indicate that that no further work is required.

#### **IV. Discovery of Human Remains**

If human remains are discovered, work shall halt in that area and no soil shall be exported off-site until a determination can be made regarding the provenance of the human remains; and the following procedures as set forth in CEQA Section 15064.5(e), the California Public Resources Code (Sec. 5097.98) and State Health and Safety Code (Sec. 7050.5) shall be undertaken:

##### **A. Notification**

1. Archaeological Monitor shall notify the RE or BI as appropriate, MMC, and the PI, if the Monitor is not qualified as a PI. MMC will notify the appropriate Senior Planner in the Environmental Analysis Section (EAS) of the Development Services Department to assist with the discovery notification process.
2. The PI shall notify the Medical Examiner after consultation with the RE, either in person or via telephone.

- B. Isolate discovery site
  - 1. Work shall be directed away from the location of the discovery and any nearby area reasonably suspected to overlay adjacent human remains until a determination can be made by the Medical Examiner in consultation with the PI concerning the provenance of the remains.
  - 2. The Medical Examiner, in consultation with the PI, will determine the need for a field examination to determine the provenance.
  - 3. If a field examination is not warranted, the Medical Examiner will determine with input from the PI, if the remains are or are most likely to be of Native American origin.
- C. If Human Remains ARE determined to be Native American
  - 1. The Medical Examiner will notify the Native American Heritage Commission (NAHC) within 24 hours. By law, ONLY the Medical Examiner can make this call.
  - 2. NAHC will immediately identify the person or persons determined to be the Most Likely Descendent (MLD) and provide contact information.
  - 3. The MLD will contact the PI within 24 hours or sooner after the Medical Examiner has completed coordination, to begin the consultation process in accordance with CEQA Section 15064.5(e), the California Public Resources and Health & Safety Codes.
  - 4. The MLD will have 48 hours to make recommendations to the property owner or representative, for the treatment or disposition with proper dignity, of the human remains and associated grave goods.
  - 5. Disposition of Native American Human Remains will be determined between the MLD and the PI, and, if:
    - a. The NAHC is unable to identify the MLD, OR the MLD failed to make a recommendation within 48 hours after being granted access to the site, OR;
    - b. The landowner or authorized representative rejects the recommendation of the MLD and mediation in accordance with PRC 5097.94 (k) by the NAHC fails to provide measures acceptable to the landowner, the landowner shall reinter the human remains and items associated with Native American human remains with appropriate dignity on the property in a location not subject to further and future subsurface disturbance, THEN
    - c. To protect these sites, the landowner shall do one or more of the following:
      - (1) Record the site with the NAHC;
      - (2) Record an open space or conservation easement; or
      - (3) Record a document with the County. The document shall be titled "Notice of Reinternment of Native American Remains" and shall include a legal description of the property, the name of the property owner, and the owner's acknowledged signature, in addition to any other information required by PRC 5097.98. The document shall be indexed as a notice under the name of the owner.

**V. Night and/or Weekend Work**

- A. If night and/or weekend work is included in the contract
  - 1. When night and/or weekend work is included in the contract package, the extent and timing shall be presented and discussed at the precon meeting.



2. The following procedures shall be followed.
  - a. No Discoveries  
In the event that no discoveries were encountered during night and/or weekend work, the PI shall record the information on the CSV and submit to MMC via fax by 8AM of the next business day.
  - b. Discoveries  
All discoveries shall be processed and documented using the existing procedures detailed in Sections III - During Construction, and IV - Discovery of Human Remains. Discovery of human remains shall always be treated as a significant discovery.
  - c. Potentially Significant Discoveries  
If the PI determines that a potentially significant discovery has been made, the procedures detailed under Section III - During Construction and IV- Discovery of Human Remains shall be followed.
  - d. The PI shall immediately contact MMC, or by 8AM of the next business day to report and discuss the findings as indicated in Section III-B, unless other specific arrangements have been made.
- B. If night and/or weekend work becomes necessary during the course of construction
  1. The Construction Manager shall notify the RE, or BI, as appropriate, a minimum of 24 hours before the work is to begin.
  2. The RE, or BI, as appropriate, shall notify MMC immediately.
- C. All other procedures described above shall apply, as appropriate.

**VI. Post Construction**

- A. Preparation and Submittal of Draft Monitoring Report
  1. The PI shall submit two copies of the Draft Monitoring Report (even if negative), prepared in accordance with the Historical Resources Guidelines (Appendix C/D) which describes the results, analysis, and conclusions of all phases of the Archaeological Monitoring Program (with appropriate graphics) to MMC for review and approval within 90 days following the completion of monitoring. It should be noted that if the PI is unable to submit the Draft Monitoring Report within the allotted 90-day timeframe resulting from delays with analysis, special study results or other complex issues, a schedule shall be submitted to MMC establishing agreed due dates and the provision for submittal of monthly status reports until this measure can be met.
    - a. For significant archaeological resources encountered during monitoring, the Archaeological Data Recovery Program shall be included in the Draft Monitoring Report.
    - b. Recording Sites with State of California Department of Parks and Recreation  
The PI shall be responsible for recording (on the appropriate State of California Department of Park and Recreation forms-DPR 523 A/B) any significant or potentially significant resources encountered during the Archaeological Monitoring Program in accordance with the City's Historical Resources Guidelines, and submittal of such forms to the South Coastal Information Center with the Final Monitoring Report.

2. MMC shall return the Draft Monitoring Report to the PI for revision or, for preparation of the Final Report.
  3. The PI shall submit revised Draft Monitoring Report to MMC for approval.
  4. MMC shall provide written verification to the PI of the approved report.
  5. MMC shall notify the RE or BI, as appropriate, of receipt of all Draft Monitoring Report submittals and approvals.
- B. Handling of Artifacts
1. The PI shall be responsible for ensuring that all cultural remains collected are cleaned and catalogued
  2. The PI shall be responsible for ensuring that all artifacts are analyzed to identify function and chronology as they relate to the history of the area; that faunal material is identified as to species; and that specialty studies are completed, as appropriate.
  3. The cost for curation is the responsibility of the property owner.
- C. Curation of artifacts: Accession Agreement and Acceptance Verification
1. The PI shall be responsible for ensuring that all artifacts associated with the survey, testing and/or data recovery for this project are permanently curated with an appropriate institution. This shall be completed in consultation with MMC and the Native American representative, as applicable.
  2. The PI shall include the Acceptance Verification from the curation institution in the Final Monitoring Report submitted to the RE or BI and MMC.
  3. When applicable to the situation, the PI shall include written verification from the Native American consultant/monitor indicating that Native American resources were treated in accordance with state law and/or applicable agreements. If the resources were reinterred, verification shall be provided to show what protective measures were taken to ensure no further disturbance occurs in accordance with Section IV – Discovery of Human Remains, Subsection 5.
- D. Final Monitoring Report(s)
1. The PI shall submit one copy of the approved Final Monitoring Report to the RE or BI as appropriate, and one copy to MMC (even if negative), within 90 days after notification from MMC that the draft report has been approved.
  2. The RE shall, in no case, issue the Notice of Completion and/or release of the Performance Bond for grading until receiving a copy of the approved Final Monitoring Report from MMC which includes the Acceptance Verification from the curation institution.

**EXHIBITS B AND C**

**DRAFT FINDINGS OF FACT AND STATEMENT OF OVERRIDING CONSIDERATIONS  
REGARDING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE  
PALM & HOLLISTER APARTMENTS PROJECT**

PRJ-0698277  
SCH No. 2022060468

August 2024

## TABLE OF CONTENTS

<b>SECTION 1.0: INTRODUCTION.....</b>	<b>1</b>
1.1. Findings of Fact and Statement of Overriding Considerations.....	1
1.2 Record of Proceedings .....	3
1.3 Custodian and Location of Records.....	4
<b>SECTION 2.0: PROJECT SUMMARY.....</b>	<b>4</b>
2.1 Project Location.....	4
2.2 Project Description .....	5
2.3 Discretionary Actions.....	7
<b>SECTION 3.0: ENVIRONMENTAL REVIEW AND PUBLIC PARTICIPATION .....</b>	<b>9</b>
<b>SECTION 4.0: SUMMARY OF IMPACTS.....</b>	<b>10</b>
<b>SECTION 5.0: FINDINGS REGARDING IMPACTS .....</b>	<b>11</b>
5.1 Findings Regarding Impacts that Can Be Mitigated to Below a Level of Significance..	11
5.2 Findings Regarding Impacts that Are Significant and Unavoidable .....	22
5.3 Findings Regarding Mitigation Measures which Are the Responsibility of Another Agency .....	23
5.4 Findings Regarding Project Alternatives .....	23
<b>SECTION 6.0: FINDINGS REGARDING OTHER CEQA CONSIDERATIONS.....</b>	<b>28</b>
<b>SECTION 7.0: FINDINGS REGARDING RESPONSES TO COMMENTS AND FINAL EIR REVISIONS .....</b>	<b>31</b>
<b>SECTION 8.0: STATEMENT OF OVERRIDING CONSIDERATIONS.....</b>	<b>31</b>
8.1 Considerations .....	32
8.2 Conclusions.....	33

## **1.0 INTRODUCTION**

### **1.1 Findings of Fact and Statement of Overriding Considerations**

The California Environmental Quality Act (CEQA) (Pub. Res. Code §21000 et seq.), and the State CEQA Guidelines (Guidelines) (14 Cal. Code Regs. § 15000 et seq.) require that the environmental impacts of a proposed project be examined before a project is approved. In addition, once significant impacts have been identified, CEQA and the Guidelines require that certain findings be made before project approval. It is the exclusive discretion of the decision maker certifying the Environmental Impact Report (EIR) to determine the adequacy of the proposed candidate findings. Specifically, regarding findings, Guidelines Section 15091 provides:

- (a) No public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant environmental effects of the project unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding. The possible findings are:
  - 1. Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.
  - 2. Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
  - 3. Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the Final EIR.
- (b) The findings required by subdivision (a) shall be supported by substantial evidence in the record.
- (c) The finding in subdivision (a)(2) shall not be made if the agency making the finding has concurrent jurisdiction with another agency to deal with identified feasible mitigation measures or alternatives. The finding in subdivision (a)(3) shall describe the specific reasons for rejecting identified mitigation measures and project alternatives.
- (d) When making the findings required in subdivision (a)(1), the agency shall also adopt a program for reporting on or monitoring the changes which it has either required in the project or made a condition of approval to avoid or substantially lessen significant environmental effects. These measures must be fully enforceable through permit conditions, agreements, or other measures.

- (e) The public agency shall specify the location and custodian of the documents or other materials which constitute the record of the proceedings upon which its decision is based.
- (f) A statement made pursuant to Section 15093 does not substitute for the findings required by this section.

These requirements also exist in Section 21081 of the CEQA statute. The “changes or alterations” referred to in Section 15091(a)(1), above, that are required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effects of the project may include a wide variety of measures or actions as set forth in Guidelines Section 15370’s definition of mitigation, including:

- (a) Avoiding the impact altogether by not taking a certain action or parts of an action.
- (b) Minimizing impacts by limiting the degree or magnitude of the action and its implementation.
- (c) Rectifying the impact by repairing, rehabilitating, or restoring the impacted environment.
- (d) Reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action.
- (e) Compensating for the impact by replacing or providing substitute resources or environments.

Should significant and unavoidable impacts remain after changes or alterations are applied to the project, a Statement of Overriding Considerations (SOC) must be prepared. The statement provides the lead agency’s views on whether the benefits of a project outweigh its unavoidable adverse environmental effects. Regarding an SOC, Guidelines Section 15093 provides:

- (a) CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or state-wide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits, including region-wide or state-wide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered “acceptable.”
- (b) When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the Final EIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the Final EIR

and/or other information in the record. The statement of overriding considerations shall be supported by substantial evidence in the record.

- (c) If an agency makes a statement of overriding considerations, the statement should be included in the record of the project approval and should be mentioned in the notice of determination. This statement does not substitute for, and shall be in addition to, findings required pursuant to Section 15091.

Having received, reviewed, and considered the Final EIR for the Palm & Hollister Apartments project (project), Project No. PRJ-0698277/State Clearinghouse No. 2022060468, as well as all other information in the record of proceedings on this matter, the following Findings of Fact (Findings) are made, and an SOC is adopted by the City of San Diego (City) in its capacity as the CEQA Lead Agency. These Findings and SOC set forth the environmental basis for current and subsequent discretionary actions to be undertaken by the City and responsible agencies for the implementation of the project.

Furthermore, the Findings and SOC have been submitted by the City Development Services Department as Candidate Findings to be made by the decision-making body. They are attached to allow readers of this report an opportunity to review the applicant's position on this matter and to review potential reasons for approving the project despite the significant and unavoidable effects identified in the Final EIR. It is the exclusive discretion of the decision-maker certifying the EIR to determine the adequacy of the proposed Candidate Findings. It is the role of staff to independently evaluate the proposed the Candidate Findings, and to make a recommendation to the decision-maker regarding their legal adequacy.

## **1.2 Record of Proceedings**

For purposes of CEQA and these Findings and SOC, the Record of Proceedings for the project consists of the following documents and other evidence, at a minimum:

- The Notice of Preparation (NOP) and all other public notices issued by the City in conjunction with the project;
- All responses to the NOP received by the City;
- The Draft EIR;
- The Final EIR;
- All written comments submitted by agencies or members of the public during the public review comment period on the Draft EIR;
- All responses to the written comments included in the Final EIR;
- All written and oral public testimony presented during a noticed public hearing for the project at which such testimony was taken;
- The Mitigation Monitoring and Reporting Program;

- The reports and technical memoranda included or referenced in the Draft EIR, the Final EIR, and any responses to comments in the Final EIR;
- The revised and/or updated reports and technical memoranda included or referenced in the Final EIR;
- All documents, studies, EIRs, or other materials incorporated by reference in, or otherwise relied upon during the preparation of, the Draft EIR and the Final EIR;
- Matters of common knowledge to the City, including, but not limited to, Federal, State, and local laws and regulations;
- Any documents expressly cited in these Findings and SOC; and
- Any other relevant materials required to be in the record of proceedings by Public Resources Code Section 21167.6(e).

### **1.3 Custodian and Location of Records**

The documents and other materials that constitute the administrative record for the City's actions related to the project are located at the City, Development Services Department, 1222 First Avenue, San Diego, California 92101. The Development Services Department is the custodian of the administrative record for the project. Copies of these documents, which constitute the Record of Proceedings, are and at all relevant times have been and will be available upon request at the offices of the Development Services Department. This information is provided in compliance with Public Resources Code Section 21081.6(a)(2) and Guidelines Section 15091(e).

The Draft EIR was placed on the City Clerk's website at <https://www.sandiego.gov/ceqa.draft>; and the Final EIR was placed on DSD's website at <https://www.sandiego.gov/ceqa/final>. This information is provided in compliance with Public Resources Code Section 21081.6(a)(2) and State CEQA Guidelines Section 15091(e).

## **2.0 PROJECT SUMMARY**

### **2.1 Project Location**

The 5.92-acre Palm & Hollister Apartments project site is located within the Otay Mesa-Nestor community in the City of San Diego, San Diego County. The Otay Mesa-Nestor community is located in the southern portion of the City of San Diego, immediately east of Imperial Beach and south of Chula Vista. The project site is identified as within the Palm City Neighborhood of the Otay Mesa-Nestor community. The project site is situated north of the Palm Avenue Trolley Station, south of the Otay Valley Regional Park (OVRP), and east of Hollister Street. A nursery operates immediately north of the project site within the OVRP; and the Palm Avenue Trolley Station parking lot, mobile home park and Ocean View Christian Academy sports field are to the south of the project site. To the west lies the San Diego & Arizona Eastern (SD&AE) Railroad line and Hollister Street. Regional access to the



site is provided by Interstate 5 (I-5), approximately one mile west of the project site. Local access to the site is via Palm Avenue through the Palm Avenue Trolley Station Metropolitan Transit System (MTS) site.

The Palm & Hollister Apartments project site has been previously graded for prior agricultural use and is undeveloped, with the exception of a vacant residential structure, a garage, a canopy structure, and two storage containers. Landscaping is minimal, consisting of non-native plant species, and is mostly confined to the perimeter of the property. A water supply well is located in the northernmost portion of the project site. Elevations on the site range from 23 feet to 54 feet above mean seal level (AMSL). The project site has been and is currently partially used for staging by the MTS and some delivery services. A 10-foot-wide County of San Diego easement is located along the northern boundary of the project site. The purpose of this easement is to provide access to the OVRP. The site also includes San Diego Gas and Electric (SDG&E) easements and the site is partially located with the City's Multiple Species Conservation Program (MSCP) Multi-Habitat Planning Area (MHPA).

## **2.2 Project Description**

### **2.2.1 Statement of Objectives**

Pursuant to Guidelines Section 15124(b) and as described in Section 3.1.2 of the Final EIR, the project has the following objectives:

1. Assist the City in meeting State and local housing goals by providing rental housing stock and contributing to a diverse range of housing opportunities and affordabilities.
2. Provide affordable housing on-site in a location proximate to employment and institutional uses, multi-modal transit, and regional transportation amenities, thereby reducing reliance on the personal automobile to go about daily life.
3. Maximize site utilization by providing medium-high density residential uses that contribute to meeting the dual housing affordability/availability needs of the City.
4. Create a coherent and cohesive site design for the project; with low-rise buildings to provide a transition between existing and planned development to the south and the Otay Valley Regional Park to the north.
5. Provide for redevelopment of an underutilized site within an urbanizing area, where public facilities and amenities are readily available.

6. Increase recreational opportunities for residents by providing a public trail at the southwest corner of the project site, connecting off-site to the future public trail system within the OVRP.

### **2.2.2 Project Components**

The project proposes 198 residential units in 13 buildings. The project includes eight affordable housing units, to be distributed throughout the project, which would be provided at 30 percent to 60 percent Average Median Income. Residential units for the project would be provided in one-bedroom, two-bedroom, and three-bedroom configurations. All units would have private outdoor space in the form of balconies or patios. Buildings would be one, two, and three levels with tuck-under garages and one-level units over carports.

Common space amenities would be provided in the western and central portions of the project site. The project would include a separate stand-alone building for residential amenities in the western portion of the project site and would feature fitness center, co-working spaces, and the leasing office. Exterior amenities adjacent to the proposed amenity building would include a pool, spa, fire pit, and patio/bar-b-que areas. An additional resident amenity area would be provided in the central portion of the project site, incorporated as an open courtyard in the center of the largest building. This resident amenity would feature a bar-b-que pavilion, fire table, turf area incorporating a nature playground, game courts, and sofa seating areas. A pedestrian landscaped walkway along the top of the northern slope would provide a continuous connection from the residential buildings to the project amenity areas. In total, 20,967 square feet of common open space would be provided. The proposed landscape plan includes the use of low water use plant materials and meets all current codes and requirements. Landscaping would include a mix of trees, shrubs, and accent planting. Additionally, the project proposes a nine-foot pedestrian easement to the west of the project site to allow for an additional access point to the OVRP as well as the project site. The project also includes removal and/or modifications to the SDG&E easements that would require approval through the California Public Utilities Commission.

The project would provide a total of 262 parking spaces, where none are required by SDMC Section 142.0525. The parking spaces would be provided in garages (100 spaces), carports (48 spaces), and surface parking (114 spaces). Ten percent, or 27 of the parking spaces provided, would be electric vehicle parking spaces. The project would also provide 48 bicycle parking spaces and 50 percent of the required 46 bicycle parking spaces, or 23 spaces, would be supplied with individual outlets for electric charging of e-bikes.

The project proposes retaining walls on the west, north, and east perimeters of the development area for a total length of 1,870 feet. Specifically, the project proposes 1,360 feet of plantable mechanically stabilized earth (MSE) retaining wall and 510 feet of concrete block (CMU) wall. The MSE

retaining wall would start at the western side of Building A and would have a maximum height of 18 feet. A CMU wall would be located on the south side of Building B with a maximum height of five feet.

Security and safety fencing would be provided throughout the project. Specifically, a 42-inch tubular steel fence along would be placed west and north of the sidewalk around the pool and recreation area at the leasing office (Building A); and a 42-inch-tall tubular steel fence would be placed atop plantable retaining walls along the northern property line and slope, north of Building C and Building B. On the eastern perimeter of the project site, the project proposes a similar 42-inch-tall tubular steel fencing atop plantable retaining wall.

Access to the project site is proposed from the south through property owned by the MTS. An existing access easement has been established with MTS to allow for vehicular and pedestrian access to and from Palm Avenue through the Palm Avenue Trolley Station parking lot to the project entrance. Bicycle access to the Palm Avenue Trolley Station and Palm Avenue would also be provided within the access easement along the drive aisle through MTS property. The project would provide access improvements to the drive aisle within the MTS easement. These include upgrading the existing curb return where the drive aisle and Palm Avenue meet to comply with Americans with Disabilities Act (ADA) requirements, replacing curb ramps, restriping portions the drive aisle, and addition of a six-inch curb along a portion of the eastern side of the drive aisle. The easement would also allow for utility connections and project signage, as well as the addition of landscaping along the eastern border of the drive aisle.

Pedestrian access would also be provided within the MTS easement. The project would provide a five-foot-wide concrete sidewalk parallel to the project site and project property line within a nine-foot-wide pedestrian access easement that would tie into the existing MTS sidewalk. The MTS sidewalk runs through the MTS property and connects to existing sidewalks on Palm Avenue. Within the access easement drive aisle, the project would provide a five-foot-wide running track that runs from the project site property line along a portion of the eastern side of the drive aisle through the MTS parcel.

The project also includes grading, landscaping, and drainage facilities within the 10-foot-wide County easement, located along the project site's north property boundary, as well as with the off-site access easement through the MTS property. Landscaping in County easement area would include low fuel native plant materials. Improvements within the easement would be coordinated with the County to ensure suitability. Landscaping in the off-site access easement through the MTS property would include adding trees and shrubs.

### **2.3 Discretionary Actions**

For the Palm & Hollister Apartments project, the following discretionary actions are being requested.

### **2.3.1 Community Plan Amendment**

An amendment to the Otay Mesa-Nestor Community Plan to change the existing land use from Open Space, Mixed Use, and Residential Low Density [5-<10 dwelling units per acre (du/ac)], Mixed-Use, and Open Space to Residential Medium-High Density (20 - 35 du/ac) to allow for increased residential density adjacent to transit. Additionally, the Community Plan Amendment includes modifications to Appendix C, *View Corridors and View and Access Points*, of the Community Plan to include the removal of View and Access Points A and B.

### **2.3.2 Rezone**

The project requires a rezone to the Residential Multiple (RM-2-6 zone) in order to provide 198 residential units on the 5.92-acre project site. The RM-2-6 zone permits a maximum density of one dwelling unit for each 1,250 square feet of lot area, which would permit up to a maximum density of 34.85 du/ac and would support up to 206 dwelling units on the proposed project site.

### **2.3.3 Vesting Tentative Map**

The project includes a Vesting Tentative Map.

### **2.3.4 Site Development Permit**

A Site Development Permit (SDP) is required to allow for the development of the project within Environmentally Sensitive Land (ESL). ESL regulations specify development requirements inside and outside of the Multi-Habitat Planning Area (MHPA) and floodplains. The northern portion of the project site is mapped within the MHPA and a floodplain.

### **2.3.5 Neighborhood Development Permit**

A Neighborhood Development Permit (NDP) is required for development that deviates from the regulations in the underlying zones. The project includes deviations for retaining wall height, setbacks, and structure height as described below.

Municipal Code Section 142.0340(d)(1)

- Two retaining walls with a maximum height of six feet each are permitted in the required side and rear yard if the two retaining walls are separated by a minimum horizontal distance equal to the height of the upper wall. The project includes a deviation from the Municipal Code for the proposed single retaining wall up to 24.5 feet in height.

Municipal Code Section 131.0443(e)(1)(A)

- Up to 50 percent of the width of the building envelope may observe the minimum 15-foot front setback, provided the remaining percentage of the building envelope width observes the standard 20-foot setback. This may occur on a floor-by-floor basis. The project proposes a deviation to allow for 100 percent of the building envelope to observe the minimum 15-foot front setback.

Municipal Code Section 131.0443(e)(2)(A)

- The minimum side setback is five feet or 10 percent of the premises width, whichever is greater. The project includes a deviation for the proposed building encroachment into the required side setback where 7.9 feet is proposed.

Municipal Code Section Table 131-04G

- Maximum structure height is 40 feet. The project proposes a maximum structure height of 59 feet, six inches (from the existing grade structure height).

### **2.3.6 MHPA Boundary Line Adjustment**

Pursuant to Sections 143.0142 and 131.0250(b) of the Land Development Code and pages 13-15 of the City's Biology Guidelines, an MHPA boundary line adjustment (BLA) is required as a part of the project. The BLA would remove 2.2 acres of disturbed land from the MHPA on-site and add 2.48 acres of higher quality coastal sage scrub habitat via the off-site 9.92-acre Najor Parcel (APN 366-031-12) located in the East Elliott community. More specifically, the Najor Parcel is located in the MHPA and is currently 75 percent preserved. The project would preserve the remaining 25 percent (2.48 acres) by dedicating the entire 9.92-acre parcel in fee title to the City. The City would manage and maintain this parcel as a part of the Mission Trails Regional Park.

### **2.3.7 Utility Easements**

The project includes removal of and/or modifications to SDG&E easements that would require approval through the California Public Utilities Commission.

## **3.0 ENVIRONMENTAL REVIEW AND PUBLIC PARTICIPATION**

The City conducted an environmental review under CEQA (California Public Resources Code Sections 21000, et seq.) and the Guidelines promulgated thereunder in the California Code of Regulations, Title 14. Further, the City as the lead agency shall be primarily responsible for carrying out the project. In compliance with Section 15082 of the State CEQA Guidelines, the City published a Notice of Preparation on June 22, 2022, which began a 30-day period for comments on the appropriate scope of the EIR. Consistent with CEQA Section 21083.9, the City held a virtual public agency scoping meeting, allowing

the public to provide comments from June 22, 2022, through July 22, 2022. The purpose of this meeting was to seek input from the public regarding the environmental effects that may potentially result from the project. Various agencies and other interested parties responded to the NOP. The NOP, comment letters, and transcript of comments made during the scoping meeting are included as Appendix A of the Final EIR.

The City prepared and published a Draft EIR, which was circulated for a 45-day public review and comment period beginning on March 26, 2024, in compliance with CEQA. Pursuant to State CEQA Guidelines Section 15085, upon publication of the Draft EIR, the City filed a Notice of Completion with the Governor's Office of Planning and Research, State Clearinghouse, indicating that the Draft EIR had been completed and was available for review and comment by the public. The City also posted a Notice of Availability of the Draft EIR at this time pursuant to State CEQA Guidelines Section 15087.

During the public review period, the City received comments on the environmental document. After the close of public review period on May 9, 2024, the City provided responses in writing to all comments received on the Draft EIR. The Final EIR and the response to comments for the project was published on August 12, 2024. The Final EIR has been prepared in accordance with CEQA and the State CEQA Guidelines.

#### **4.0 SUMMARY OF IMPACTS**

Impacts associated with specific environmental issues resulting from approval of the project and future implementation are discussed below.

The Final EIR concludes that the project will have no impacts with respect to the following issues:

- Agricultural Resources and Forestry
- Mineral Resources
- Paleontological Resources

The Final EIR concludes that the project will have a less than significant impact and requires no mitigation measures with respect to the following issues:

- Land Use
- Transportation/Circulation
- Biological Resources
- Energy
- Geologic Conditions
- Greenhouse Gas Emissions
- Health and Safety
- Hydrology
- Noise
- Population and Housing
- Public Services and Facilities
- Public Utilities
- Visual Effects and Neighborhood Character
- Water Quality
- Wildfire

The Final EIR concludes the project will potentially have a **significant impact but mitigated to below a level of significance** with respect to the following issue areas:

- Air Quality (DPM Emissions)
- Historical Resources
- Tribal Cultural Resources

The Final EIR concludes the project will potentially have a **significant unmitigated impact** and no feasible mitigation measures are available to reduce impacts to below a level of significance for the following issue area:

- Air Quality (DPM Emissions under CPA and Rezone)

## **5.0 FINDINGS REGARDING SIGNIFICANT IMPACTS**

In making each of the findings below, the City has considered the plans, programs, and policies discussed in the Final EIR. The plans, programs, and policies discussed in the Final EIR are existing regulatory plans and programs the project is subject to, and, likewise, are explicitly made conditions of the project's approval.

### **5.1 Findings Regarding Impacts that will be Mitigated to Below a Level of Significance [CEQA § 21081(a)(1) and CEQA Guidelines § 15091(a)(1)]**

The City, having independently reviewed and considered the information contained in the Final EIR and the Record of Proceedings pursuant to Public Resource Code § 21081(a)(1) and State CEQA Guidelines § 15091(a)(1), adopts the following findings regarding the significant effects of the project, as follows:

Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant effects on the environment as identified in the Final EIR (PRJ-0698277/ SCH No. 2022060468) as described below.

#### **5.1.1 Air Quality – Direct and Cumulative Impact: Construction**

##### **5.1.1.1 Potentially Significant Effect**

The Health Risk Assessment prepared for the project evaluated potential risk to sensitive receivers located proximate to the project site, including the La Paloma apartments and a single-family home southwest of the site, students/children at Ocean View School, as well as future residents, employees and daycare children at the MTS Palm Avenue Trolley Station project. The noncancer chronic and

acute risks due to the construction of the project are below the SDAPCD CEQA thresholds. The cancer risk, however, exceeds the SDAPCD CEQA thresholds, which is considered a significant impact. Refer to Final EIR Sections 5.3.3 and 6.3.3; and Appendix E for additional details.

#### **5.1.1.2 Facts in Support of Finding**

SDAPCD Rule 1200 (Toxic Air Contaminants – New Source Review) adopted on June 12, 1996, requires evaluation of potential health risks for any new, relocated, or modified emission unit that may increase emissions of one or more toxic air contaminants. The rule requires projects that propose to increase cancer risk to between one- and 10-in-one-million implement toxics best available control technology (T-BACT) or impose the most effective emission limitation, emission control device or control technique to reduce the cancer risk. At no time shall the project increase the incremental cancer risk to over 10-in-one-million or a health hazard index (chronic and acute HI) greater than one. Projects creating cancer risks less than one-in-one-million are not required to implement T-BACT technology.

As shown in Table 5.3-13, *Screening HRA Risk Impacts from Construction DPM*, of the Final EIR, construction activities associated with the project contribute diesel emissions, which result in exceeding the 30-year cancer risk threshold. If construction of the MTS Palm Avenue Trolley Station project were to occur during the time the project is under construction, cumulatively significant impacts to sensitive receptors could occur (EIR Section 6.3.3). Reducing diesel exhaust emissions from all construction equipment greater than 100 horse power, as well as employing other measures to reduce diesel particulate matter, such as reduction in the number and/or horsepower rating of construction equipment, limiting the number of daily construction haul truck trips to and from the proposed project using cleaner vehicle fuel, and/or limiting the number of individual construction project components occurring simultaneously, is required to ensure that health risk impacts from construction do not exceed significance levels.

#### **Mitigation Measures:**

**Mitigation Measure AQ-1:** Prior to the Notice to Proceed (NTP) for any construction permits, including but not limited to, the first Grading Permit, Demolition Plans/Permits and Building Plans/Permits, the Development Services Department (DSD) Director's Environmental Designee shall verify the construction plans include a note requiring the Owner/Permittee reduce diesel exhaust emissions from all construction equipment greater than 100 hp with use of Tier 4 Final equipment, including equipment with an installed diesel particulate filter (DPF). Construction equipment greater than 100 hp that is certified less than Tier 4 Final may only be used if unavailable from vendors, in which case equipment with DPFs installed shall be used whenever possible and other measures shall be employed to reduce DPM emissions to achieve a below 10 in one million cancer risk from



construction DPM to the satisfaction of the Mitigation Monitoring Coordinator. Such additional measures may include, but would not be limited to, reduction in the number and/or horsepower rating of construction equipment and use of construction haul trucks that utilize cleaner vehicle fuel (generates less DPM).

### **5.1.2.3 Finding**

With implementation of MM-AQ-1, potentially significant direct and cumulative impacts due to diesel particulate emissions during construction will be reduced to below a level of significance for the proposed development project subject to the SDP and NDP. This is demonstrated in Final EIR Table 5.3-14, *Screening HRA Risk Impacts from Construction DPM with Mitigation*, which shows the project would result in a less than 10 in one million risk at all sensitive receptors with the implementation of MM-AQ-1.

**Reference:** Final EIR § 5.3, Air Quality; Final EIR § 6.3.3; and Appendix E.

## **5.1.2 Historical Resources**

### **5.1.2.1 Potentially Significant Effect**

While there are no known significant archaeological resources on the site or off-site impact area, there is potential for buried significant cultural resources that would meet the significance criteria in Section 15064.5 of the State CEQA Guidelines. Refer to Final EIR Section 5.9.3, and Final EIR Appendix M for additional details.

### **5.1.2.2 Facts in Support of Finding**

The records search conducted for the project identified 38 previously recorded cultural resources within the one-mile search radius. None of these resources intersect the project area. However, due to the presence of cultural resources in the area of the project site, the possibility remains that intact cultural deposits may exist subsurface of the project site and could be encountered during grading and excavation activities, including trenching for utility connections in the off-site easement owned by MTS. Impacts to historical resources (archaeology) would be potentially significant (EIR Section 5.9.3 and EIR Appendix M).

**Mitigation Measures:**

**MM-HIS-1**

**ARCHAEOLOGICAL RESOURCES**

**I. Prior to Permit Issuance**

- A. Entitlements Plan Check
  - 1. Prior to issuance of any construction permits, including but not limited to, the first Grading Permit, Demolition Plans/Permits and Building Plans/Permits or a Notice to Proceed for Subdivisions, but prior to the first preconstruction meeting, whichever is applicable, the Assistant Deputy Director (ADD) Environmental designee shall verify that the requirements for Archaeological Monitoring and Native American monitoring have been noted on the applicable construction documents through the plan check process.
- B. Letters of Qualification have been submitted to ADD
  - 1. The applicant shall submit a letter of verification to Mitigation Monitoring Coordination (MMC) identifying the Principal Investigator (PI) for the project and the names of all persons involved in the archaeological monitoring program, as defined in the City of San Diego Historical Resources Guidelines (HRG). If applicable, individuals involved in the archaeological monitoring program must have completed the 40-hour HAZWOPER training with certification documentation.
  - 2. MMC will provide a letter to the applicant confirming the qualifications of the PI and all persons involved in the archaeological monitoring of the project meet the qualifications established in the HRG.
  - 3. Prior to the start of work, the applicant must obtain written approval from MMC for any personnel changes associated with the monitoring program.

**II. Prior to Start of Construction**

- A. Verification of Records Search
  - 1. The PI shall provide verification to MMC that a site-specific records search (1/4 mile radius) has been completed. Verification includes, but is not limited to a copy of a confirmation letter from South Coastal Information Center, or, if the search was in-house, a letter of verification from the PI stating that the search was completed.
  - 2. The letter shall introduce any pertinent information concerning expectations and probabilities of discovery during trenching and/or grading activities.
  - 3. The PI may submit a detailed letter to MMC requesting a reduction to the ¼ mile radius.
- B. PI Shall Attend Precon Meetings
  - 1. Prior to beginning any work that requires monitoring; the Applicant shall arrange a Precon Meeting that shall include the PI, Native American

consultant/monitor (where Native American resources may be impacted), Construction Manager (CM) and/or Grading Contractor, Resident Engineer (RE), Building Inspector (BI), if appropriate, and MMC. The qualified Archaeologist and Native American Monitor shall attend any grading/excavation related Precon Meetings to make comments and/or suggestions concerning the Archaeological Monitoring program with the Construction Manager and/or Grading Contractor.

- a. If the PI is unable to attend the Precon Meeting, the Applicant shall schedule a focused Precon Meeting with MMC, the PI, RE, CM or BI, if appropriate, prior to the start of any work that requires monitoring.
2. Identify Areas to be Monitored
  - a. Prior to the start of any work that requires monitoring, the PI shall submit an Archaeological Monitoring Exhibit (AME) (with verification that the AME has been reviewed and approved by the Native American consultant/monitor when Native American resources may be impacted) based on the appropriate construction documents (reduced to 11x17) to MMC identifying the areas to be monitored including the delineation of grading/excavation limits.
  - b. The AME shall be based on the results of a site-specific records search as well as information regarding existing known soil conditions (native or formation).
3. When Monitoring Will Occur
  - a. Prior to the start of any work, the PI shall also submit a construction schedule to MMC through the RE indicating when and where monitoring will occur.
  - b. The PI may submit a detailed letter to MMC prior to the start of work or during construction requesting a modification to the monitoring program. This request shall be based on relevant information such as review of final construction documents which indicate site conditions such as depth of excavation and/or site graded to bedrock, etc., which may reduce or increase the potential for resources to be present.

### **III. During Construction**

- A. Monitor(s) Shall be Present During Grading/Excavation/Trenching
  1. The Archaeological Monitor shall be present full-time during all soil disturbing and grading/excavation/trenching activities which could result in impacts to archaeological resources as identified on the AME. The Construction Manager is responsible for notifying the RE, PI, and MMC of changes to any construction activities such as in the case of a potential safety concern within the area being monitored. In certain circumstances OSHA safety requirements may necessitate modification of the AME.

2. The Native American consultant/monitor shall determine the extent of their presence during soil disturbing and grading/excavation/trenching activities based on the AME and provide that information to the PI and MMC. If prehistoric resources are encountered during the Native American consultant/monitor's absence, work shall stop and the Discovery Notification Process detailed in Section III.B-C and IV.A-D shall commence.
  3. The PI may submit a detailed letter to MMC during construction requesting a modification to the monitoring program when a field condition such as modern disturbance post-dating the previous grading/trenching activities, presence of fossil formations, or when native soils are encountered that may reduce or increase the potential for resources to be present.
  4. The archaeological and Native American consultant/monitor shall document field activity via the Consultant Site Visit Record (CSV). The CSV's shall be faxed by the CM to the RE the first day of monitoring, the last day of monitoring, monthly (Notification of Monitoring Completion), and in the case of ANY discoveries. The RE shall forward copies to MMC.
- B. Discovery Notification Process
1. In the event of a discovery, the Archaeological Monitor shall direct the contractor to temporarily divert all soil disturbing activities, including but not limited to digging, trenching, excavating or grading activities in the area of discovery and in the area reasonably suspected to overlay adjacent resources and immediately notify the RE or BI, as appropriate.
  2. The Monitor shall immediately notify the PI (unless Monitor is the PI) of the discovery.
  3. The PI shall immediately notify MMC by phone of the discovery, and shall also submit written documentation to MMC within 24 hours by fax or email with photos of the resource in context, if possible.
  4. No soil shall be exported off-site until a determination can be made regarding the significance of the resource specifically if Native American resources are encountered.
- C. Determination of Significance
1. The PI and Native American consultant/monitor, where Native American resources are discovered shall evaluate the significance of the resource. If Human Remains are involved, follow protocol in Section IV below.
    - a. The PI shall immediately notify MMC by phone to discuss significance determination and shall also submit a letter to MMC indicating whether additional mitigation is required.
    - b. If the resource is significant, the PI shall submit an Archaeological Data Recovery Program (ADRP) which has been reviewed by the Native American consultant/monitor, and obtain written approval from MMC. Impacts to

significant resources must be mitigated before ground disturbing activities in the area of discovery will be allowed to resume. Note: If a unique archaeological site is also an historical resource as defined in CEQA, then the limits on the amount(s) that a project applicant may be required to pay to cover mitigation costs as indicated in CEQA Section 21083.2 shall not apply.

- c. If the resource is not significant, the PI shall submit a letter to MMC indicating that artifacts will be collected, curated, and documented in the Final Monitoring Report. The letter shall also indicate that that no further work is required.

#### **IV. Discovery of Human Remains**

If human remains are discovered, work shall halt in that area and no soil shall be exported off-site until a determination can be made regarding the provenance of the human remains; and the following procedures as set forth in CEQA Section 15064.5(e), the California Public Resources Code (Sec. 5097.98) and State Health and Safety Code (Sec. 7050.5) shall be undertaken:

##### **A. Notification**

1. Archaeological Monitor shall notify the RE or BI as appropriate, MMC, and the PI, if the Monitor is not qualified as a PI. MMC will notify the appropriate Senior Planner in the Environmental Analysis Section (EAS) of the Development Services Department to assist with the discovery notification process.
2. The PI shall notify the Medical Examiner after consultation with the RE, either in person or via telephone.

##### **B. Isolate discovery site**

1. Work shall be directed away from the location of the discovery and any nearby area reasonably suspected to overlay adjacent human remains until a determination can be made by the Medical Examiner in consultation with the PI concerning the provenance of the remains.
2. The Medical Examiner, in consultation with the PI, will determine the need for a field examination to determine the provenance.
3. If a field examination is not warranted, the Medical Examiner will determine with input from the PI, if the remains are or are most likely to be of Native American origin.

##### **C. If Human Remains ARE determined to be Native American**

1. The Medical Examiner will notify the Native American Heritage Commission (NAHC) within 24 hours. By law, ONLY the Medical Examiner can make this call.
2. NAHC will immediately identify the person or persons determined to be the Most Likely Descendent (MLD) and provide contact information.
3. The MLD will contact the PI within 24 hours or sooner after the Medical Examiner has completed coordination, to begin the consultation process in

accordance with CEQA Section 15064.5(e), the California Public Resources and Health & Safety Codes.

4. The MLD will have 48 hours to make recommendations to the property owner or representative, for the treatment or disposition with proper dignity, of the human remains and associated grave goods.
5. Disposition of Native American Human Remains will be determined between the MLD and the PI, and, if:
  - a. The NAHC is unable to identify the MLD, OR the MLD failed to make a recommendation within 48 hours after being granted access to the site, OR;
  - b. The landowner or authorized representative rejects the recommendation of the MLD and mediation in accordance with PRC 5097.94 (k) by the NAHC fails to provide measures acceptable to the landowner, the landowner shall reinter the human remains and items associated with Native American human remains with appropriate dignity on the property in a location not subject to further and future subsurface disturbance, THEN
  - c. To protect these sites, the landowner shall do one or more of the following:
    - (1) Record the site with the NAHC;
    - (2) Record an open space or conservation easement; or
    - (3) Record a document with the County. The document shall be titled "Notice of Reinternment of Native American Remains" and shall include a legal description of the property, the name of the property owner, and the owner's acknowledged signature, in addition to any other information required by PRC 5097.98. The document shall be indexed as a notice under the name of the owner.

#### **V. Night and/or Weekend Work**

- A. If night and/or weekend work is included in the contract
  1. When night and/or weekend work is included in the contract package, the extent and timing shall be presented and discussed at the precon meeting.
  2. The following procedures shall be followed.
    - a. No Discoveries  
In the event that no discoveries were encountered during night and/or weekend work, the PI shall record the information on the CSV and submit to MMC via fax by 8AM of the next business day.
    - b. Discoveries  
All discoveries shall be processed and documented using the existing procedures detailed in Sections III - During Construction, and IV - Discovery of Human Remains. Discovery of human remains shall always be treated as a significant discovery.
    - c. Potentially Significant Discoveries

If the PI determines that a potentially significant discovery has been made, the procedures detailed under Section III - During Construction and IV- Discovery of Human Remains shall be followed.

- d. The PI shall immediately contact MMC, or by 8AM of the next business day to report and discuss the findings as indicated in Section III-B, unless other specific arrangements have been made.
- B. If night and/or weekend work becomes necessary during the course of construction
  1. The Construction Manager shall notify the RE, or BI, as appropriate, a minimum of 24 hours before the work is to begin.
  2. The RE, or BI, as appropriate, shall notify MMC immediately.
- C. All other procedures described above shall apply, as appropriate.

## **VI. Post Construction**

- A. Preparation and Submittal of Draft Monitoring Report
  1. The PI shall submit two copies of the Draft Monitoring Report (even if negative), prepared in accordance with the Historical Resources Guidelines (Appendix C/D) which describes the results, analysis, and conclusions of all phases of the Archaeological Monitoring Program (with appropriate graphics) to MMC for review and approval within 90 days following the completion of monitoring. It should be noted that if the PI is unable to submit the Draft Monitoring Report within the allotted 90-day timeframe resulting from delays with analysis, special study results or other complex issues, a schedule shall be submitted to MMC establishing agreed due dates and the provision for submittal of monthly status reports until this measure can be met.
    - a. For significant archaeological resources encountered during monitoring, the Archaeological Data Recovery Program shall be included in the Draft Monitoring Report.
    - b. Recording Sites with State of California Department of Parks and Recreation  
The PI shall be responsible for recording (on the appropriate State of California Department of Park and Recreation forms-DPR 523 A/B) any significant or potentially significant resources encountered during the Archaeological Monitoring Program in accordance with the City's Historical Resources Guidelines, and submittal of such forms to the South Coastal Information Center with the Final Monitoring Report.
  2. MMC shall return the Draft Monitoring Report to the PI for revision or, for preparation of the Final Report.
  3. The PI shall submit revised Draft Monitoring Report to MMC for approval.
  4. MMC shall provide written verification to the PI of the approved report.
  5. MMC shall notify the RE or BI, as appropriate, of receipt of all Draft Monitoring Report submittals and approvals.

- B. Handling of Artifacts
  - 1. The PI shall be responsible for ensuring that all cultural remains collected are cleaned and catalogued
  - 2. The PI shall be responsible for ensuring that all artifacts are analyzed to identify function and chronology as they relate to the history of the area; that faunal material is identified as to species; and that specialty studies are completed, as appropriate.
  - 3. The cost for curation is the responsibility of the property owner.
- C. Curation of artifacts: Accession Agreement and Acceptance Verification
  - 1. The PI shall be responsible for ensuring that all artifacts associated with the survey, testing and/or data recovery for this project are permanently curated with an appropriate institution. This shall be completed in consultation with MMC and the Native American representative, as applicable.
  - 2. The PI shall include the Acceptance Verification from the curation institution in the Final Monitoring Report submitted to the RE or BI and MMC.
  - 3. When applicable to the situation, the PI shall include written verification from the Native American consultant/monitor indicating that Native American resources were treated in accordance with state law and/or applicable agreements. If the resources were reinterred, verification shall be provided to show what protective measures were taken to ensure no further disturbance occurs in accordance with Section IV – Discovery of Human Remains, Subsection 5.
- D. Final Monitoring Report(s)
  - 1. The PI shall submit one copy of the approved Final Monitoring Report to the RE or BI as appropriate, and one copy to MMC (even if negative), within 90 days after notification from MMC that the draft report has been approved.
  - 2. The RE shall, in no case, issue the Notice of Completion and/or release of the Performance Bond for grading until receiving a copy of the approved Final Monitoring Report from MMC which includes the Acceptance Verification from the curation institution.

### **5.1.2.3 Finding**

With the implementation of MM-HIS-1, impacts to historical resources would be reduced to below a level of significance. The mitigation monitoring program would ensure impacts are reduced through monitoring conducted by a qualified archaeologist and Native American monitor for ground disturbing activities during the project construction phase. If a resource is found, grading activities would be limited to allow for proper recovery and review by qualified archaeologists and Native American monitor. Any significant resources found would be curated at a qualified institution or repatriated as applicable per the measure, and associated information preserved. Implementation of



this monitoring program would ensure that the development of the Palm & Hollister Apartment project would mitigate direct project impacts to cultural resources to below a level of significance.

**Reference:** Final EIR § 5.9 and Final EIR Appendix M.

### **5.1.3 Tribal Cultural Resources**

#### **5.1.3.1 Potentially Significant Effect**

The project area is located within an area identified as sensitive on the City of San Diego Historical Resources Sensitivity Maps. In addition, the Kumeyaay tribes are affiliated traditionally and culturally with the project area. The project area has the possibility for potential tribal cultural resources (in the form of unknown subsurface archaeological resources). Therefore, there is the potential for inadvertent discovery of a resource that could be impacted by project grading activities. Impacts to tribal cultural resources would potentially significant. Refer to Final EIR Section 5.15.3, and Final EIR Appendix M for additional details.

#### **5.1.3.2 Facts in Support of Finding**

The cultural resources survey conducted for the Palm & Hollister project by ASM was negative for historical resources. No artifacts or other cultural features were observed during the survey, except for the previously assessed buildings that were not included in the present study. The possibility remains that intact subsurface cultural deposits may exist within the proposed project site considering the sensitivity rating of the area and that cultural resources have been identified in the area of the project site (Final EIR Section 5.15.3; Final EIR Appendix M). Proposed grading would potentially disturb or destroy such subsurface resources. Impacts to tribal cultural resources would be potentially significant. Construction monitoring by a qualified archaeologist and Native American monitor would be required for ground disturbing activities during the project construction phase.

#### **Mitigation Measures:**

MM-HIS-1 listed above in 5.1.2.2 requires a monitoring program and would be implemented to mitigate this impact.

#### **5.1.3.3 Finding**

With implementation of MM-HIS-1, impacts to tribal cultural resources would be reduced to below a level of significance through monitoring conducted by a qualified archaeologist and Native American monitor for ground disturbing activities during the project construction phase. If a resource is found, grading activities would be limited to allow for proper recovery and review by qualified archaeologists

and Native American monitor. Any significant resources found would be curated at a qualified institution or repatriated as applicable per the measure, and associated information preserved.

**Reference:** Final EIR § 5.15 and Final EIR Appendix M.

## **5.2 Findings Regarding Mitigation Measures that Are Significant and Unavoidable [CEQA § 21081(a)(3) and CEQA Guidelines § 15091(a)(3)]**

The City, having reviewed and considered the information contained in the Final EIR and the Record of Proceedings and pursuant to Public Resource Code §21081(a)(3) and State CEQA Guidelines §15091(a)(3), makes the following findings regarding air quality impacts associated with sensitive receptors:

*Specific economic, legal, social, technological, or other considerations, including considerations of the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the Final EIR (Project No. 658548/SCH No. 2021040374) as described below.*

"Feasible" is defined in Section 15364 of the CEQA Guidelines to mean *capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors*. The CEQA statute (Section 21081) and Guidelines (Section 15019(a)(3)) also provide that "other" considerations may form the basis for a finding of infeasibility. Case law makes clear that a mitigation measure or alternative can be deemed infeasible on the basis of its failure to meet project objectives or on related public policy grounds. This finding is appropriate with respect to the project because there are no feasible mitigation measures available that would reduce the identified impacts to below a level of significance.

### **5.2.1 Air Quality**

#### **5.2.1.1 Potentially Significant and Unavoidable Impact**

A future ministerial project allowed under the proposed CPA and Rezone would expose sensitive receptors to DPM pollutant concentrations associated with ministerial project construction. Direct and cumulative impacts from construction-related DPM emissions from a future ministerial project that could construct up to 26 units at the site would be significant. Refer to Final EIR Sections 5.3.3 and 6.3.3; and Appendix E for additional details.

### **5.2.1.2 Facts in Support of Finding**

Cancer risk thresholds are exceeded at three nearby sensitive receptor locations, and DPM emissions associated with project construction would need to be reduced by approximately 85 percent to avoid the significant impact. As discussed under Findings Section 5.1.1.2 above, MM-AQ-1 would reduce the proposed development project impacts to less than significant. However, MM-AQ-1 is not feasible, if a project proceeds ministerially under the proposed CPA and Rezone, as no CEQA review would be required and there would be no mechanism in the City's control to reduce construction-related DPM emissions.

The project includes a CPA and Rezone that would allow for the site to be developed in the future with up to 206 residential units ministerially. Should the proposed development project not proceed and if future development were to occur ministerially in accordance with the RM-2-6 zone and without a discretionary action and, therefore, CEQA review, an air quality analysis would not be required. There is also no mechanism to condition a CPA and Rezone. Thus, there would be no feasible mechanism to require MM-AQ-1 to reduce cancer risk impacts due to DPM emissions from construction activities to below a level of significance.

### **5.3.1.2 Finding**

As there would be no mechanism to require future ministerial development projects on the site to implement mitigation to reduce the potentially significant air quality impact. The impact would remain significant and unavoidable.

**Reference:** Final EIR § 5.3.3, Final EIR § 6.3.3 and Final EIR Appendix E.

## **5.3 Findings Regarding Mitigation Measures Which are the Responsibility of Another Agency (CEQA § 21081(a)(2)) and CEQA Guidelines § 15091(a)(2))**

The City, having reviewed and considered the information contained in the Final EIR and the Record of Proceedings, finds pursuant to CEQA §21081(a)(2) and CEQA Guidelines §15091(a)(2) that there are no changes or alterations that could reduce significant impacts that are within the responsibility and jurisdiction of another public agency.

## **5.4 Findings Regarding Alternatives (CEQA § 21081(a)(3) and CEQA Guidelines § 15091(a)(3))**

Because the project has the potential to cause one or more significant environmental effects, the City must make findings with respect to the alternatives to the project considered in the Final EIR, evaluating whether these alternatives could feasibly avoid or substantially lessen the project's

significant environmental effects while achieving most of its objectives (listed in Section 2.3, above, and Section 3.1.2 of the Final EIR).

The City, having reviewed and considered the information contained in the Final EIR and the Record of Proceedings, and pursuant to Public Resource Code § 21081(a)(3) and State CEQA Guidelines §15091(a)(3), makes the following findings with respect to the alternatives identified in the Final EIR (PRJ-0698277/ SCH No. 2022060468):

*Specific economic, legal, social, technological, or other considerations, including considerations of the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the Final EIR (PRJ-0698277/ SCH No. 2022060468) as described below.*

“Feasible” is defined in Section 15364 of the CEQA Guidelines to mean *capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors*. The CEQA statute (Section 21081) and Guidelines (Section 15019(a)(3)) also provide that “other” considerations may form the basis for a finding of infeasibility. Case law makes clear that a mitigation measure or alternative can be deemed infeasible on the basis of its failure to meet project objectives or on related public policy grounds. This finding is appropriate with respect to the project because there are no feasible mitigation measures available that would reduce the identified impacts to below a level of significance.

#### **5.4.1 Alternative 1 – No Project/No Build**

CEQA Guidelines Section 15126.6(e) requires that an EIR evaluate a “no project” alternative, along with its impacts. The purpose of describing and analyzing a no project alternative is to allow a lead agency to compare the impacts of approving the project to the impacts of not approving it. Specifically, Section 15126.6(e)(3)(B) requires that an EIR for a development project on an identifiable property address the no project alternative as circumstances under which the project does not proceed. In other words, the No Project/No Build alternative assumes that the project site would not be developed with the project.

Under the *No Project/No Build* alternative, the project would not be implemented on the site. The existing vacant structure and out buildings would not be demolished; and the site would be left as it exists today. No redevelopment of the site to include residential buildings, amenities, associated landscaping, and other improvements would occur.

#### 5.4.1.1 Potentially Significant Effects

When compared to the project, the *No Project/No Build* alternative would eliminate the potential for impacts to air quality, historical resources (archaeology) and tribal cultural resources associated with the project, as no grading or construction would occur. The *No Project/No Build* alternative would not expose sensitive receptors to substantial pollutant concentrations and no mitigation would be required. The *No Project/No Build* alternative would also avoid environmental effects associated with transportation and circulation, geologic conditions, GHG, health and safety, water quality, hydrology, energy, noise, biological resources, population and housing, wildfire, and visual effects and neighborhood character. There would also be less impacts to public services and public utilities, as well as no impacts to schools, libraries, and recreation, as no residential development would occur.

#### 5.4.1.2 Finding and Supporting Facts

**Finding:** The *No Project/No Build* alternative is rejected because it fails to satisfy the project's underlying purpose and basic project objectives. Social considerations, including matters of public policy and housing needs, make this alternative infeasible. The City finds that these grounds are independently sufficient to support rejection of this alternative.

**Rationale:** Under the *No Project/No Build* alternative, no new development would be implemented on the site. The existing vacant structure and out buildings would not be demolished; and the site would be left as it exists today. No redevelopment would occur.

The *No Project/No Build* would not satisfy the purpose of the project to create a transit-oriented residential development adjacent to an existing trolley line that would provide market rate and affordable housing units to help the City meet its housing goals and to accommodate the transit-oriented vision for the Palm City in the Otay Mesa-Nestor Community Plan. Furthermore, the *No Project/No Build* alternative would not meet any of the project objectives. This alternative would not provide additional market rate and affordable housing to serve the urgent needs of the City and would not assist the City in State and local housing goals by providing rental housing stock and contributing to a diverse range of housing opportunities and affordabilities. Market rate and affordable housing would not be constructed at a location proximate to employment and institutional uses, multi-modal transit, and regional transportation amenities. As such, the *No Project/No Build* alternative would not aid in reducing reliance on the personal automobile to go about daily life and would not assist the City in attaining its sustainability goals and reducing greenhouse gas emissions. The *No Project/No Build* alternative would not feasibly accomplish the basic objectives of the project. Social considerations, including matters of public policy and housing needs, make this alternative infeasible.

**Reference:** Final EIR § 10.6.2.

#### **5.4.2 Alternative 2 - No Project/Build under Existing Land Use Designation and Zoning**

CEQA Guidelines Section 15126.6(e)(3) states: *when the project is the revision of an existing land use or regulatory plan, policy or ongoing operation, the "no project" alternative will be the continuation of the existing plan, policy or operation into the future.* Therefore, Alternative 2 consists of the *No Project/Build Under Existing Land Use Designation and Zoning* alternative.

The project site is designated as Mixed Use, Low Density Residential, and Open Space in the Otay Mesa-Nestor Community Plan (see Figure 2-6, Otay Mesa-Nestor Community Plan Land Use Map). The site is also zoned AR-1-2, RM-1-1 and RS-1-7 (see Figure 2-7, Existing Zoning). The RM-1-1 zone allows for residential development of up to one dwelling unit per a minimum lot size of 3,000 square feet (14.52 du/ac). The RS-1-7 zone allows for residential development of one dwelling unit per minimum 5,000 square foot lot (8.71 du/ac). The AR-1-2 zone allows for one dwelling unit per a minimum one-acre lot (one du/ac). Development within the AR-1-2 zone would occur as three custom home sites; the 12 units that would occur in the RM-1-1 zone would be attached rental units; and 17 lots that could occur in the RS-1-7 zone would be detached homes on approximately 5,000 square foot lots; similar to a typical urban subdivision. Although the Mixed-Use land use category allows commercial uses, due to the very low development potential that could occur under this alternative and the project site's location a distance from a public street, this alternative assumes no commercial space. Additionally, for the Open Space area (approximately 2.92 acres), this alternative assumes no development would occur, as the Community Plan does not identify any use of the Open Space designated areas of the Community, other than specific recommendations for the OVRP area to the north and the off-site Salt Ponds.

##### **5.4.2.1 Potentially Significant Effects**

The *No Project/Build Under Existing Land Use Designation and Zoning* alternative would result in a maximum of 32 units, composed of three custom home sites, 12 multi-family units, and 17 single family lots; and approximately 2.92 acres of open space. Overall, when compared to the project, the *No Project/Build Under Existing Land Use Designation and Zoning* alternative would result in less environmental effects. This alternative would result in an 84 percent reduction from the maximum of 206 units of the proposed project, to 32 units. This alternative would also result in a 45 percent reduction of the graded area from 5.50 acres to 3.00 acres, which would reduce associated construction-related emissions. As indicated in the EIR Section 5.3.3, an 85 percent reduction is needed to reduce cancer impacts to below the significance threshold. The *No Project/Build Under Existing Land Use Designation and Zoning* alternative would not achieve the 85 percent reduction required to avoid the cancer risk impact. This *No Project/Build Under Existing Land Use Designation and Zoning* alternative would expose sensitive receptors to pollutant concentrations that exceed the 10 in a million cancer risk threshold. The project's direct and cumulative impact to air quality (sensitive receptors) would not be avoided by this alternative and mitigation would be required. The significant

not mitigated CPA and Rezone direct and cumulative air quality (sensitive receptors) impact related to future ministerial projects would be significant under both the proposed project and this alternative.

The *No Project/Build Under Existing Land Use Designation and Zoning* alternative would reduce environmental effects associated with GHG, energy, and noise, as less construction and traffic would occur. Under this alternative, impacts to historical resources (archaeology) and tribal cultural resources would remain significant, and mitigation would be required.

**Finding:** The *No Project/Build Under Existing Land Use Designation and Zoning* alternative would result in reduced exposure of sensitive receptors to pollutant concentrations, as well as reduced potential for impacts to historic (archaeology) and tribal cultural resources due to the reduced footprint. This alternative would contribute 84 percent less units than the project and would not meet the project's Objective 3 to maximize site efficiency by providing medium-high density residential uses at the site that contribute to meeting the dual housing affordability/availability needs of the City, and would also satisfy Objective 5 to a substantially lesser extent since development would not be maximized. Social and housing need considerations, including matters of public policy, render this alternative infeasible. Therefore, the City rejects this alternative and finds that any of these grounds are independently sufficient to support rejection of this alternative.

**Rationale:**

The *No Project/Build Under Existing Land Use Designation and Zoning* alternative would meet five of the six project objectives, though to a lesser extent than the project. Specifically, this alternative would meet Objective 1 and Objective 2 by providing needed housing in a range of affordability levels near regional transportation amenities (Palm Avenue Trolley Station). However, this alternative would contribute 32 units while the proposed project would develop 198 units, and allow up to 206 units (84 percent more units than this alternative). As such, this alternative would not meet the project's Objective 3 to maximize site efficiency by providing medium-high density residential uses at the site that contribute to meeting the dual housing affordability/availability needs of the City. This alternative could be designed similarly to the project utilizing architecture and design elements and would, therefore, meet project Objective 4 by creating a coherent and cohesive site design. This alternative would also meet project Objective 5 by providing infill redevelopment on an underutilized site, though to a lesser extent considering it would not utilize the site to the degree of the proposed project. Lastly, the *No Project/Build Under Existing Land Use Designation and Zoning* alternative would meet Objective 6, as it would provide the trail connections from the site to the existing trail system. This alternative would meet the basic project objectives; however, it would meet the project objectives to a substantially lesser extent than the proposed project considering it would include 84 percent fewer residential units.

The goals of the General Plan Land Use Element include increasing the City's supply of land designated for various residential densities and ensuring diverse and balanced neighborhoods and

communities with housing available for households of all income levels. The General Plan's Housing Element has policies that aim to provide a variety of housing types and sizes with varying levels of affordability in residential and village developments (HE-I.1 and HE-I.2). The unit mix also accommodates the needs of a variety of potential residents, as they can select a unit that meets their size and budgetary needs (LU-H.1, LU-H.2). Although this alternative would provide new housing that relies on and supports transit use (HE-O.2), as stated above, it would not do so at a substantially reduced level when compared with the project considering it would provide 84 percent fewer units.

The Housing Element identifies a total remaining capacity of approximately 873 housing units for the Otay Mesa-Nestor community, with 66 of those identified as lower-income (City of San Diego 2020). While the project site was not identified as a potential site for housing, the project would contribute 198 units to the 108,036 units allocated to the City under the County's Regional Housing Needs Assessment (RHNA) for the 2021-2029 Housing Element period. While the City is planning for additional housing to meet the need and targeted to permit more than 88,000 new housing units between 2010 – 2020, less than half of those units were constructed (42,275) as of December 2019 (City of San Diego 2020). Considering this, as public policy, the City aims to maximize the number of new residential units due to the ongoing housing crisis. This alternative would not maximize the number of units and would not fulfill City policy to the extent of the proposed project.

The housing vision of the Otay Mesa-Nestor Community Plan includes "multifamily units, rehabilitated unique older units in the Palm City and Nestor areas, mobile homes, and senior housing in mixed-use transit-oriented developments near the trolley stations." The site is uniquely located in the Palm City area along the trolley corridor. This Palm City area is also stated as "an ideal location for pedestrian-oriented developments incorporating commercial, residential and civic uses." The Community Plan further states a main strategy should be to "[d]evelop the Palm Avenue transit center site, including the Park-and-Ride lot and, if possible, other adjoining parcels, as the cornerstone of the Palm City neighborhood center." The site is an adjoining parcel to the Palm Avenue transit center. While the *No Project/Build under Existing Land Use Designation and Zoning* alternative would include 32 units with one affordable unit, it would be substantially less than the project's 198 units with eight affordable units. The *No Project/Build under Existing Land Use Designation and Zoning* alternative would not meet the Otay Mesa-Nestor Community Plan vision and strategies to the extent of the proposed project.

As indicated above, the City is in a housing crisis and needs additionally housing supply. Considering the City's Housing Element and 2022 Climate Action Plan, the City policy is to locate additional housing within transit priority areas to the extent possible in order to reduce vehicle miles travelled and associated emissions. The greater increase in housing within these areas would result in greater reductions in vehicle miles travelled. Thus, although the *No Project/Build under Existing Land Use Designation and Zoning* alternative would increase the number of residential units within a transit priority area, the proposed project would further increase the number of residential units within a



transit priority area and promote the City's goals of providing housing and reducing greenhouse gas emissions to a greater extent.

The reduction in the proposed number of units renders the *No Project/Build under Existing Land Use Designation and Zoning* alternative infeasible based on social considerations and City's housing needs.

**Reference:** Final EIR § 10.6.2.

## **6.0 FINDINGS REGARDING OTHER CEQA CONSIDERATIONS**

### **6.1 Growth Inducement**

#### **6.1.1 Short-term Growth Inducing Effects**

During construction activities associated with the project, demand for various construction trade skills and labor would increase. However, it is anticipated that this demand would be met by the local labor force and would not require the importation of a substantial number of workers, which could cause an increased demand for temporary or permanent housing in this area. Further, construction of the project would be short-term and temporary. It would not lead to an increase in employment on-site that would stimulate the need for additional housing or services. Therefore, no associated substantial short-term growth-inducing effects would result.

#### **6.1.2 Long-term Growth Inducing Effects**

The project site is designated as Open Space, Mixed-Use, and Low-Density Residential in the Otay Mesa-Nestor Community Plan. The project site is zoned RM-1-1, RS-1-7, and AR-1-2. The project would require a Community Plan Amendment and a Rezone to allow for the proposed residential development on-site. The proposed rezone would allow up to 206 units. The project proposes the construction of 198 multi-family dwelling units in 13 buildings with amenities.

Based on SANDAG's 2050 Regional Growth Forecast rate for the Otay Mesa Community for the year 2035, the population rate coefficient is 3.81 persons per household. Thus, the 198-unit development would introduce an estimated 754 people to the site. The full buildout of the site per the rezone would include 206 units and would introduce an estimated 784 people to the site. As discussed in Section 5.12, *Population and Housing*, the project would help accommodate the existing and planned population and population growth anticipated in the City and would aid the existing housing shortage by providing market-rate and affordable rental units. The proposed project would not directly induce substantial growth through the development of residential land uses.

The City of San Diego is experiencing a housing shortage as discussed in the City of San Diego General Plan Housing Element 2021-2029. The City's The City of San Diego's portion of the County's

RHNA target for the 2021-2029 Housing Element period is 108,036 homes (City of San Diego 2020). While the City is planning for additional housing to meet the need and targeted to permit more than 88,000 new housing units between 2010 – 2020, less than half of those units were constructed (42,275) as of December 2019 (City of San Diego 2020). The project's proposed construction of 198 units is anticipated to help accommodate the existing and planned population and population growth anticipated in the City and help with the existing housing shortage. Therefore, the project would not directly induce substantial unplanned population growth in the area.

The project would not induce extensions of roads or other infrastructure. The project site is surrounded by residential and commercial development to the east, south and west that is served by existing public services and utility infrastructure. The proposed project would connect to existing utilities and include improvements that only service the project. No new major infrastructure facilities are required to accommodate the proposed project. The project would not remove an obstacle to growth or expand public services and facilities to accommodate additional economic or population growth beyond that proposed for the site. Roadways already exist to serve the project and no improvements would be needed as a result of the project. Additionally, the project site would be fully served by public services and would not introduce any public services that are currently an obstacle to growth.

The project would not result in a substantial alteration to the planned location, distribution, density, or growth rate of the Otay Mesa-Nestor community, adjacent communities, or the City as a whole. The project would not result in significant impacts associated with growth inducement.

## **6.2 Significant Irreversible Environmental Changes that Will Be Caused by the Project**

As required by Section 15126.2(c) of the California Environmental Quality Act (CEQA) Guidelines, the significant irreversible environmental changes of a project shall be identified. Irreversible commitments of non-renewable resources are evaluated to assure that their use is justified. Irreversible environmental changes typically fall into three categories: primary impacts, such as the use of nonrenewable resources; secondary impacts, such as highway improvements that provide access to previously inaccessible areas; and environmental accidents associated with a project. Section 15126.2(d) of the CEQA Guidelines states that irretrievable commitments of resources should be evaluated to ensure that the current consumption of resources is justified.

### **6.2.1 Impacts Related to Nonrenewable Resources**

Development would occur as a result of the project, which would entail the commitment of energy and natural resources. The primary energy sources would be electricity, natural gas, and fossil fuels. The use of electricity, natural gas, and fossil fuels represents an irreversible commitment of these resources. Construction of the project would also require the use of various raw materials, including

cement, concrete, lumber, steel, etc. These resources would also be irreversibly committed. Once constructed, the operation of the project would entail a further commitment of energy resources in the form of fossil fuels and electricity. This commitment would be a long-term obligation since the project would result in the development of structures that are likely to have a useful life of 20 to 30 years or more.

The project would increase demand for energy in the project area and SDG&E's service area. However, no adverse effects on non-renewable resources are anticipated. The project would follow Uniform Building Code (UBC) and Title 24 requirements for energy efficiency and would incorporate sustainable design features directed at reducing energy consumption. The impact of increased energy usage would not result in a significant adverse environmental impact.

Additionally, the project would be consistent with the City's Climate Action Plan (CAP) (2022) by complying with the CAP Consistency Regulations. Specifically, the project would comply with the *Mobility and Land Use Regulations* of the CAP Consistency Regulations by providing at least 50 percent of all required bicycle parking spaces with individual outlets for charging electric bikes. The project would not be subject to other *Mobility and Land Use Regulations*, including those requiring pedestrian enhancements on property abutting a public right-of-way and publicly accessible pedestrian amenities, because the project site does not abut a public street. Additionally, the project would comply with the *Resilient Infrastructure and Healthy Ecosystems Regulations* by providing two trees for every 5,000 square feet of lot area. The project lot area is approximately 5.92 acres (approximately 257,875 square feet) in size and would require the planting of 103 trees per the CAP Consistency Regulations. The project's *Landscape Development Plan* (see Figure 3-4) provides for planting 187 trees, which would exceed the CAP Consistency Regulations by providing 84 trees more than required.

### **6.2.2 Other Environmental Changes**

Implementation of the project would not result in significant irreversible impacts on agricultural, mineral resources, and paleontological resources. The project site is currently accessible via regional transportation facilities and local roadways. The immediate vicinity is a mostly developed, urbanized area of the City with a transit parking lot to the east, a mobile home park, and school sports fields to the south, and single-family residential across Palm Avenue to the south and commercial uses to the west beyond Hollister Street. No new freeways or roadways are proposed that would provide access to currently inaccessible areas. Therefore, the implementation of the project would not result in a significant irreversible commitment with regard to unplanned land use.

## **7.0 FINDINGS REGARDING RESPONSES TO LETTERS OF COMMENTS AND FINAL EIR REVISIONS**

The Final EIR includes the comments received on the Draft EIR and responses to those comments. The focus of the responses to comments is on the disposition of significant environmental issues that are raised in the comments, as specified by CEQA Guidelines section 15088(c).

**Finding/Rationale:** Responses to comments made on the Draft EIR and revisions in the Final EIR merely clarify and amplify the analysis presented in the Draft EIR, and do not trigger the need to recirculate per CEQA Guidelines section 15088.5(b).

## **8.0 STATEMENT OF OVERRIDING CONSIDERATIONS**

Pursuant to Section 21081(b) of CEQA and Sections 15093 and 15043(b) of the State CEQA Guidelines, the City is required to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or state-wide benefits, of a proposed project against its unavoidable significant environmental impacts when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered acceptable pursuant to Public Resources Code Section 21081.

Pursuant to Public Resources Code Section 21081(b) and the State CEQA Guidelines Section 15093, the City has balanced the benefits of the project against potential unavoidable significant impacts to Air Quality (DPM Emissions – Full. Buildout of Zone) associated with the project and has examined alternatives to the project that could avoid these significant impacts and has rejected them as infeasible, finding that none of them would fully meet the basic project objectives.

Each of the separate benefits of the project, as stated herein, is determined to be, unto itself and independent of the other project benefits, a basis for overriding all potential unavoidable significant environmental impacts identified in these findings. Any one of the reasons set forth below is sufficient to justify approval of the project. Substantial evidence supports the various benefits and such evidence can be found whether in the preceding section, which are by reference in this section, the Final EIR, or in documents that comprise the Records of Proceedings in this matter.

Having considered the entire administrative record on the project, and (i) made a reasonable and good faith effort to eliminate or substantially mitigate the impacts resulting from the project, adopting all feasible mitigation measures; (ii) examined a reasonable range of alternatives to the project and, based on this examination, determined that all those alternatives are either environmentally inferior, fail to meet the basic project objectives, or are not feasible, and therefore should be rejected; (iii) recognized all significant, unavoidable impacts; and (iv) balanced the benefits of the project against the project's significant and unavoidable effects, the City hereby finds that the following economic, legal, social, technological, or other benefits, including region-wide benefits, of the project outweigh the potential unavoidable adverse environmental impacts and render those

potential adverse environmental impacts acceptable based upon the following considerations, set forth below.

## **8.1 Considerations**

### **8.1.2 Provide Much Needed Housing**

The Palm & Hollister Apartments project will add 198 residential units, including eight affordable housing units that will be provided at 30 percent to 60 percent Average Median Income. Developing the existing project site as a transit-oriented residential development will serve the growing needs of the Otay Mesa-Nestor community and the City of San Diego by meeting critical housing needs and supporting current and future employment centers.

### **8.1.2 Increase Recreational Opportunities**

The project will provide a public trail at the southwest corner of the project site connecting off-site to the future public trail system within the Otay Valley Regional Park. Future development of the region park is planned to include paying fields, picnic areas, hiking, biking, and horse trails, and areas for protection of open space, wildlife, historic, agricultural, and archaeological resources. Development of the project will increase access to recreational opportunities for residents and the public.

### **8.1.3 Contributes to Community Character**

The project contributes to the emerging character of the Otay Mesa-Nestor neighborhood of the Uptown community through redevelopment of an underutilized site with architectural elements, enhanced landscaping, and design components that further contribute to the emerging character of this neighborhood. Project design includes low-rise buildings to provide a transition between existing and planned development and the Otay Valley Regional Park to the north.

### **8.1.4 Provide Housing Proximate to Transit**

The project will provide affordable housing adjacent to the Blue Line Palm Avenue Trolley Station. The project would also provide housing near employment and institutional uses, multi-modal transit, and regional transportation amenities. This would assist in reducing reliance on the personal automobile to go about daily life.

### **8.1.6 Implements the City's Climate Action Plan**

The City's CAP is a proactive step toward addressing and reducing the City's GHG emissions. The CAP provides a road map for the City to collaborate with communities in assessing vulnerability to future

climate change, developing overarching adaptation strategies and implementing measures to enhance resilience. Compliance with the CAP is determined via the CAP Consistency Regulations which ensure that the specified emissions targets identified in the CPA are achieved, and land use. The project will comply with the *Mobility and Land Use Regulations* of the CAP Consistency Regulations by providing at least 50 percent of all required bicycle parking spaces with individual outlets for charging EV bikes. The project would not be subject to other *Mobility and Land Use Regulations*, including those requiring pedestrian enhancements on property abutting a public right-of way and public accessible pedestrian amenities, because the project site does not abut a public street. Additionally, the project would comply with the *Resilient Infrastructure and Healthy Ecosystems Regulations* by providing two trees for every 5,000 square feet of lot area. The project lot area is approximately 5.92 acres (approximately 257,875 square feet) in size and would require the planting of 103 trees per the CAP Consistency Regulations. The project's *Landscape Development Plan* provides for planting 187 trees, which would exceed the CAP Consistency Regulations by providing 84 trees more than required.

## **8.2 CONCLUSION**

For the foregoing reasons, the City Council finds in accordance with Public Resources Code 21081(b) and 21085.5 and CEQA Guidelines 15093 and 15043, that the project's adverse, unavoidable environmental impacts are outweighed by the noted benefits, any of which individually would be sufficient to reach the conclusion that overriding findings justify the significant, unmitigated effects that were found. Therefore, the City Council has adopted this SOC.

**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: 24009082

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SITE DEVELOPMENT PERMIT NO. PMT-2587528  
NEIGHBORHOOD DEVELOPMENT PERMIT NO. PMT-3288228  
MULTI-HABITAT PLANNING AREA BOUNDARY LINE ADJUSTMENT  
**PALM & HOLLISTER APARTMENTS - PROJECT NO. PRJ-0698277**  
[MMRP]  
CITY OF SAN DIEGO CITY COUNCIL

This Site Development Permit No. PMT-2587528 and Neighborhood Development Permit No. PMT-3288228 is granted by the City Council of the City of San Diego to, D.I.M.E. Hollister, LLC, a California Limited Liability Company, Owner, and Palm Hollister, LLC, a California Limited Liability Company, Permittee, pursuant to San Diego Municipal Code [SDMC] sections 126.0505 and 126.0404. The 5.92-acre site is located at 555 Hollister Street within the Otay Mesa-Nestor Community Plan in the RM-2-6 zone, Airport Land Use Compatibility Overlay Zone, and the Transit Priority Area. The project site is legally described as: the north quarter of the west half of the southwest quarter and the north five acres of the east half of the southwest quarter of Section 22, Township 18 South, Range 2 West, San Bernadino Meridian, in the City of San Diego, County of San Diego, State of California.

Subject to the terms and conditions set forth in this Permit, permission is granted to Owner/Permittee to demolish a residential structure and construct 198 multiple dwelling units (including eight affordable units) in 13 buildings described and identified by size, dimension, quantity, type, and location on the approved exhibits [Exhibit "A"] dated [INSERT Approval Date], on file in the Development Services Department.

The project shall include:

- a. The demolition of an existing unoccupied residential structure, garage, canopy structure, and two storage containers for the construction of 198 multiple dwelling units, including eight affordable units, in 13 buildings;
- b. The following four deviations from the base zone development regulations:
  - 1. Municipal Code Section 142.0340(d)(1): Two retaining walls with a maximum height of six feet each are permitted in the required side and rear yard if the two retaining walls are separated by a minimum horizontal distance equal to the height of the upper wall.

The project includes a deviation from the Municipal Code for the proposed single retaining wall up to 24.5 feet in height.

2. Municipal Code Section 131.0443(e)(1)(A): Up to 50 percent of the width of the building envelope may observe the minimum 15-foot front setback, provided the remaining percentage of the building envelope width observes the standard 20-foot setback. This may occur on a floor-by-floor basis. The project proposes a deviation to allow for 100 percent of the building envelope to observe the minimum 15-foot front setback.
  3. Municipal Code Section 131.0443(e)(2)(A): The minimum side setback is five feet or 10% of the premises width (22 feet), whichever is greater. The project includes a deviation for the proposed building encroachment into the required side setback where 7.9 feet is proposed.
  4. Municipal Code Section Table 131-04G: Maximum structure height is 40 feet. The project proposes a maximum structure height of 59 feet, six inches (from the existing grade structure height). From the finished grade, maximum structure height is 40 feet.
- c. Multi Habitat Planning Area (MHPA) boundary line adjustment to remove 2.2 acres of disturbed land from the MHPA on-site and preserve higher quality habitat in the MHPA off-site on the 9.92-acre Najor Parcel (APN 366-031-12) located in the East Elliott preserve area in the City of San Diego.
  - d. Landscaping (planting, irrigation, and landscape-related improvements);
  - e. 262 parking spaces in garages (100 spaces), carports (48 spaces), and surface parking (114 spaces). Ten percent, or 27 of the parking spaces provided, would be electric vehicle parking spaces. The project would also provide 48 bicycle parking spaces and 50 percent of the 46 required bicycle parking spaces, or 23 spaces, would be supplied with individual outlets for electric charging of e-bikes; and
  - f. 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 **[ENTER DATE typically 3 years, including the appeal time]**.

1. 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.
2. 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.
3. 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.
4. The continued use of this Permit shall be subject to the regulations of this and any other applicable governmental agency.
5. 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.).
6. 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.
7. 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.
8. 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.
9. 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" condition(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.

10. 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.

11. In accordance with authorization granted to the City of San Diego from the United States Fish and Wildlife Service [USFWS] pursuant to Section 10(a) of the federal Endangered Species Act [ESA] and by the California Department of Fish and Wildlife [CDFW] pursuant to California Fish and Wildlife Code section 2835 as part of the Multiple Species Conservation Program [MSCP], the City of San Diego through the issuance of this Permit hereby confers upon Owner/Permittee the status of Third Party Beneficiary as provided for in Section 17 of the City of San Diego Implementing Agreement [IA], executed on July 16, 1997, and on file in the Office of the City Clerk as Document No. OO-18394. Third Party Beneficiary status is conferred upon Owner/Permittee by the City: (1) to grant Owner/Permittee the legal standing and legal right to utilize the take authorizations granted to the City pursuant to the MSCP within the context of those limitations imposed under this Permit and the IA, and (2) to assure Owner/Permittee that no existing mitigation obligation imposed by the City of San Diego pursuant to this Permit shall be altered in the future by the City of San Diego, USFWS, or CDFW, except in the limited circumstances described in Sections 9.6 and 9.7 of the IA. If mitigation lands are identified but not yet dedicated or preserved in perpetuity, maintenance and continued recognition of Third Party Beneficiary status by the City is contingent upon Owner/Permittee maintaining the biological values of any and all lands committed for mitigation pursuant to this Permit and of full satisfaction by Owner/Permittee of mitigation obligations required by this Permit, in accordance with Section 17.1D of the IA.

**ENVIRONMENTAL/MITIGATION REQUIREMENTS:**

12. Mitigation requirements in the Mitigation, Monitoring, and Reporting Program [MMRP] shall apply to this Permit. These MMRP conditions are hereby incorporated into this Permit by reference.

13. The mitigation measures specified in the MMRP and outlined in the ENVIRONMENTAL IMPACT REPORT NO. PRJ-0698277 shall be noted on the construction plans and specifications under the heading ENVIRONMENTAL MITIGATION REQUIREMENTS.

14. The Owner/Permittee shall comply with the MMRP as specified in ENVIRONMENTAL IMPACT REPORT NO. PRJ-0698277, to the satisfaction of the Development Services Department and the City Engineer. Prior to issuance of any construction permit, all conditions of the MMRP shall be adhered to, to the satisfaction of the City Engineer. All mitigation measures described in the MMRP shall be implemented for the following issue areas:

*Air Quality*

*Historical Resources*

*Tribal Cultural Resources*

**MULTIPLE SPECIES CONSERVATION PROGRAM REQUIREMENTS:**

15. Prior to recordation of the first final map and/or issuance of any grading or construction permits, the 9.92-acre Najor parcel (APN 366-031-12) shall be conveyed to the City's MSCP preserve through dedication in fee title to the City. Conveyance of any land in fee to the City shall require approval from the Park and Recreation Department Open Space Division Deputy Director and shall exclude detention basins or other stormwater control facilities, brush management areas, landscape/revegetation areas, and graded slopes.

**MHPA LAND USE ADJACENCY REQUIREMENTS:**

16. Prior to issuance of any construction permits, including but not limited to, the first Grading Permit, Demolition Plans/Permits and Building Plans/Permits, the owner/permittee shall depict the following requirements on the construction documents and plans for Project Site under the heading "Environmental Requirements"

- **Grading/Land Development/MHPA Boundaries** -Within or adjacent to the MHPA, all manufactured slopes associated with site development shall be included within the development footprint.
- **Drainage** - All staging and developed/paved areas must prevent the release of toxins, chemicals, petroleum products, exotic plant materials prior to release by incorporating the use of filtration devices, planted swales and/or planted detention/desiltation basins, or other approved temporary and permanent methods that are designed to minimize negative impacts, such as excessive water and toxins into the ecosystems of the MHPA.
- **Toxics/Project Staging Areas/Equipment Storage** - Projects that use chemicals or generate by-products such as pesticides, herbicides, and animal waste, and other substances that are potentially toxic or impactive to native habitats/flora/fauna (including water) shall incorporate measures to reduce impacts caused by the application and/or drainage of such materials into the MHPA. No trash, oil, parking, or other construction/development-related material/activities shall be allowed outside any approved construction limits. Provide a note in/on the CD's that states: "All construction related activity that may have potential for leakage or intrusion shall

be monitored by the Qualified Biologist/Owners Representative or Resident Engineer to ensure there is no impact to the MHPA.”

- **Lighting** -All lighting within or adjacent to the MHPA is directed away/shielded from the MHPA, or limited to the immediate area and is in compliance with City Outdoor Lighting Regulations per LDC Section 142.0740.
- **Barriers** -Existing fences/walls; and/or signage along the MHPA boundaries shall remain and or be added to direct public access to appropriate locations, reduce domestic animal predation, protect wildlife in the preserve, and provide adequate noise reduction where needed.
- **Invasives** - No invasive, non-native plant species shall be introduced into areas within or adjacent to the MHPA.
- **Brush Management** - Brush management zones will not be greater in size that is currently required by the City’s regulations (this includes use of approved alternative compliance). Within Zone 2 the amount of woody vegetation clearing shall not exceed 50 percent of the vegetation existing when the initial clearing is done. Vegetation clearing shall be done consistent with City standards and shall avoid/minimize impacts to covered species to the maximum extent possible. For all new development, regardless of the ownership, the brush management in the Zone 2 area will be the responsibility of a home-owner’s association or other private party.
- **Noise:** Uses in or adjacent to the MHPA should be designed to minimize noise impacts. Berms or walls should be constructed adjacent to commercial areas, recreational areas, and any other use that may introduce noises that could impact or interfere with wildlife utilization of the MHPA. Excessively noisy uses or activities adjacent to breeding areas must incorporate noise reduction measures and be curtailed during the breeding season of sensitive species. Adequate noise reduction measures should also be incorporated for the remainder of the year.

**AFFORDABLE HOUSING REQUIREMENTS:**

17. Prior to issuance of any building permit associated with this Project, the Owner/Permittee shall demonstrate compliance with the provisions of the Inclusionary Affordable Housing Regulations of San Diego Municipal Code Chapter 14, Article 2, Division 13, and the Inclusionary Housing Procedures Manual. The Owner/Permittee shall enter into a written Agreement with the San Diego Housing Commission which shall be drafted and approved by the San Diego Housing Commission, executed by the Owner/Permittee, and secured by a deed of trust which incorporates applicable affordability conditions consistent with the San Diego Municipal Code. The Agreement will specify that in exchange for the City’s approval of the Project, the Owner/Permittee shall provide eight (8) affordable units with rent of no more than 30% of 60% of AMI for no fewer than 55 years.

18. Prior to the issuance of any building permits, the Owner/Permittee shall enter into an affordable housing agreement with the San Diego Housing Commission to provide affordable housing units in compliance with the City's Inclusionary Affordable Housing Regulations (SDMC § 142.1301 et seq.).

**AIRPORT REQUIREMENTS:**

19. Prior to issuance of any building permits, the Owner/Permittee shall provide a valid "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration [FAA].

**ENVIRONMENTAL SERVICES REQUIREMENTS:**

20. The Owner/Permittee shall comply with the Waste Management Plan dated June 2022 prepared by KLR Planning and shall be enforced and implemented to the satisfaction of the Environmental Services Department.

**ENGINEERING REQUIREMENTS:**

21. The Site Development Permit and Neighborhood Development Permit shall comply with all Conditions for the Final Map per Vesting Tentative Map No. 2587526.

22. The Owner/Permittee shall provide a 9-foot Pedestrian Access Easement consistent with Exhibit "A", satisfactory to the City Engineer.

23. Prior to the issuance of any construction permits, the Owner/Permittee shall assure, by permit and bond, the construction of new City Standard curb ramps at the site access point on Palm Avenue satisfactory to the City Engineer.

24. Prior to the issuance of any construction permits, the applicant shall incorporate any construction Best Management Practices (BMP) necessary to comply with Chapter 14, Article 2, Division 1 (Grading Regulations) of the Municipal Code, into the construction plans or specifications.

25. Prior to the issuance of any construction permits, the applicant shall submit a Technical Report that will be subject to final review and approval by the City Engineer, based on the Storm Water Standards in effect at the time of the construction permit issuance.

26. Prior to the issuance of any construction permits, the applicant shall enter into a Maintenance Agreement for the ongoing permanent BMP maintenance, satisfactory to the City Engineer.

27. If the engineering analysis shows that the development will alter the floodway or floodplain boundaries of the Special Flood Hazard Area, the developer must submit a Conditional Letter of Map Revision to the City's Floodplain Manager prior to issuance of any grading, engineering, or building permits.

28. Prior to the issuance of a retaining wall permit, the Owner/Permittee shall provide the following proof of the retaining wall's long-term ability to withstand inundated conditions on a

dedicated sheet in the as-built plans that includes the following information (at a minimum): A certified statement of long-term stability. A statement of the periodic inspection frequency and maintenance efforts. The specific details are necessary to reflect that the retaining wall was designed to be in flood-prone / inundated conditions based on various long-term stability analyses (rapid drawdown, toe scour, etc.) performed. The specific details are necessary to ensure that the soil surrounding the retaining wall is properly reinforced, compacted, etc., to maintain its longevity in flood-prone / inundated conditions. A profile of the retaining wall showing the elevation at the top of the wall, the 100-year water surface elevation, the finish ground line elevation, and the bottom of the footing. The height of the retaining wall shall be at least two feet above the base flood elevation at all locations.

29. The project includes a private retaining wall along the northern project boundary ("Retaining Wall"), which shall be fully maintained by the permittee/property owner and any successor owners (collectively, "Owner") in perpetuity. In accordance with SDMC 142.0380, Owner agrees to conduct annual inspections of the Retaining Wall each September and perform all necessary maintenance to ensure the Retaining Wall's integrity, stability and performance. An inspection checklist shall be provided to the Owner by the Retaining Wall engineer to use when conducting inspections. The annual inspection results, along with a report documenting any maintenance performed shall be submitted to the City by October 31 each year. Owner shall also have the Retaining Wall inspected by a licensed structural engineer every three (3) years and shall submit to the City a signed report from the structural engineer documenting the condition of the Retaining Wall and certifying its integrity and stability. The report from the structural engineer shall be submitted every three (3) years, along with the Owner's annual inspection reports, by October 31. All documentation related to the inspection and maintenance of the Retaining Wall, including reports generated by the structural engineer, shall be retained by the Owner for twenty (20) years. Owner shall indemnify the City for any liability, claims, losses, damages or injuries resulting from the construction of, or failure to maintain, the Retaining Wall.

**FIRE REQUIREMENTS:**

30. Prior to the issuance of building permits, all units shall include fire alarm and automatic sprinkler systems to the satisfaction of the Fire Chief or designee.

**LANDSCAPE REQUIREMENTS:**

31. Prior to issuance of any engineering permits for grading, the Owner/Permittee shall submit complete construction documents for the revegetation and hydroseeding of all disturbed land in accordance with the City of San Diego Landscape Standards, Stormwater Design Manual, and to the satisfaction of the Development Services Department. All plans shall be in substantial conformance to this permit (including Environmental conditions) and Exhibit 'A,' on file in the Office of the Development Services Department.

32. Prior to issuance of any engineering permits for right-of-way improvements, the Owner/Permittee shall submit complete landscape construction documents for right-of-way improvements to the Development Services Department for approval. Improvement plans shall show, label, and dimension a 40 square-foot area around each tree which is unencumbered by

utilities. Driveways, utilities, drains, water and sewer laterals shall be designed so as not to prohibit the placement of street trees.

33.

34. Prior to issuance of any construction permits for structures, the Owner/Permittee shall submit complete landscape and irrigation construction documents consistent with the Landscape Standards to the Development Services Department for approval. The construction documents shall be in substantial conformance with Exhibit 'A,' Landscape Development Plan, on file in the Office of the Development Services Department. Construction plans shall provide a 40 sq-ft area around each tree that is unencumbered by hardscape and utilities unless otherwise approved per LDC section 142.0403(b)5. No plants that are highly flammable (see County of San Diego UNDESIRABLE PLANT LIST available at: <https://www.sandiegocounty.gov/content/dam/sdc/pds/docs/DPLU199.pdf>) shall be used within the landscaping.

35. The Owner/Permittee shall be responsible for the maintenance of all landscape improvements shown on the approved plans, including in the right-of-way, unless long-term maintenance of said landscaping shall be the responsibility of a Landscape Maintenance District or other approved entity. All required landscape shall be maintained in a disease, weed and litter free condition at all times consistent with the City of San Diego Landscape Regulations and Standards.

36. If any required landscape (including existing or new plantings, hardscape, landscape features, etc.) indicated on the approved construction document plans is damaged or removed during demolition or construction, the Owner/Permittee shall repair and/or replace in kind and equivalent size per the approved documents to the satisfaction of the Development Services Department within 30 days of damage or Certificate of Occupancy [Final Inspection for Single-Dwelling Unit development].

**PLANNING/DESIGN REQUIREMENTS:**

37. A topographical survey conforming to the provisions of the SDMC may be required if it is determined, during construction, that there may be a conflict between the building(s) under construction and a condition of this Permit or a regulation of the underlying zone. The cost of any such survey shall be borne by the Owner/Permittee.

38. Prior to the issuance of building permits, construction documents shall fully illustrate the incorporation of a roof-mounted photovoltaic system consisting of solar panels sufficient to generate at least 50 percent of the project's projected energy consumption, in accordance with Council Policy 900-14.

39. All signs associated with this development shall be consistent with sign criteria established by the approved City-wide sign regulations.

40. All private outdoor lighting shall be shaded and adjusted to fall on the same premises where such lights are located and in accordance with the applicable regulations in the SDMC.

41. Prior to the issuance of building permits, an interior noise analysis shall be completed by a qualified acoustician and provided to the City demonstrating consistency with the City of San Diego

General Plan Noise Compatibility Guidelines and CBC Section 1206.4 requirement of 45 dBA CNEL in residences. Any building specifications, such as window with above standard sound transmission ratings or closed windows, identified in that report that are required to achieve the interior 45 dBA standard shall be specified on the building plans prior to issuance of building permits.

**TRANSPORTATION REQUIREMENTS**

42. 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.
43. Prior to first occupancy, the Owner/Permittee shall provide and maintain Transportation Amenities for the project, to include the following, as shown on Exhibit "A":
- a. On-site Bicycle Repair Station - Install and properly maintain an on-site public bicycle repair station. The bicycle repair station must be located in a well-lit area, near the street frontage and must include, at a minimum, a bike pump, English and metric Allen wrenches, pedal wrench, headset wrench, tire levers, and screwdrivers.
  - b. Co-Working Space - Provide and maintain a co-working space within the project premises available for resident use. The co-working space shall be at least 500 square feet and shall provide private or semi-private office workspaces.
44. At the intersection of Palm Avenue/Hollister Street, prior to the issuance of any building permit, the Owner/Permittee shall assure by permit and bond the following:
- a. Installation of high visibility pedestrian crossing (marked continental crosswalks) at each leg of the intersection.
  - b. Installation of blank-out no right turn signs on the northbound and southbound approach of Hollister Street to be displayed during the Lead Pedestrian Interval (LPI) phase via a traffic signal modification plan.
  - c. Installation of a blank-out no left turn sign on the southbound approach of Hollister Street to be displayed during preemption limited service via a traffic signal modification plan.
  - d. Replace the existing vehicle and bicycle loop detectors in the eastbound and westbound approaches of Palm Avenue with new vehicle and bicycle loop detectors via a traffic signal modification plan per current City standards, satisfactory to the City Engineer. All improvements shall be completed and operational prior to first occupancy.
45. At the intersection of Palm Avenue/Harris Avenue-MTS Access, prior to the issuance of any building permit, the Owner/Permittee shall assure by permit and bond the following:
- a. Installation of a five-section signal head for the eastbound left turn movement to include a permissive left-turn movement during a flashing yellow arrow via a traffic signal modification plan.
  - b. Installation of high visibility pedestrian crossing (marked continental crosswalks) at all legs of the intersection, except the west leg where pedestrian crossing is prohibited.



- c. Replace the existing vehicle and bicycle inductive loop detectors in the eastbound and westbound approaches of Palm Avenue with new vehicle and bicycle loop detectors via a traffic signal modification plan per current City standards, satisfactory to the City Engineer. All improvements shall be completed and operational prior to first occupancy.

**PUBLIC UTILITIES DEPARTMENT REQUIREMENTS:**

- 46. All proposed private sewer facilities located within a single lot are to be designed to meet the requirements of the California Plumbing Code and will be reviewed as part of the building permit plan check.
- 47. Prior to the issuance of any building permits, the Owner/Permittee shall assure, by permit and bond, the design and construction of a new sewer service outside of any driveway or drive aisle and the abandonment of any existing unused sewer services within the public right-of-way adjacent to the project site, in a manner satisfactory to the Public Utilities Department and the City Engineer.
- 48. The Owner/Permittee shall be responsible for any damage caused to City of San Diego sewer facilities within the vicinity of the project site, due to the construction activities associated with this project, in accordance with Municipal Code section 142.0607. In the event that any such facility loses integrity then, the Owner/Permittee shall repair or reconstruct any damaged public sewer facility in a manner satisfactory to the Public Utilities Department and the City Engineer.
- 49. Prior to final inspection, all public sewer facilities shall be complete and operational in a manner satisfactory to the Public Utilities Department and the City Engineer.
- 50. Prior to the issuance of any building permits, the Owner/Permittee shall obtain an Encroachment Maintenance Removal Agreement, from the City Engineer, for the private sewer facilities encroaching into the Public right-of-way.
- 51. No trees or shrubs exceeding three feet in height at maturity shall be installed within ten feet of any sewer facilities.

**GEOLOGY REQUIREMENTS:**

- 52. Prior to the issuance of any construction permits (either grading or building), the Owner/Permittee shall submit a geotechnical investigation report or update letter prepared in accordance with the City's "Guidelines for Geotechnical Reports" that specifically addresses the proposed construction plans.
- 53. The geotechnical investigation report or update letter shall be reviewed for adequacy by the Geology Section of the Development Services Department prior to issuance of any construction permits. The Owner/Permittee shall submit an as-graded geotechnical report prepared in accordance with the City's "Guidelines for Geotechnical Reports" following completion of the grading. The as-graded geotechnical report shall be reviewed for adequacy by the Geology Section of the Development Services Department prior to exoneration of the bond and grading permit close-out.

**PARK & RECREATION REQUIREMENTS:**

54. The Owner/Permittee shall ensure that no project brush management is located on the adjacent Otay Valley Regional Park (OVRP) open space.

55. The Owner/Permittee shall ensure native plant material is planted within the existing 10' public access easement and keystone retaining wall adjacent to the Otay Valley Regional Park (OVRP) open space.

**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 City Council of the City of San Diego on [INSERT Approval Date] and [Approved Resolution Number].

**ATTACHMENT 4**

Site Development Permit No. PMT-2587528  
Neighborhood Development Permit No. PMT-3288228  
Date of Approval: XXXX

AUTHENTICATED BY THE CITY OF SAN DIEGO DEVELOPMENT SERVICES DEPARTMENT

\_\_\_\_\_  
Oscar Galvez  
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 this Permit and promises to perform each and every obligation of Owner/Permittee hereunder.

D.I.M.E. Hollister, LLC, a California Limited Liability Company, Owner

By \_\_\_\_\_

Palm Hollister, LLC, a California Limited Liability Company, Permittee

By \_\_\_\_\_  
NAME  
TITLE

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

CITY COUNCIL RESOLUTION NO. [REDACTED]  
SITE DEVELOPMENT PERMIT NO. PMT-2587528  
NEIGHBORHOOD DEVELOPMENT PERMIT NO. PMT-3288228  
MULTI-HABITAT PLANNING AREA BOUNDARY LINE ADJUSTMENT  
**PALM AND HOLLISTER APARTMENTS - PROJECT NO. PRJ-0698277**  
[MMRP]

WHEREAS, D.I.M.E. Hollister, LLC, a California Limited Liability Company, Owner, and Palm Hollister, LLC, a California Limited Liability Company, Permittee, filed an application with the City of San Diego for a Site Development Permit and Neighborhood Development Permit to demolish an existing unoccupied residential structure, garage, canopy structure, and two storage containers and to construct 198 multiple dwelling units, including eight affordable units (as described in and by reference to the approved Exhibits "A" and corresponding conditions of approval for the associated Site Development Permit No. PMT-2587528 and Neighborhood Development Permit No. PMT-3288228);

WHEREAS, the 5.92-acre site is located at 555 Hollister Street within the Otay Mesa-Nestor Community Plan in the RM-2-6zone, Airport Land Use Compatibility Overlay Zone , and Transit Priority Area;

WHEREAS, the project site is legally described as the north quarter of the west half of the southwest quarter and the north five acres of the east half of the southwest quarter of Section 22, Township 18 South, Range 2 West, San Bernadino Meridian, in the City of San Diego, County of San Diego, State of California;

WHEREAS, on [REDACTED], the City Council of the City of San Diego considered Site Development Permit No. PMT-2587528 and Neighborhood Development Permit No. PMT-3288228 pursuant to the Land Development Code of the City of San Diego;

BE IT RESOLVED by the City Council, that it adopts the following findings with respect to Site Development Permit No. PMT-2587526 and Neighborhood Development Permit (NDP) No. PMT-3288228:

**A. SITE DEVELOPMENT PERMIT – SDMC Section 126.0505**

**1. Findings for all Site Development Permits:**

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

The Palm & Hollister Apartments project (project) site is situated on 5.92 acres north of the Palm Avenue Trolley Station, south of the Otay Valley Regional Park (OVRP), and east of Hollister Street. Interstate 5 is approximately one mile west of the project site. A nursery operates immediately north of the project site within the OVRP; and the Palm Avenue Trolley Station, mobile home park, and private school sports field are to the south of the project site. To the west lies the Metropolitan Transit System (MTS) Trolley right-of-way and Hollister Street. The project site is located within and adjacent to the City's Multi-Habitat Planning Area.

The project is located in the Otay Mesa-Nestor Community Plan (Community Plan) area in an area designated as Residential Low Density (5-<10 du/ac), Mixed-Use, and Open Space

The project proposes to demolish an existing unoccupied residential structure, garage, canopy structure, and two storage containers and construct 198 multiple dwelling units. The discretionary approvals include certification of an Environmental Impact Report and associated Mitigation, Monitoring, and Reporting Program; amendment to the Otay Mesa-Nestor Community Plan to redesignate the site from Open Space, Mixed Use, and Residential Low Density (5 - 10 dwelling units per acre (du/ac)), to Residential Medium-High Density (20 - 35 du/ac); rezone from the Residential Multiple (RM-1-1), Residential Single (RS-1-7), and Agricultural Residential (AR-1-2) zones to Residential Multiple (RM-2-6) zone; Vesting Tentative Map for the subdivision of 5.92 acres; Site Development Permit for development on environmentally sensitive lands; Neighborhood Development Permit for deviations from applicable development regulations; and a Multi-Habitat Planning Area Boundary Line Adjustment.

Landscaping is minimal, consisting of non-native plant species, and is mostly confined to the perimeter of the property. The project site has been and is currently being used for staging by the MTS and some delivery services. An existing 10-foot-wide County of San Diego easement runs along the northern boundary of the project site. Access to the project site would be provided via a proposed access easement located at the southwest corner of the project site, connecting the project site to

Palm Avenue through the MTS Palm Avenue Trolley Station site. The driveway also serves the adjacent Palm Avenue Trolley Station and associated parking lot.

Located within a Transit Priority Area and adjacent to the Palm Avenue Trolley Station, the project proposes the development of 198 multiple dwelling units, including eight affordable housing units in 13 buildings. Buildings would be one to three stories with tuck-under garages, as well as one-level units over carports.

The project proposes a Community Plan Amendment to the Community Plan to change the land use designations from Open Space, Mixed Use, and Residential Low Density [5-<10 dwelling units per acre (du/ac)], Mixed-Use, and Open Space to Residential Medium-High Density (20 - 35 du/ac) to allow for increased residential density adjacent to transit. The project also proposes a rezone from RM-1-1, RS-1-7, and AR-1-2 to RM-2-6 zone to provide 198 multiple dwelling units. The RM-2-6 zone permits a maximum density of one dwelling unit for each 1,250 square feet of lot area, which would permit up to a maximum density of 34.85 du/ac and would support up to 206 dwelling units on the proposed project site.

The amendment to the Community Plan would remove reference to the following two view and access points which are in adjacent to the project site from Appendix C, View Corridors and View and Access Points:

- A - Palm Avenue Transit Center/Park-and-Ride: Provide a viewpoint overlooking the valley, north of the trolley station parking lot. Provide physical access, via a stairway, into the valley.
- B - Midway Baptist Church: Encourage the Church to provide a public viewpoint overlooking the valley.

The proposed project would interrupt eastward views into the Otay Valley River Park. While the Otay Mesa-Nestor Community Plan encourages a future viewpoint from the adjacent church property, public views on the church property do not exist. The removal of the View and Access Points A and B results in consistency with Community Plan Appendix C.

The proposed project would provide a ten-foot-wide pedestrian access from the Palm Avenue Trolley Station to the Otay Valley River Park. The proposed project fosters a sense of community through building orientation and architectural design features that promote interaction and active lifestyles with adjacent access to Otay Valley River Park and the Palm Avenue Trolley Station.

The Otay Mesa-Nestor Community Plan (Community Plan) identifies the Palm City neighborhood as a neighborhood center focused on redeveloping the Palm Avenue Trolley Station and adjacent parcels into a transit-oriented developments (Community Plan; Topic 2, Strategy 2). The proposed project would develop a multifamily development with direct connections to the trolley station consistent

with the strategy and guidelines of the Palm City Neighborhood Center Topic of the Community Plan.

The project would redevelop an unutilized vacant site and construct a residential development improving the project area through rehabilitation and economic revitalization of the project site. The change in residential density would be consistent with the Community Plan as the Palm City neighborhood is identified as a neighborhood center that should provide residential opportunities. Therefore, the proposed development 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 project includes the development of 198 multiple dwelling units, including eight affordable housing units in 13 buildings located in the Otay Mesa-Nestor Community Plan area. It includes a rezone, Community Plan amendment, and MHPA boundary line adjustment.

During construction, the project would employ the use of structural and nonstructural Best Management Practices (BMPs), Best Available Technology, and sediment catchment devices downstream of paving activities to reduce potential drainage impacts associated with construction. Additionally, the project design complies with the Standard Urban Stormwater Management Plan and Municipal Stormwater Permit criteria of the State Water Resources Control Board.

Hardscape associated with the built project would result in runoff, which could significantly impact water quality in the MHPA. However, the project would provide stormwater treatment through two Modular Wetland Systems (WMS) and two underground stormwater cisterns. Stormwater on the site would be directed to the two WMS, which use filters, wetland vegetation, and biological processes to remove contaminants from the water before entering the cisterns. The vegetation used in the WMS are non-invasive wetland associated species, appropriate for the designated filtration uses.

The western cistern would have a storage volume of 11,942 cubic feet (cf); the storage volume of the eastern cistern would be 5,933 cf. Each cistern would detain the water and allow it to flow from the site through two outfalls at a regulated rate, equivalent to the pre-project runoff condition. The stormwater outlets would include energy dissipators to reduce discharge velocities and minimize the potential for erosion, and the project would not result in any increase in off-site discharge of stormwater runoff.

To improve the walkability near the project site, the following improvements are proposed by the project at Palm Avenue/Hollister Street:

- Install a blank-out no right turn sign on the northbound and southbound

approach on Hollister Street to be displayed during the existing lead pedestrian interval. This would help reduce conflicts between vehicles and pedestrians that are crossing the street.

- Install a blank-out no left turn sign on the southbound approach at Palm Avenue/Hollister Street to be displayed during preemption limited service. This would notify drivers that left-turn movements are prohibited when a train is crossing and help reduce conflicts between vehicles and pedestrians crossing the street.
- Install High Visibility Pedestrian Crossings (Marked Continental Crosswalks) at each leg of the Palm Avenue/Hollister intersection.
- Install High Visibility Pedestrian Crossing (Marked Continental Crosswalks) at each leg of the Palm Avenue/Harris Avenue-MTS Access intersection, except at the west leg where pedestrian crossing is prohibited.

Because of its proximity to Very High Fire Hazard Severity Zones (VHFHSZs) an Evacuation Plan was prepared and is included in the Palm & Hollister Apartments Project Final Environmental Impact Report (SCH No. 2022060468). The project Evacuation Plan (Appendix S) demonstrates that timely evacuation of the site is feasible and would be improved by the additional roadway and emergency egress connections provided by the project.

The project would provide a single access point in the southwest corner of the project. The San Diego Fire Department has determined that the access road within the apartment complex would provide adequate emergency evacuation for the planned population within the development and adequate access for emergency vehicles.

The project requires a rezone to the Residential Multiple (RM-2-6 zone) to allow for 198 multiple dwelling units on the 5.92-acre project site. The RM-2-6 zone permits a maximum of up to 206 dwelling units on the proposed project site. In the event the proposed project is not constructed following approval of the rezone, and a new project is brought forward with 200 units or more, a secondary emergency access road would be required and located no less than half the overall diagonal length of the site from the primary access road.

Therefore, the proposed project would not be detrimental to 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 project is proposing a rezone to the Residential Multiple (RM-2-6 zone) to allow for 198 multiple dwelling units on the 5.92-acre project site. The RM-2-6 zone permits a maximum of up to 206 dwelling units on the proposed project site. The purpose of the RM zones is to provide for multiple dwelling unit development at varying densities. The RM zones individually accommodate developments with similar



densities and characteristics. Each of the RM zones is intended to establish development criteria that consolidates common development regulations, accommodates specific dwelling types, and responds to locational issues regarding adjacent land uses.

The project requires a Neighborhood Development Permit (NDP) to allow for the development to deviate from the Land Development Code relative to retaining walls, setbacks, and structure height. The project has four deviations.

Relative to retaining walls, San Diego Municipal Code section 142.0340(d)(1) allows for two retaining walls with a maximum height of six feet each. The project includes one retaining wall up to 24.5 feet in height. This retaining wall wraps around the west, north, and east perimeters of the development area for a total length of 1,870 feet. Specifically, the project includes 1,360 feet of plantable mechanically stabilized earth (MSE) retaining wall and 510 feet of concrete block (CMU) wall.

The MSE retaining walls would not impair public views from the street or sidewalks. The MSE walls on northern side of the project site are within the visual impact of the Otay Valley Regional Park (OVRP). The keystone blocks of these walls would be covered by plantings creating a more natural look to the walls. The plantings include climbing fig, cat's claw creeper, and creeping rosemary. The plants selected would create a seamless transition between the project plant palette and natural vegetation of the OVRP. The CMU wall would be 510 feet in length and located in front of Building B. This wall would be partially blocked from view by evergreen theme trees such as queen palm, sweetshade, bay laurel, and Brisbane box. The ground in front of the MCU wall would contain groundcover plantings, such as coyote brush, bougainvillea, lantana, and breeze lomandra.

To ensure the required space for fire apparatus circulation, as well as space for pedestrian circulation, site amenities, and parking, it is necessary to construct a retaining wall along the northern edge of the property at a height that exceeds the SDMC allowed maximum height for walls. In the existing condition, the proposed project property elevation is 20-25 feet higher than the adjacent property to the north, with a 2:1 slope within the project boundary accommodating this grade difference. Installing the retaining wall will allow for site grading in a manner that maximizes the usable area and efficient use of the property.

The retaining walls proposed by the project would not create a negative effect on the visual quality of the OVRP area or the area surrounding the project site. Views from the park into the project site would not be negatively impacted by the project and would not create a significantly adverse visual impact.

Relative to setbacks, San Diego Municipal Code section 131.0443(1)(A) allows up to 50 percent of the width of the building envelope to observe the minimum 15-foot front setback, provided the remaining percentage of the building envelope width observes the standard 20-foot setback. The project would be developed with 100 percent of the building envelope observing the minimum 15-foot setback. This

deviation allows for more efficient and maximal use of the previously disturbed site area, allows for more minimal grading of the site, and reinforces the transit and multi-modal orientation of the site by bringing the building envelope closer to the property line and, therefore, the transit center.

Also relative to setbacks, per San Diego Municipal Code section 131.0443(e)(2)(A), the minimum side setback is five feet or 10 percent of the premises width (resulting in a 22-foot setback), whichever is greater. The project includes a deviation for the building to encroach into the required side setback, which would be provided at 7.9 feet. Like the front setback deviation, this deviation allows for the more efficient and maximal use of the previously disturbed site area, minimizes grading of the site, and reinforces the transit and multi-modal orientation of the site by bringing the building envelope closer to the property line and, therefore, the transit center, as well as other pedestrian facilities, such as trails, that may occur to the east or west of the site as Otay Valley Regional Park develops in the project area.

Relative to structure height, Table 131-04G limits structure height to 40 feet from existing grade. The maximum structure height of the project is 56.5 feet, measured from existing grade. However, when measured from finished grade, project structures would be 40 feet in height or less. As such, this deviation would allow more housing, including eight affordable housing units, and allow for development that ultimately appears consistent with the underlying.

Pursuant to Sections 143.0142 and 131.0250(b) of the Land Development Code and pages 13-15 of the City's Biology Guidelines, if a project would encroach into the MHPA beyond the allowable development area, an MHPA boundary line adjustment is required. Under the City's MSCP Subarea Plan, an adjustment to the City's MHPA boundary is allowed only if the new MHPA boundary results in an exchange of lands that are functionally equivalent or higher in biological value.

Approximately 2.2 acres of the 5.9-acre project site, which supports disturbed land, are in the MHPA. The project proposes to develop the entire site; therefore, an MHPA boundary line adjustment is proposed to remove the 2.2 acres of disturbed land from the MHPA on-site and preserve higher quality habitat in the MHPA off-site on the 9.92-acre Najor Parcel (APN 366-031-12) located in the East Elliott preserve area in the City. The Najor Parcel is entirely within the MHPA and is designated as 75 percent baseline conservation (25 percent developable). Thus, 2.48 acres of the Najor Parcel would be allowed to be developed. The project would preserve that additional 2.48 acres.

Therefore, the proposed development will comply with the regulations of the Land Development Code including any allowable deviations pursuant to the Land Development Code and it meets all other zoning regulations and requirements.

## 2. **Supplemental Findings – Environmentally Sensitive Lands**

- a. The site is physically suitable for the design and siting of the proposed development and the development will result in minimum disturbance to environmentally sensitive lands.**

The project is an infill development located within walking distance of the Palm Avenue Transit Center. It would provide housing opportunities by developing 198 multiple-dwelling units designed to enhance the character and neighborhood feel of the project area.

The project proposes 13 separate buildings that would allow natural ventilation and sunlight through the project site. It also includes recreational courtyards that create areas for ventilation and light to flow through the project and provide views to and from it. Additionally, the project's varied building heights and setbacks would further maximize ventilation, sunlight, and views.

The project's landscape plan includes the planting of approximately 187 trees throughout the project site. The landscaping plan includes the planting of large accent trees, as well as evergreen and small flowering accent trees, to create a unique aesthetic on the project site and define project entries; demarcate public, semi-public, and private spaces; and identify public access points.

Rear elevations of the buildings that face the open space and future OVRP are designed to provide architectural interest and articulation through the use of varied building materials and building facades.

The project site has been previously graded for prior agricultural use and includes an unoccupied residential structure, a garage, a canopy structure, and two storage containers. Current landscaping is minimal, consisting of non-native plant species, and is mostly confined to the perimeter of the property. The project site has been and is currently being used for staging by the Metropolitan Transit System (MTS) and some delivery services. An existing 10-foot-wide County of San Diego easement runs along the northern boundary of the project site. Access to the project site would be provided via a proposed access easement located at the southwest corner of the project site, connecting the project site to Palm Avenue through the MTS Palm Avenue Trolley Station site. The driveway also serves the adjacent Palm Avenue Trolley Station and associated parking lot.

Grading for the project would create a generally flat pad within the project boundary. Connectivity to adjacent uses would be provided through a new connection point to the existing MTS sidewalk through a proposed pedestrian access easement.

The Palm & Hollister Apartments project site is located within the City's Multiple Species Conservation Plan (MSCP) area, which covers 206,124 acres within the City's jurisdiction; the northern portion of the project site is mapped within the Multi Habitat Planning Area (MHPA). The project site includes 2.2 acres of MHPA area. This area consists of developed land disturbed habitat and does not contain native habitat with the ability to support a diversity of sensitive plant and animal life.

Development of the site will involve earthwork, but due to the disturbed nature of the site, disturbance to environmentally sensitive lands will be minimal. 2.2 acres of the 5.92-acre project site, which supports disturbed land, is located within the MHPA. The project proposes to develop the entire site therefore, an MHPA Boundary Line Adjustment is necessary.

Pursuant to Sections 143.0142 and 131.0250(b) of the Land Development Code and pages 13-15 of the City's Biology Guidelines, if a project would encroach into the MHPA beyond the allowable development area, an MHPA boundary line adjustment is required. Under the City's MSCP Subarea Plan, an adjustment to the City's MHPA boundary is allowed only if the new MHPA boundary results in an exchange of lands that are functionally equivalent or higher in biological value.

Approximately 2.2 acres of the 5.9-acre project site, which supports disturbed land, are in the MHPA. The project proposes to develop the entire site; therefore, an MHPA boundary line adjustment is proposed to remove the 2.2 acres of disturbed land from the MHPA on-site and preserve higher quality habitat in the MHPA off-site on the 9.92-acre Najor Parcel (APN 366-031-12) located in the East Elliott preserve area in the City. The Najor Parcel is entirely within the MHPA

and is designated as 75 percent baseline conservation (25 percent developable). Thus, 2.48 acres of the Najor Parcel would be allowed to be developed.

The project proposes to preserve 100 percent of the Najor Parcel and dedicate it in fee-title to the City to offset the proposed deletion of 2.2 acres of disturbed habitat from the MHPA. This increase of 2.48 acres of preserved coastal scrub and Diegan coastal sage scrub would more than offset the proposed MHPA deletion of 2.2 acres of disturbed land and would result in an equivalent or better overall MHPA habitat value. The City would manage and maintain the 9.92-acre Najor Parcel as a part of the overall City's preserve system consistent with the MSCP Management Framework Plan and Natural Resource Management Plan for Mission Trails Regional Park, thus, the project MHPA boundary line adjustment would result in the conservation of higher quality habitat and an improved habitat preservation configuration.

Therefore, the site is physically suitable for the design and siting of the proposed development and the development will result in minimum disturbance to environmentally sensitive lands.

**b. The proposed development will minimize the alteration of natural land forms and will not result in undue risk from geologic and erosional forces, flood hazards, or fire hazards.**

The project site is relatively flat, with a steep manufactured slope along the northern border. Redevelopment would be primarily on the southern flat portions of the property, and the northerly descending slope would remain. The project would not disturb steep hillside or create manufactured slopes steeper than 2:1. Grading would not substantially alter the existing landform.

The project site is situated within the western portion of the Peninsular Ranges Geomorphic Province. The Peninsular Ranges province occupies the southwestern portion of California, extending southward from the Transverse Ranges and Los Angeles Basin to the southern tip of Baja California. In general, the province consists of young, steeply sloped, northwest-trending mountain ranges underlain by metamorphosed Late Jurassic to Early Cretaceous-aged extrusive volcanic rock and Cretaceous-aged igneous plutonic rock of the Peninsular Ranges Batholith. The westernmost portion of the province is predominantly underlain by younger marine and non-marine sedimentary rocks. The Peninsular Ranges' dominant structural feature is northwest-southeast trending crustal blocks bounded by active faults of the San Andreas transform system. The site has been mapped as being underlain by topsoil, artificial fill, Young Alluvial Flood-Plain Deposits, and Old Paralic Deposits. The geologic structure is considered neutral to favorable with respect to the proposed development.

The project is situated south of the southerly edge of the Otay River. The Otay River begins at San Miguel Mountain and conveys flow through the upper and lower Otay reservoirs from east to west, through the Otay River floodplain north of the project site, and into the San Diego Bay. Water transiting through the Otay River Valley corridor north of the site would move from the east to the west through the floodplain currently being utilized as a nursery and out towards the coastal plain and harbor (California Regional Water Quality Control Board, October 2020). The effective 100-year floodplain width varies from approximately 2,300 to 3,100 feet predominantly north of the site. The maximum floodplain encroachment from the project is approximately 20 feet or less than 1 percent.

The project would stabilize the site through the addition of structures/hardscape and drought-tolerant, native, naturalized landscaping. To reduce the risk of fire hazard, the project includes a landscaping plan that would plant drought-tolerant native plants and irrigation. The Otay River flows in a westerly direction along the project site and only the lower portion of the project site is within the one-percent FEMA floodplain of the Otay River. Hydraulic analyses show that the project would not alter the base flood elevations.

As demonstrated in the Evacuation Plan, the Palm and Hollister Apartments site is not rated as within the Very High Fire Hazard Severity Zone (VHFHSZ), except for a very small semi-circle area in the western portion of the project site, along the south border. Portions of the proposed site are adjacent to areas rated as Very High on the City of San Diego Fire-Rescue Department's VHFHSZ Map. A portion of the proposed site access route is located through a VHFHSZ. The site topography ranges from nearly level to a steep slope on the northern boundary leading to the OVRP.

The project site is disturbed land or area that supports non-native plant species and was previously developed and is comprised of unoccupied residential buildings and a small area in the site's southeast corner used for storage. Considering the lack of fuel that would remain on the site and immediate vicinity, a brush management plan is not warranted. The construction of the project would ensure that no native highly

flammable wildland fuels would revegetate the site in the future by providing ongoing landscape maintenance of the site and along access roads.

Therefore, the proposed development will minimize the alteration of natural land forms and will not result in undue risk from geologic and erosional forces, flood hazards, or fire hazards.

**c. The proposed development will be sited and designed to prevent adverse impacts on any adjacent environmentally sensitive lands.**

Finding A.2.a is herein incorporated by reference.

Lying immediately north of the project site is Recreation Area #3 of the OVRP. Recreation Area #3 encompasses approximately 45 acres. A portion of this area is currently being leased to Terra Bella Nursery, with conceptual plans to develop an active recreation sports complex. The OVRP identifies the Palm Avenue Trail, which traverses Recreation Area #3, to serve hikers and bikers. The Palm Avenue Trail starts with a trailhead on the south of the river, north of Palm Avenue. The project site is within the concept plan boundary but is not included a part of the OVRP. The concept plan does not contain specific guidance relative to the project site. However, the project would be subject to the polices of the OVRP.

The project implements elements of the Plan, including trail connections from the project site to the existing trail system within the OVRP. Furthermore, the project includes landscape treatments along the northern project boundary intended to soften and screen the appearance of the project from within the OVRP. A pedestrian landscaped walkway along the top of the northern slope provides views of the Otay River Valley.

Pursuant to Sections 143.0142 and 131.0250(b) of the Land Development Code and pages 13-15 of the City's Biology Guidelines, if a project would encroach into the MHPA beyond the allowable development area, an MHPA boundary line adjustment is required. Under the City's MSCP Subarea Plan, an adjustment to the City's MHPA boundary is allowed only if the new MHPA boundary results in an exchange of lands that are functionally equivalent or higher in biological value.

Approximately 2.2 acres of the 5.9-acre project site, which supports disturbed land, are in the MHPA. The project proposes to develop the entire site; therefore, an MHPA boundary line adjustment is proposed to remove the 2.2 acres of disturbed land from the MHPA on-site and preserve higher quality habitat in the MHPA off-site on the 9.92-acre Najor Parcel (APN 366-031-12) located in the East Elliott preserve area in the City. The Najor Parcel is entirely within the MHPA and is designated as 75 percent baseline conservation (25 percent developable). Thus, 2.48 acres of the Najor Parcel would be allowed to be developed.

The project proposes to preserve 100 percent of the Najor Parcel and dedicate it in fee-title to the City to offset the proposed deletion of 2.2 acres of disturbed habitat from the MHPA. This increase of 2.48 acres of preserved coastal scrub and Diegan

coastal sage scrub would more than offset the proposed MHPA deletion of 2.2 acres of disturbed land and would result in an equivalent or better overall MHPA habitat value. The City would manage and maintain the 9.92-acre Najor Parcel as a part of the overall City's preserve system consistent with the MSCP Management Framework Plan and Natural Resource Management Plan for Mission Trails Regional Park, thus, the project MHPA boundary line adjustment would result in the conservation of higher quality habitat and an improved habitat preservation configuration.

Because the project would occur adjacent to the City's Multi Habitat Planning Area (MHPA) located off-site to the north and northeast (following the MHPA Boundary Line Adjustment), conformance with the adjacency guidelines would be required. The project, as designed, complies with adjacent guidelines pertaining to barriers, invasives, brush management and general land development. The following MHPA Land Use Adjacency Guidelines measures would become conditions of project approval:

*Drainage*

During construction, the project shall employ the use, as applicable, of structural and nonstructural Best Management Practices (BMPs), Best Available Technology, and sediment catchment devices downstream of paving activities to reduce potential drainage impacts associated with construction.

*Toxics*

No trash, oil, parking, or other construction/development related material/activities shall be located outside approved project impact limits. All construction related debris shall be removed off-site to an approved disposal facility.

*Lighting*

Night lighting shall be shielded, as necessary, to prevent light from spilling into the MHPA. Shielding shall consist of the installation of fixtures that physically direct light away from the MHPA or landscaping, berms, or other barriers that prevent such light overspill. Lighting shall adhere to the City's Outdoor Lighting Regulations (SDMC §142.0740).

Therefore, the proposed development will be sited and designed to prevent adverse impacts on any adjacent environmentally sensitive lands.

**d. The proposed development will be consistent with the City of San Diego's Multiple Species Conservation Program (MSCP) Subarea Plan and Vernal Pool Habitat Conservation Plan (VPHCP).**

The Palm & Hollister Apartments project site is located within the City's MSCP area, which covers 206,124 acres within the City's jurisdiction; the northern portion of the project site is mapped within the MHPA. The project site includes MHPA area. This area consists of developed land disturbed habitat and does not contain native habitat with the ability to support a diversity of sensitive plant and animal life.

A Biological Technical Report (BTR) has been prepared for the project that addresses the project's land use impacts relative to the MSCP. If a project would encroach into the MHPA beyond the allowable development area pursuant to Sections 143.0142 and 131.0250(b) of the LDC and pages 13 to 15 of the City's Biology Guidelines, an MHPA boundary line adjustment is required. Under the City's MSCP Subarea Plan, an adjustment to the City's MHPA boundary is allowed only if the new MHPA boundary results in an exchange of lands that are functionally equivalent or higher in biological value.

Approximately 2.2 acres of the 5.9-acre project site, which supports disturbed land, are in the MHPA. The project proposes to develop the entire site; therefore, an MHPA boundary line adjustment is proposed to remove the 2.2 acres of disturbed land from the MHPA on-site and preserve higher quality habitat in the MHPA off-site on the 9.92-acre Najor Parcel (APN 366-031-12) located in the East Elliott preserve area in the City. The Najor Parcel is entirely within the MHPA and is designated as 75 percent baseline conservation (25 percent developable). Thus, 2.48 acres of the Najor Parcel would be allowed to be developed.

The project proposes to preserve 100 percent of the Najor Parcel and dedicate it in fee-title to the City to offset the proposed deletion of 2.2 acres of disturbed habitat from the MHPA. This increase of 2.48 acres of preserved coastal scrub and Diegan coastal sage scrub would more than offset the proposed MHPA deletion of 2.2 acres of disturbed land and would result in an equivalent or better overall MHPA habitat value. The City would manage and maintain the 9.92-acre Najor Parcel as a part of the overall City's preserve system consistent with the MSCP Management Framework Plan and Natural Resource Management Plan for Mission Trails Regional Park, thus, the project MHPA boundary line adjustment would result in the conservation of higher quality habitat and an improved habitat preservation configuration.

An equivalency analysis for the proposed MHPA removal and the addition of land contiguous to the MHPA has been conducted and is included in the Biological Technical Report prepared for the project. A determination of functionally equivalent or higher biological value has been conducted based on site-specific information (both quantitative and qualitative) that addresses six boundary adjustment criteria outlined in Section 5.4.3 of the Final MSCP Plan, as presented in the Requirement section of the Palm & Hollister Apartments Project Final Environmental Impact Report (SCH No. 202206048).

No vernal pool resources were found during the site-specific survey (and no impervious soils are mapped on site), and the National Wetland Inventory and National Hydrography Dataset does not show wetland resources on or connected to the site. Therefore, it has been determined that no vernal pool resources are present on site, and the Vernal Pool Habitat Conservation Plan (VPHCP) does not apply.

Therefore, the proposed development will be consistent with the City of San Diego's Multiple Species Conservation Program (MSCP) Subarea Plan and Vernal Pool Habitat Conservation Plan (VPHCP).



- e. The proposed development will not contribute to the erosion of public beaches or adversely impact local shoreline sand supply.**

The project site is approximately three miles from the Pacific Ocean and will not contribute to the erosion of public beaches or adversely impact local shoreline sand supply.

- f. The nature and extent of mitigation required as a condition of the permit is reasonably related to, and calculated to alleviate, negative impacts created by the proposed development.**

The California Environmental Quality Act (CEQA), Section 21081.6, requires that a mitigation monitoring and reporting program (MMRP) be adopted upon certification of an Environmental Impact Report (EIR) to ensure that the mitigation measures are implemented. The MMRP for the project addresses only the issue areas identified in the Palm & Hollister Apartments Project Final Environmental Impact Report (SCH No. 2022060468 / Project No. 698277) as potentially significant.

A summary of the environmental impacts and mitigation measures are listed below.

**Air Quality:** The project would result in significant air quality impacts associated with potential cancer risks for sensitive receptors to diesel exhaust emissions due to project construction activities. Therefore, the nature and extent of mitigation required as a condition of the permit is reasonably related to, and calculated to alleviate, negative impacts created by the proposed development.

Prior to the issuance of a grading permit, during construction activities, efforts shall be made to reduce diesel exhaust emissions from all construction equipment greater than 100 hp with use of Tier 4 Final equipment, including equipment with an installed diesel particulate filter (DPF), where feasible, and by use of other emission reduction practices (MM AQ-1: Air Quality).

**Historical Resources:** The project would result in potentially significant impacts to unknown subsurface archaeological resources. Archaeological Monitoring and Native American monitoring are required prior to permit issuance, prior to the start of construction, and during construction (MM HIS-1).

**Tribal Cultural Resources:** The project would result in potentially significant impacts to unknown subsurface tribal cultural resources. Archaeological Monitoring and Native American monitoring are required prior to permit issuance, prior to the start of construction, and during construction (MM HIS-1).

Therefore, the nature and extent of mitigation required as a condition of the permit is reasonably related to, and calculated to alleviate, negative impacts created by the proposed development.

**B. NEIGHBORHOOD DEVELOPMENT PERMIT SDMC Section 126.0404**

**1. Findings for all Neighborhood Development Permits:**

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

Finding A.1.a is herein incorporated by reference.

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

Finding A.1.b is herein incorporated by reference.

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

Finding A.1.c is herein incorporated by reference.

**2. Supplemental Findings - Affordable Housing, In-Fill Projects, or Sustainable Buildings Deviation**

- a. The development will materially assist in accomplishing the goal of providing affordable housing, in-fill projects, or sustainable buildings opportunities.**

The project is an infill project that provides affordable housing (a total of eight units), as well as additional housing (190 market rate units) to serve the community. Additionally, the project supports sustainable building opportunities, as it is an infill project within the urbanized community and is located immediately adjacent to a transit center.

Therefore, the development will materially assist in accomplishing the goal of providing affordable housing, in-fill projects, or sustainable buildings opportunities.

- b. Any proposed deviations are appropriate for the proposed location.**

Findings A.1.a and A.1.c are herein incorporated by reference.

The above findings are supported by the minutes, maps, and exhibits, all of which are incorporated herein by this reference.

## ATTACHMENT 5

BE IT FURTHER RESOLVED that, based on the findings hereinbefore adopted by the City Council, Site Development Permit No. PMT-2587526 and Neighborhood Development Permit No. PMT-3288228 is hereby GRANTED by the City Council to the referenced Owner/Permittee, in the form, exhibits, terms, and conditions as set forth in Site Development Permit No. PMT-2587526 and Neighborhood Development Permit No. PMT-3288228, a copy of which is attached hereto and made a part hereof.

---

Oscar Galvez  
Development Project Manager  
Development Services

Adopted on: **DATE OF APPROVAL**

IO#: 24009082

CITY COUNCIL  
CONDITIONS FOR VESTING TENTATIVE MAP NO. PMT-2587526  
PALM & HOLLISTER APARTMENTS - PROJECT NO. PRJ-0698277

[MMRP]  
ADOPTED BY RESOLUTION NO. R- [REDACTED] ON [REDACTED]

**GENERAL**

1. This VESTING TENTATIVE MAP NO. PMT-2587526 will expire on [REDACTED].
2. Compliance with all of the following conditions shall be completed and/or assured, to the satisfaction of the City Engineer, prior to the recordation of the Final Map, unless otherwise noted.
3. Prior to the Vesting Tentative Map expiration date, Final Map to consolidate the 1 existing lot into one lot shall be recorded in the Office of the San Diego County Recorder.
4. Prior to the recordation of the Final Map, taxes must be paid on this property pursuant to Subdivision Map Act section 66492. To satisfy this condition, a tax certificate stating that there are no unpaid lien conditions against the subdivision must be recorded in the Office of the San Diego County Recorder.
5. The Vesting Tentative Map shall conform to the provisions of Site Development Permit No. PMT-2587528, Neighborhood Development Permit No. PMT-3288228, and Rezone No. PMT-2587530.
6. The Subdivider shall defend, indemnify, and hold the City (including its agents, officers, and employees [together, "Indemnified Parties"]) harmless from any claim, action, or proceeding, against the City and/or any Indemnified Parties to attack, set aside, void, or annul City's approval of this project, which action is brought within the time period provided for in Government Code section 66499.37. City shall promptly notify Subdivider of any claim, action, or proceeding and shall cooperate fully in the defense. If City fails to promptly notify Subdivider of any claim, action, or proceeding, or if City fails to cooperate fully in the defense, Subdivider shall not thereafter be responsible to defend, indemnify, or hold City and/or any Indemnified Parties harmless. City may participate in the defense of any claim, action, or proceeding if City both bears its own attorney's fees and costs, City defends the action in good faith, and Subdivider is not required to pay or perform any settlement unless such settlement is approved by the Subdivider.

**AIRPORT**

7. Prior to recordation of the Final Map , the Subdivider shall provide a valid "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration [FAA].

**ENGINEERING**

8. The Vesting Tentative Map shall comply with all Conditions of Site Development Permit No. PMT-2587528 and Neighborhood Development Permit No. PMT-3288228.
9. Compliance with all conditions shall be assured, to the satisfaction of the City Engineer, prior to the recordation of the Final Map, unless otherwise noted.
10. The Subdivider shall obtain a bonded grading permit for the grading proposed for this project. All grading shall conform to the requirements of the City of San Diego Municipal Code in a manner satisfactory to the City Engineer.
11. The drainage system for this project, per approved Exhibit 'A', will be subject to approval by the City Engineer.
12. The Subdivider shall underground existing and/or proposed public utility systems and service facilities in accordance with the San Diego Municipal Code.
13. Development of this project shall comply with all storm water construction requirements of the State Construction General Permit, Order No. 2009-0009DWQ, or subsequent order, and the Municipal Storm Water Permit, Order No. R9-2013-0001, or subsequent order. In accordance with Order No. 2009-0009DWQ, or subsequent order, a Risk Level Determination shall be calculated for the site and a Storm Water Pollution Prevention Plan (SWPPP) shall be implemented concurrently with the commencement of grading activities.
14. The Subdivider shall submit a copy of the Notice of Intent (NOI) with a valid Waste Discharge ID number (WDID#) to the City of San Diego as a proof of enrollment under the Construction General Permit. When ownership of the entire site or portions of the site changes prior to filing of the Notice of Termination (NOT), a revised NOI shall be submitted electronically to the State Water Resources Board in accordance with the provisions as set forth in Section II.C of Order No. 2009-0009-DWQ and a copy shall be submitted to the City.
15. The Subdivider shall underground any new service run to any new or proposed structures within the subdivision.
16. The Subdivider shall ensure that all existing onsite utilities serving the subdivision shall be undergrounded with the appropriate permits. The Subdivider shall provide written confirmation from applicable utilities that the conversion has taken place, or provide other means to assure the undergrounding, satisfactory to the City Engineer.
17. Conformance with the "General Conditions for Tentative Subdivision Maps," filed in the Office of the City Clerk under Document No. 767688 on May 7, 1980, is required. Only those exceptions to the General Conditions which are shown on the Vesting Tentative Map and covered in these special conditions will be authorized. All public improvements and incidental facilities shall be designed in accordance with criteria established in the Street Design Manual, filed with the City Clerk as Document No. RR-297376.

**MAPPING**

18. Prior to the expiration of the Vesting Tentative Map, if approved, a Final Map to consolidate and subdivide the properties into 198 residential condominium units shall be recorded at the San Diego County Recorder's Office.
19. Prior to the recordation of the Final Map, taxes must be paid or bonded for this property pursuant to section 66492 of the Subdivision Map Act. A current original tax certificate, recorded in the office of the San Diego County Recorder, must be provided to satisfy this condition. If a tax bond is required as indicated in the tax certificate, ensure that it is paid or posted at the County Clerk of the Board of Supervisors Office and supply proof prior to the recordation of the Final Map.
20. The Final Map shall be based on field survey and all lot corners must be marked with durable survey monuments pursuant to Section 144.0311(d) of the City of San Diego Land Development Codes and Subdivision Map Act Section 66495.

All survey monuments shall be set prior to the recordation of the Final Map, unless the setting of monuments is deemed impractical due to the proposed improvements and/or grading associated with the project, in which case, delayed monumentation may be applied on the Final Map in accordance with Section 144.0130 of the City of San Diego Land Development Codes.

21. All subdivision maps in the City of San Diego are required to be tied to the California Coordinate System of 1983 (CCS83), Zone 6 pursuant to section 8801 through 8819 of the California Public Resources Code.
22. "Basis of Bearings" means the source of uniform orientation of all measured bearings shown on the map. Unless otherwise approved, this source shall be the California Coordinate System, Zone 6, North American Datum of 1983 [NAD 83].
23. "California Coordinate System" means the coordinate system as defined in Section 8801 through 8819 of the California Public Resources Code. The specified zone for San Diego County is "Zone 6," and the official datum is the "North American Datum of 1983."
24. The Final Map shall:
  - a. Use the California Coordinate System for its "Basis of Bearing" and express all measured and calculated bearing values in terms of said system. The angle of grid divergence from a true median (theta or mapping angle) and the north point of said map shall appear on each sheet thereof. Establishment of said Basis of Bearings may be by use of existing Horizontal Control stations or astronomic observations.
  - b. Show two measured ties from the boundary of the map to existing Horizontal Control stations having California Coordinate values of First Order accuracy. These tie lines to the existing control shall be shown in relation to the California Coordinate System (i.e., grid bearings and grid distances). All other distances shown on the map are to be shown as ground distances. A combined factor for conversion of grid to ground distances shall be shown on the map.

**WATER & SEWER**

25. The Subdivider shall grant private sewer easement for all cross-lot private sewer service from one lot to another as shown on the approved Exhibit 'A'.

**GEOLOGY**

26. Prior to the issuance of a grading permit, the Subdivider shall submit a geotechnical report prepared in accordance with the City of San Diego's "Guidelines for Geotechnical Reports," satisfactory to the City Engineer.

27. Prior to the issuance of any construction permits (either grading or building), the Owner/ Permittee shall submit a geotechnical investigation report or update letter prepared in accordance with the City's "Guidelines for Geotechnical Reports" that specifically addresses the proposed construction plans. The geotechnical investigation report or update letter shall be reviewed for adequacy by the Geology Section of the Development Services Department prior to issuance of any construction permits.

28. The Owner/ Permittee shall submit an as-graded geotechnical report prepared in accordance with the City's "Guidelines for Geotechnical Reports" following completion of the grading. The as-graded geotechnical report shall be reviewed for adequacy by the Geology Section of the Development Services Department prior to exoneration of the bond and grading permit close.

**INFORMATION:**

- The approval of this Tentative Map by the City Council of the City of San Diego does not authorize the subdivider to violate any Federal, State, or City laws, ordinances, regulations, or policies including but not limited to, the Federal Endangered Species Act of 1973 and any amendments thereto (16 USC § 1531 et seq.).
- If the Subdivider makes any request for new water and sewer facilities (including services, fire hydrants, and laterals), the Subdivider shall design and construct such facilities in accordance with established criteria in the most current editions of the City of San Diego water and sewer design guides and City regulations, standards and practices pertaining thereto. Off-site improvements may be required to provide adequate and acceptable levels of service and will be determined at final engineering.
- Subsequent applications related to this Vesting Tentative Map will be subject to fees and charges based on the rate and calculation method in effect at the time of payment.
- Any party on whom fees, dedications, reservations, or other exactions have been imposed as conditions of approval of the Vesting Tentative Map, may protest the imposition within ninety days of the approval of this Vesting Tentative Map by filing a written protest with the San Diego City Clerk pursuant to Government Code sections 66020 and/or 66021.

## **ATTACHMENT 6**

- Where in the course of development of private property, public facilities are damaged or removed, the Subdivider shall at no cost to the City, obtain the required permits for work in the public right-of-way, and repair or replace the public facility to the satisfaction of the City Engineer (San Diego Municipal Code § 142.0607).

Internal Order No. 24009082



RESOLUTION NUMBER R-                      
A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO  
ADOPTING VESTING TENTATIVE MAP NO. PMT-2587526  
**PALM & HOLLISTER APARTMENTS - PROJECT NO. PRJ-0698277**  
[MMRP]

WHEREAS, Palm Hollister LLC, a California Limited Liability Company, Subdivider, and Pasco Laret Suiter & Associates, Engineer, submitted an application to the City of San Diego for a vesting tentative map (Vesting Tentative Map No. PMT-2587526) for the construction of 198 residential condominium units (including eight affordable units) in 1 lot. The project site is situated north of the Palm Avenue Trolley Station, south of the Otay Valley Regional Park (OVRP), and east of Hollister Street at 555 Hollister Street within the Otay Mesa-Nestor Community Plan in the RM-2-6 zone, Airport Land Use Compatibility Overlay Zones, and Transit Priority Area. The property is legally described as the north quarter of the west half of the southwest quarter and the north five acres of the east half of the southwest quarter of Section 22, Township 18 South, Range 2 West, San Bernadino Meridian, in the City of San Diego, County of San Diego, State of California.

WHEREAS, the Vesting Tentative Map proposes the Subdivision of a 5.92 acre-site into one developable lot for the construction of 198 residential condominium units in 1 lot; and

WHEREAS, the project complies with the requirements of a preliminary soils and/or geological reconnaissance report pursuant to Subdivision Map Act sections 66490 and 66491(b)-(f) and San Diego Municipal Code section 144.0220; and

WHEREAS, the subdivision is a condominium project as defined in California Civil Code section 4125 and filed pursuant to the Subdivision Map Act. The total number of condominium dwelling units is 198; and

WHEREAS, on August 29, 2024, the Planning Commission of the City of San Diego considered Vesting Tentative Map No. PMT-2587526, and pursuant to Resolution No. [REDACTED], the Planning Commission voted to recommend City Council approval of the map; and

WHEREAS, under Charter section 280(a)(2) this resolution is not subject to veto by the Mayor because this matter requires the City Council to act as a quasi-judicial body and where a public hearing was required by law implicating due process rights of individuals affected by the decision and where the Council was required by law to consider evidence at the hearing and to make legal findings based on the evidence presented; and

WHEREAS, on [REDACTED], the Council of the City of San Diego considered Vesting Tentative Map No. PMT-2587526, and pursuant to San Diego Municipal Code section(s) 125.0440, 125.0444, and Subdivision Map Act section 66428, received for its consideration written and oral presentations, evidence having been submitted, and testimony having been heard from all interested parties at the public hearing, and the Council of the City of San Diego having fully considered the matter and being fully advised concerning the same; NOW THEREFORE,

BE IT RESOLVED by the Council of the City of San Diego, that it adopts the following findings with respect to Vesting Tentative Map No. PMT-2587526:

**1. The proposed subdivision and its design or improvement are consistent with the policies, goals, and objectives of the applicable land use plan.**

The Palm & Hollister Apartments project (project) site is situated on 5.92 acres north of the Palm Avenue Trolley Station, south of the Otay Valley Regional Park (OVRP), and east of Hollister Street. Interstate 5 is approximately one mile west of the project site. A nursery operates immediately north of the project site within the OVRP; and the Palm Avenue Trolley Station, mobile home park, and a private school sports field are to the south of the project site. To the west lies the Metropolitan

Transit System (MTS) rail right-of-way and Hollister Street. The project site is located within and adjacent to the City's Multi-Habitat Planning Area (MHPA).

The project is located in the Otay Mesa-Nestor Community Plan (Community Plan) area in an area designated as Residential Low Density (5-<10 du/ac), Mixed-Use, and Open Space. The project includes a Community Plan amendment to change the land use designation to Residential Medium-High Density (20-35 du/ac).

The project site has been previously graded for prior agricultural use and includes an unoccupied residential structure, a garage, canopy structure, and two storage containers. Landscaping is minimal, consisting of non-native plant species, and is mostly confined to the perimeter of the property. The project site has been and is currently being used for staging by MTS and some delivery services. An existing 10-foot-wide County of San Diego easement runs along the northern boundary of the project site. A ten-foot access easement exists to the north of the project site for pedestrian access to the OVRP. An access point to the OVRP to the west of the project site would be provided within a nine-foot pedestrian access easement proposed by the project. The driveway also serves the adjacent Palm Avenue Trolley Station and associated parking lot.

Located within a Transit Priority Area and adjacent to the Palm Avenue Trolley Station, the project proposes the development of 198 multiple dwelling units, including eight affordable housing units, in 13 buildings. Buildings would be one to three stories with tuck-under garages, as well as one-level units over carports.

The project proposes an amendment to the Community Plan to change the plan land use from Open Space, Mixed Use, and Residential Low Density [5-<10 dwelling units per acre (du/ac)] to Residential Medium-High Density (20 - 35 du/ac) to allow for increased residential density adjacent to transit. The project also proposes a rezone from RM-1-1, RS-1-7, and AR-1-2 to RM-2-6 zone in order to provide 198 multiple dwelling units. The RM-2-6 zone permits a maximum density

of one dwelling unit for each 1,250 square feet of lot area, which would permit up to a maximum density of 34.85 du/ac and would support up to 206 dwelling units on the proposed project site.

The amendment to the Community Plan would remove reference to the following two view and access points which are in adjacent to the project site from Appendix C, View Corridors and View and Access Points:

- A - Palm Avenue Transit Center/Park-and-Ride: Provide a viewpoint overlooking the valley, north of the trolley station parking lot. Provide physical access, via a stairway, into the valley.
- B - Midway Baptist Church: Encourage the Church to provide a public viewpoint overlooking the valley.

The proposed project would interrupt eastward views into the Otay Valley River Park. While the Otay Mesa-Nestor Community Plan encourages a future viewpoint from the adjacent church property, public views on the church property do not exist. The removal of the View and Access Points A and B results in consistency with Community Plan Appendix C.

The proposed project would provide a ten-foot-wide pedestrian access from the Palm Avenue Trolley Station to the Otay Valley River Park. The proposed project fosters a sense of community through building orientation and architectural design features that promote interaction and active lifestyles with adjacent access to Otay Valley River Park and the Palm Avenue Trolley Station. Public views of the site are available from a trailhead at the Otay Valley Regional Park (OVRP), located just beyond the northwest corner of the project site, and from the SD&AE rail lines. Public access to the trailhead is from the northern end of the Palm Avenue Trolley parking lot and trolley station.

The Otay Mesa-Nestor Community Plan identifies the Palm City neighborhood as a neighborhood center focused on redeveloping the Palm Avenue Trolley Station and adjacent parcels

into a transit-oriented developments. The proposed project would develop a multifamily development with direct connections to the trolley station consistent with the strategy and guidelines of the Palm City Neighborhood Center Topic of the Community Plan. The project would demolish an existing unoccupied residential structure, garage, canopy structure, and two storage containers and construct 198 multiple dwelling units (including eight affordable units) and improve the project area through rehabilitation and economic revitalization of the project site. The change in residential density would be consistent with the Community Plan as the Palm City neighborhood is identified as a neighborhood center that should provide residential opportunities.

Therefore, the proposed subdivision and its design or improvement are consistent with the policies, goals, and objectives of the applicable land use plan.

**2. The proposed subdivision complies with the applicable zoning and development regulations of the Land Development Code, including any allowable deviations pursuant to the land development code.**

The project rezones the site to the RM-2-6 zone to allow for 198 multiple dwelling units on the 5.92-acre project site. The RM-2-6 zone permits a maximum of up to 206 dwelling units on the proposed project site. The purpose of the RM zones is to provide for multiple dwelling unit development at varying densities. The RM zones individually accommodate developments with similar densities and characteristics. Each of the RM zones is intended to establish development criteria that consolidates common development regulations, accommodates specific dwelling types, and responds to locational issues regarding adjacent land uses.

The project requires a Neighborhood Development Permit (NDP) to allow for the development to deviate from the Land Development Code relative to retaining walls, setbacks, and structure height. The project has four deviations.

Relative to retaining walls, San Diego Municipal Code section 142.0340(d)(1) allows for two retaining walls with a maximum height of six feet each. The project includes one retaining wall up to 24.5 feet in height. This retaining wall wraps around the west, north, and east perimeters of the development area for a total length of 1,870 feet. Specifically, the project includes 1,360 feet of plantable mechanically stabilized earth (MSE) retaining wall and 510 feet of concrete block (CMU) wall.

The MSE retaining walls would not impair public views from the street or sidewalks. The MSE walls on northern side of the project site are within the visual impact of the Otay Valley Regional Park (OVRP). The keystone blocks of these walls would be covered by plantings creating a more natural look to the walls. The plantings include climbing fig, cat's claw creeper, and creeping rosemary. The plants selected would create a seamless transition between the project plant palette and natural vegetation of the OVRP. The CMU wall would be 510 feet in length and located in front of Building B. This wall would be partially blocked from view by evergreen theme trees such as queen palm, sweetshade, bay laurel, and Brisbane box. The ground in front of the MCU wall would contain groundcover plantings, such as coyote brush, bougainvillea, lantana, and breeze lomandra.

To ensure the required space for fire apparatus circulation, as well as space for pedestrian circulation, site amenities, and parking, it is necessary to construct a retaining wall along the northern edge of the property at a height that exceeds the SDMC allowed maximum height for walls. In the existing condition, the proposed project property elevation is 20-25 feet higher than the adjacent property to the north, with a 2:1 slope within the project boundary accommodating this grade difference. Installing the retaining wall will allow for site grading in a manner that maximizes the usable area and efficient use of the property.

The retaining walls proposed by the project would not create a negative effect on the visual quality of the OVRP area or the area surrounding the project site. Views from the park into the project site would not be negatively impacted by the project and would not create a significantly adverse visual impact.

Relative to setbacks, San Diego Municipal Code section 131.0443(1)(A) allows up to 50 percent of the width of the building envelope to observe the minimum 15-foot front setback, provided the remaining percentage of the building envelope width observes the standard 20-foot setback. The project would be developed with 100 percent of the building envelope observing the minimum 15-foot setback. This deviation allows for more efficient and maximal use of the previously disturbed site area, allows for more minimal grading of the site, and reinforces the transit and multi-modal orientation of the site by bringing the building envelope closer to the property line and, therefore, the transit center.

Also relative to setbacks, per San Diego Municipal Code section 131.0443(e)(2)(A), the minimum side setback is five feet or 10 percent of the premises width (resulting in a 22-foot setback), whichever is greater. The project includes a deviation for the building to encroach into the required side setback, which would be provided at 7.9 feet. Like the front setback deviation, this deviation allows for the more efficient and maximal use of the previously disturbed site area, minimizes grading of the site, and reenforces the transit and multi-modal orientation of the site by bringing the building envelope closer to the property line and, therefore, the transit center, as well as other pedestrian facilities, such as trails, that may occur to the east or west of the site as Otay Valley Regional Park develops in the project area.

Relative to structure height, Table 131-04G limits structure height to 40 feet from existing grade. The maximum structure height of the project is 56.5 feet, measured from existing grade. However, when measured from finished grade, project structures would be 40 feet in

height or less. As such, this deviation would allow more housing, including eight affordable housing units, and allow for development that ultimately appears consistent with the underlying.

Pursuant to Sections 143.0142 and 131.0250(b) of the Land Development Code and pages 13-15 of the City's Biology Guidelines, if a project would encroach into the MHPA beyond the allowable development area, an MHPA boundary line adjustment is required. Under the City's MSCP Subarea Plan, an adjustment to the City's MHPA boundary is allowed only if the new MHPA boundary results in an exchange of lands that are functionally equivalent or higher in biological value.

Approximately 2.2 acres of the 5.9-acre project site, which supports disturbed land, are in the MHPA. The project proposes to develop the entire site; therefore, an MHPA boundary line adjustment is proposed to remove the 2.2 acres of disturbed land from the MHPA on-site and preserve higher quality habitat in the MHPA off-site on the 9.92-acre Najor Parcel (APN 366-031-12) located in the East Elliott preserve area in the City. The Najor Parcel is entirely within the MHPA and is designated as 75 percent baseline conservation (25 percent developable). Thus, 2.48 acres of the Najor Parcel would be allowed to be developed. The project would preserve that additional 2.48 acres.

Therefore, the proposed subdivision complies with the applicable zoning and development regulations of the Land Development Code, including any allowable deviations as allowed through the Neighborhood Development Permit to the land development code.

**3. The site is physically suitable for the type and density of development.**

See Finding No. 1 incorporated herein by reference.



The project is an infill development located within walking distance of the Palm Avenue Transit Center. It would provide housing opportunities by developing 198 multiple-dwelling units (including eight affordable units) designed to enhance the character and neighborhood feel of the project area.

The project proposes 13 separate buildings that would allow natural ventilation and sunlight through the project site. It also includes recreational courtyards that create areas for ventilation and light to flow through the project and provide views to and from it. Additionally, the project's varied building heights and setbacks would further maximize ventilation, sunlight, and views.

The project's landscape plan includes the planting of approximately 187 trees throughout the project site. The landscaping plan includes the planting of large accent trees, as well as evergreen and small flowering accent trees, to create a unique aesthetic on the project site and define project entries; demarcate public, semi-public, and private spaces; and identify public access points.

Rear elevations of the buildings that face the open space and future OVRP are designed to provide architectural interest and articulation through the use of varied building materials and building facades.

The project site has been previously graded for prior agricultural use and includes an unoccupied residential structure, a garage, a canopy structure, and two storage containers. Landscaping is minimal, consisting of non-native plant species, and is mostly confined to the perimeter of the property. The project site has been and is currently being used for staging by the Metropolitan Transit System (MTS) and some delivery services.

A ten-foot access easement exists to the north of the project site for pedestrian access to the OVRP. An access point to the OVRP to the west of the project site would be provided within a

nine-foot pedestrian access easement proposed by the project,, connecting the project site to Palm Avenue through the MTS Palm Avenue Trolley Station site. The driveway also serves the adjacent Palm Avenue Trolley Station and associated parking lot.Grading for the project would create a generally flat pad within the project boundary.

Pursuant to Sections 143.0142 and 131.0250(b) of the Land Development Code and pages 13-15 of the City's Biology Guidelines, if a project would encroach into the MHPA beyond the allowable development area, an MHPA boundary line adjustment is required. Under the City's MSCP Subarea Plan, an adjustment to the City's MHPA boundary is allowed only if the new MHPA boundary results in an exchange of lands that are functionally equivalent or higher in biological value.

Approximately 2.2 acres of the 5.9-acre project site, which supports disturbed land, are in the MHPA. The project proposes to develop the entire site; therefore, an MHPA boundary line adjustment is proposed to remove the 2.2 acres of disturbed land from the MHPA on-site and preserve higher quality habitat in the MHPA off-site on the 9.92-acre Najor Parcel (APN 366-031-12) located in the East Elliott preserve area in the City. The Najor Parcel is entirely within the MHPA and is designated as 75 percent baseline conservation (25 percent developable). Thus, 2.48 acres of the Najor Parcel would be allowed to be developed.

The project proposes to preserve 100 percent of the Najor Parcel and dedicate it in fee-title to the City to offset the proposed deletion of 2.2 acres of disturbed habitat from the MHPA. This increase of 2.48 acres of preserved coastal scrub and Diegan coastal sage scrub would more than offset the proposed MHPA deletion of 2.2 acres of disturbed land and would result in an equivalent or better overall MHPA habitat value. The City would manage and maintain the 9.92-acre Najor Parcel as a part of the overall City's preserve system consistent with the MSCP Management Framework Plan and Natural Resource Management Plan for Mission Trails Regional Park, thus, the

project MHPA boundary line adjustment would result in the conservation of higher quality habitat and an improved habitat preservation configuration.

Therefore, the site is physically suitable for the type and density of development.

**4. The design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.**

Finding 1. is herein incorporated by reference.

The project is an infill development located within walking distance of the Palm Avenue Transit Center. It would provide housing opportunities by developing 198 multiple-dwelling units designed to enhance the character and neighborhood feel of the project area.

The project proposes 13 separate buildings in varying height between one and three stories that would allow natural ventilation and sunlight through the project site. It also includes recreational courtyards that create areas for ventilation and light to flow through the project and provide views to and from it. Additionally, the project's varied building heights and setbacks would further maximize ventilation, sunlight, and views.

The project's landscape plan includes the planting of approximately 187 trees throughout the project site. The landscaping plan includes the planting of large accent trees, as well as evergreen and small flowering accent trees, to create a unique aesthetic on the project site and define project entries; demarcate public, semi-public, and private spaces; and identify public access points. Rear elevations of the buildings that face the open space and future OVRP are designed to provide architectural interest and articulation through the use of varied building materials and building facades.

The project site has been previously graded for prior agricultural use and includes an unoccupied residential structure, a garage, a canopy structure, and two storage containers. Landscaping is minimal, consisting of non-native plant species, and is mostly confined to the perimeter of the property. The project site has been and is currently being used for staging by the MTS and some delivery services. An existing 10-foot-wide County of San Diego easement runs along the northern boundary of the project site. Access to the project site would be provided via a proposed easement located at the southwest corner of the project site, connecting the project site to Palm Avenue through the MTS Palm Avenue Trolley Station site. The driveway also serves the adjacent Palm Avenue Trolley Station and associated parking lot. Grading for the project would create a generally flat pad within the project boundary. Connectivity to adjacent uses would be provided through a new connection point to the existing MTS sidewalk through a pedestrian access easement.

The Palm & Hollister Apartments project site is located within the City's MSCP area, which covers 206,124 acres within the City's jurisdiction; the northern portion of the project site is mapped within the MHPA. The project site is not a wildlife corridor or part of the Otay Valley corridor. The project site does not provide for wildlife movement or serve as a habitat linkage or nursery site for wildlife species.

Approximately 2.2 acres of the 5.9-acre project site, which supports disturbed land, are in the MHPA. The project proposes to develop the entire site; therefore, an MHPA boundary line adjustment is proposed to remove the 2.2 acres of disturbed land from the MHPA on-site and preserve higher quality habitat in the MHPA off-site on the 9.92-acre Najor Parcel (APN 366-031-12) located in the East Elliott preserve area in the City. The project site does include MHPA area. The on-site MHPA area consists of developed land disturbed habitat and does not contain native habitat with the ability to support a diversity of sensitive plant and animal life.

The MHPA Boundary Line adjustment proposes to remove the 2.2 acres of disturbed land from the MHPA on-site and preserve a higher quality habitat in the MHPA off-site on the 9.92-acre Najor Parcel located in the East Elliott preserve area in the City.

The project would conserve the entire 9.92-acre Najor parcel, which would result in an addition of 2.48 acres of preserved sensitive habitat within the MHPA. As the project proposes to offset the deletion of 2.2 acres of disturbed habitat with the additional preservation of 2.48 of Diegan coastal sage scrub and sage scrub habitats in the MHPA, the project boundary line adjustment would result in the conservation of higher quality habitat and an improved habitat preservation configuration. Development of the site will involve earthwork, but due to the disturbed nature of the site, disturbance to environmentally sensitive lands will be minimal.

Therefore, the design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.

**5. The design of the subdivision or the type of improvement will not be detrimental to the public health, safety, and welfare.**

The project includes the development of 198 multiple dwelling units, including eight affordable housing units in 13 buildings located in the Otay Mesa-Nestor Community Plan area. It includes a rezone, Community Plan amendment, and MHPA boundary line adjustment.

During construction, the project would employ the use of structural and nonstructural Best Management Practices (BMPs), Best Available Technology, and sediment catchment devices downstream of paving activities to reduce potential drainage impacts associated with construction. Additionally, the project design complies with the Standard Urban Stormwater Management Plan and Municipal Stormwater Permit criteria of the State Water Resources Control Board.

Hardscape associated with the built project would result in runoff, which could significantly impact water quality in the MHPA. However, the project would provide stormwater treatment through two Modular Wetland Systems (WMS) and two underground stormwater cisterns.

Stormwater on the site would be directed to the two WMS, which use filters, wetland vegetation, and biological processes to remove contaminants from the water before entering the cisterns. The vegetation used in the WMS are non-invasive wetland associated species, appropriate for the designated filtration uses.

The western cistern would have a storage volume of 11,942 cubic feet (cf); the storage volume of the eastern cistern would be 5,933 cf. Each cistern would detain the water and allow it to flow from the site through two outfalls at a regulated rate, equivalent to the pre-project runoff condition. The stormwater outlets would include energy dissipators to reduce discharge velocities and minimize the potential for erosion, and the project would not result in any increase in off-site discharge of stormwater runoff.

To improve the walkability near the project site, the following improvements are proposed by the project at Palm Avenue/Hollister Street:

- Install a blank-out no right turn sign on the northbound and southbound approach on Hollister Street to be displayed during the existing lead pedestrian interval. This would help reduce conflicts between vehicles and pedestrians that are crossing the street.
- Install a blank-out no left turn sign on the southbound approach at Palm Avenue/Hollister Street to be displayed during preemption limited service. This would notify drivers that left-turn movements are prohibited when a train is crossing and help reduce conflicts between vehicles and pedestrians crossing the street.
- Install High Visibility Pedestrian Crossings (Marked Continental Crosswalks) at each leg of the Palm Avenue/Hollister intersection.
- Install High Visibility Pedestrian Crossing (Marked Continental Crosswalks) at each leg of the Palm Avenue/Harris Avenue-MTS Access intersection, except at the west leg where pedestrian crossing is prohibited.

Because of its proximity to Very High Fire Hazard Severity Zones (VHFHSZs) an Evacuation Plan was prepared and is included in the Palm & Hollister Apartments Project Final Environmental Impact Report (SCH No. 2022060468). The project Evacuation Plan (Appendix S) demonstrates that timely evacuation of the site is feasible and would be improved by the additional roadway and emergency egress connections provided by the project.

The project would provide a single access point in the southwest corner of the project. The San Diego Fire Department has determined that the access road within the apartment complex would provide adequate emergency evacuation for the planned population within the development and adequate access for emergency vehicles.

The project requires a rezone to the Residential Multiple (RM-2-6 zone) to allow for 198 multiple dwelling units on the 5.92-acre project site. The RM-2-6 zone permits a maximum of up to 206 dwelling units on the proposed project site. In the event the proposed project is not constructed following approval of the rezone, and a new project is brought forward with 200 units or more, a

secondary emergency access road would be required and located no less than half the overall diagonal length of the site from the primary access road.

Therefore, the design of the subdivision or the type of improvement will not be detrimental to the public health, safety, and welfare.

**6. The design of the subdivision or the type of improvements will not conflict with easements acquired by the public at large for access through or use of property within the proposed subdivision.**

The proposed easements are located west and south of the project site. Access to the project site is proposed from the south through property owned by the Metropolitan Transit System (MTS). An access easement has been established with MTS, which would allow for ingress and egress from Palm Avenue through the Palm Avenue Trolley Station parking lot. Pedestrian and bicycle access would also be provided within the MTS easement.

The project would include upgrading the existing curb return where the drive aisle and Palm Avenue meet to comply with Americans with Disabilities Act (ADA) requirements, replacing curb ramps, restriping portions of the drive aisle, and addition of a six-inch curb along the eastern side of the drive aisle. The easement would also allow for utility connections and project signage, as well as the addition of landscaping along the eastern border of the drive aisle.

A five-foot-wide concrete east-west sidewalk parallel to the project site and project's southwestern property line within a nine-foot-wide pedestrian access easement would tie into the existing MTS sidewalk at the northwest corner of the MTS parking lot. Within the access easement drive aisle, the project would also provide a five-foot-wide running track that runs from the project site's southern property line along a portion of the eastern side of the drive aisle through the MTS parcel.

A ten-foot access easement exists to the north of the project site for pedestrian access to the OVRP. An access point to the OVRP to the west of the project site would be provided within a nine-foot pedestrian access easement proposed by the project.

The project would require connection to SDG&E utilities to provide electricity service to the project. Additionally, the project would remove and/or relocate existing SDG&E utilities and easements that occur on-site to better serve the project and SDG&E.

Public Utilities Code Sections 851-857 requires SDG&E to seek California Public Utilities Commission (CPUC) approval prior to disposing of SDG&E property or allowing encroachments within SDG&E easements. Because the project would require modification to SDG&E facilities and easements, the CPUC will make a determination regarding such modifications..

Therefore, the design of the subdivision or the type of improvements will not conflict with easements acquired by the public at large for access through or use of property within the proposed subdivision.

**7. The design of the proposed subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities.**

The design of the development has considered the best use of the land to minimize grading and preserving environmentally sensitive lands.

The project site is located adjacent to the Terra Bella Nursery, which occupies land within the OVRP. An existing 10-foot-wide County of San Diego easement runs along the northern boundary of the project site. The purpose of this easement is to provide access to the OVRP. Separated from the nursery by a County of San Diego easement and manufactured slope vegetated in non-native vegetation, the project site is not surrounded by a natural landscape. The project would result in construction of a retaining wall planted with native vegetation along the slope area.



Additionally, native landscaping would occur within the County easement area. Thus, the project is designed to create a natural landscape adjacent to the OVRP.

A project that places high structures in proximity to one-another can result in tunneling of air movement in an area that was previously unobstructed. Surrounding land uses include the Palm Avenue Trolley Station and a mobile home park to the south and open space to the north. Commercial uses up to two stories are located to the west across Hollister Street. The project would also provide recreational amenity areas on the north- west, -central and -east portions of the project site, as well as a pedestrian trail along the northern property line. These open areas would help to retain general air flow patterns and result in air flow that would follow natural geographic patterns through the project site. The project buildings would not be substantially tall in height and the building layout would not result in air-flow issues.

Overall, the project would include native and naturalized drought-tolerant species consistent with the Landscape regulations. All landscape and irrigation would conform to the city-wide landscape regulations, the City of San Diego Land Development Manual, Landscape Standards, and all other landscape-related City and regional standards. An automatic, electrically controlled irrigation system would be provided, as required by LDC 142.0403(c).

Therefore, the design of the proposed subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities.

**8. The decision maker has considered the effects of the proposed subdivision on the housing needs of the region and that those needs are balanced against the needs for public services and the available fiscal and environmental resources.**

The Palm & Hollister Apartments project will develop with 198 multiple dwelling units (including eight affordable units) in 13 buildings infusing the local housing stock. The affordable housing units

will be distributed throughout the project, which would be provided at 30 percent to 60 percent Average Median Income. Additionally, because the residential units will develop in a variety of configurations that will be offered as “for rent” units, and will include the eight affordable housing units, the Palm & Hollister Apartments project will offer housing to a wide range of income levels. Palm & Hollister Apartments will develop in an area where public services and facilities are readily available.

The project is located within an area of San Diego that is developed and contains the necessary police and fire rescue infrastructure. The project does not necessitate the need to expand or provide new facilities. Relative to parks, the project would be required to pay a Park Impact Fee that provides for public facilities required to support the proposed population including parks, recreation centers and aquatic complexes. The project would not result in a significant impact to these services’ ability to serve the community and no new or expanded public service facilities would be required as a result of the project.

The project design has taken into account the best use of the land to minimize grading and preserve sensitive lands. The project site includes 2.2 acres of disturbed land that are mapped as within the MHPA. The project requires a Boundary Line Adjustment to remove that area from the MHPA and preserve a higher quality habitat in the MHPA off-site on the 9.92-acre Najor Parcel located in the East Elliott preserve area in the City. The 9.92 acres of land to be conserved on the Najor Parcel may support one or more covered species, including willow monardella and coastal California gnatcatcher. Therefore, the exchange has potential to increase the conservation of covered species.

The above findings are supported by the minutes, maps, and exhibits, all of which are herein incorporated by reference.

**ATTACHMENT 7**

(R-[Reso Code])

BE IT FURTHER RESOLVED, that based on the Findings hereinbefore adopted by the City of San Diego City Council, Vesting Tentative Map No. PMT-2587526 is hereby granted to Palm Hollister, LLC, subject to the attached conditions, which are made a part of this resolution by this reference.

APPROVED: Mara W. Elliott, City Attorney

By \_\_\_\_\_

[Attorney]

Deputy City Attorney

[Initials]:[Initials]

[Month]/[Day]/[Year]

Or.Dept:[Dept]

R-R-[Reso Code]

ATTACHMENT: Tentative Map Conditions

Internal Order No. 24009082

**ATTACHMENT 8**

<b>Page 3</b>		<b>City of San Diego · Information Bulletin 620</b>		<b>May 2020</b>
		<b>City of San Diego Development Services</b>		<b>Community Planning Committee Distribution Form</b>
Project Name: <b>555 Hollister Street</b>		Project Number: <b>698277</b>		
Community: <b>Otay Mesa Nestor</b>				
<p>For project scope and contact information (project manager and applicant), log into OpenDSD at <a href="https://aca.accela.com/SANDIEGO">https://aca.accela.com/SANDIEGO</a>.</p> <p>Select "Search for Project Status" and input the Project Number to access project information.</p>				
<input checked="" type="checkbox"/> Vote to Approve <input type="checkbox"/> Vote to Approve with Conditions Listed Below <input type="checkbox"/> Vote to Approve with Non-Binding Recommendations Listed Below <input type="checkbox"/> Vote to Deny				
# of Members Yes	# of Members No	# of Members Abstain		
<b>10</b>	<b>0</b>	<b>0</b>		
Conditions or Recommendations:				
<b>Recommendation for name to reference the neighborhood it's in.</b>				
<input type="checkbox"/> No Action (Please specify, e.g., Need further information, Split vote, Lack of quorum, etc.)				
NAME: <b>Edgar Garfias</b>				
TITLE: <b>OMNCPG Secretary</b>			DATE: <b>07/26/2023</b>	
<i>Attach additional pages if necessary (maximum 3 attachments).</i>				

Visit our web site at [www.sandiego.gov/development-services](http://www.sandiego.gov/development-services).

Upon request, this information is available in alternative formats for persons with disabilities.

ORDINANCE NUMBER O-\_\_\_\_\_ (NEW SERIES)

DATE OF FINAL PASSAGE \_\_\_\_\_

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO REZONING 5.92 ACRES LOCATED AT 555 HOLLISTER STREET (ASSESSOR PARCEL NUMBER 628-05025-00) WITHIN THE OTAY MESA-NESTOR COMMUNITY PLAN AREA IN THE CITY OF SAN DIEGO, FROM THE RESIDENTIAL MULTIPLE (RM-1-1), RESIDENTIAL SINGLE (RS-1-7), AND AGRICULTURAL RESIDENTIAL (AR-1-2) ZONES TO THE RESIDENTIAL MULTIPLE (RM-2-6) ZONE AS DEFINED BY SAN DIEGO MUNICIPAL CODE SECTIONS 131.0406, 131.0403, 131.0303 AND 131.0406, AND REPEALING ORDINANCE NO. O-18451 (NEW SERIES) ADOPTED DECEMBER 9, 1997, OF THE ORDINANCES OF THE CITY OF SAN DIEGO INSOFAR AS THE SAME CONFLICT HEREWITH.

WHEREAS, Palm Hollister, LLC applied to rezone a 5.92-acre site located at 555 Hollister Street, Assessor Parcel Number 628-05025-00, and legally described as the north quarter of the west half of the southwest quarter and the north five acres of the east half of the southwest quarter of Section 22, Township 18 South, Range 2 West, San Bernadino Meridian, in the City of San Diego, County of San Diego, State of California, from Residential Multiple (RM-1-1), Residential Single (RS-1-7), and Agricultural Residential (AR-1-2) Zones to the Residential Multiple (RM-2-6) Zone, in the Otay Mesa-Nestor Community Plan area; and

WHEREAS, Resolution No. R-\_\_\_\_\_ (Otay Mesa-Nestor Community Plan Amendments), which was considered along with this Ordinance, proposes an amendment to the Otay Mesa-Nestor Community Plan to redesignate the 5.92-acre site at 555 Hollister Street from Residential Multiple (RM-1-1), Residential Single (RS-1-7), and Agricultural Residential (AR-1-2) Zones to the Residential Multiple (RM-2-6) Zone; and

WHEREAS, on August 29, 2024, the Planning Commission of the City of San Diego considered the rezone, and voted to recommend Council of the City of San Diego (Council) approval of the rezone; and

WHEREAS, the matter was set for a public hearing to be conducted by the Council; and

WHEREAS, under Charter section 280(a)(2) this ordinance is not subject to veto by the Mayor because this matter requires the Council to act as a quasi-judicial body and where a public hearing was required by law implicating due process rights of individuals affected by the decision and where the Council was required by law to consider evidence at the hearing and to make legal findings based on evidence presented; and

WHEREAS, the Office of the City Attorney has drafted this ordinance based on the information provided by City staff, including information provided by affected third parties and verified by City staff, with the understanding that this information is complete, true, and accurate; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That 5.92-acres located at 555 Hollister Street, also known as APN 628-05025-00, and legally described as north quarter of the west half of the southwest quarter and the north five acres of the east half of the southwest quarter of Section 22, Township 18 South, Range 2 West, San Bernadino Meridian, in the City of San Diego, County of San Diego, State of California, from Residential Multiple (RM-1-1), Residential Single (RS-1-7), and Agricultural Residential (AR-1-2) Zones to the Residential Multiple (RM-2-6) Zone, in the Otay Mesa-Nestor Community Plan area, as defined by San Diego Municipal Code sections 131.0406, 131.0403, 131.0303, and 131.0406. This action amends the Official Zoning Map adopted by Resolution R-301263 on March 14, 2006.

Section 2. That Ordinance No. O-18451 (New Series) adopted December 9, 1997, of the ordinances of the City of San Diego, are repealed insofar as the same conflict with the rezoned uses of the land.

Section 3. That a full reading of this ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 4. That this ordinance shall take effect and be in force on the thirtieth day from and after its passage, and no building permits for development inconsistent with the provisions of this ordinance shall be issued unless application therefor was made prior to the date of adoption of this ordinance.

APPROVED: MARA W. ELLIOTT, City Attorney

By \_\_\_\_\_  
Deputy City Attorney

Attachment: Rezoning Map No. XXX

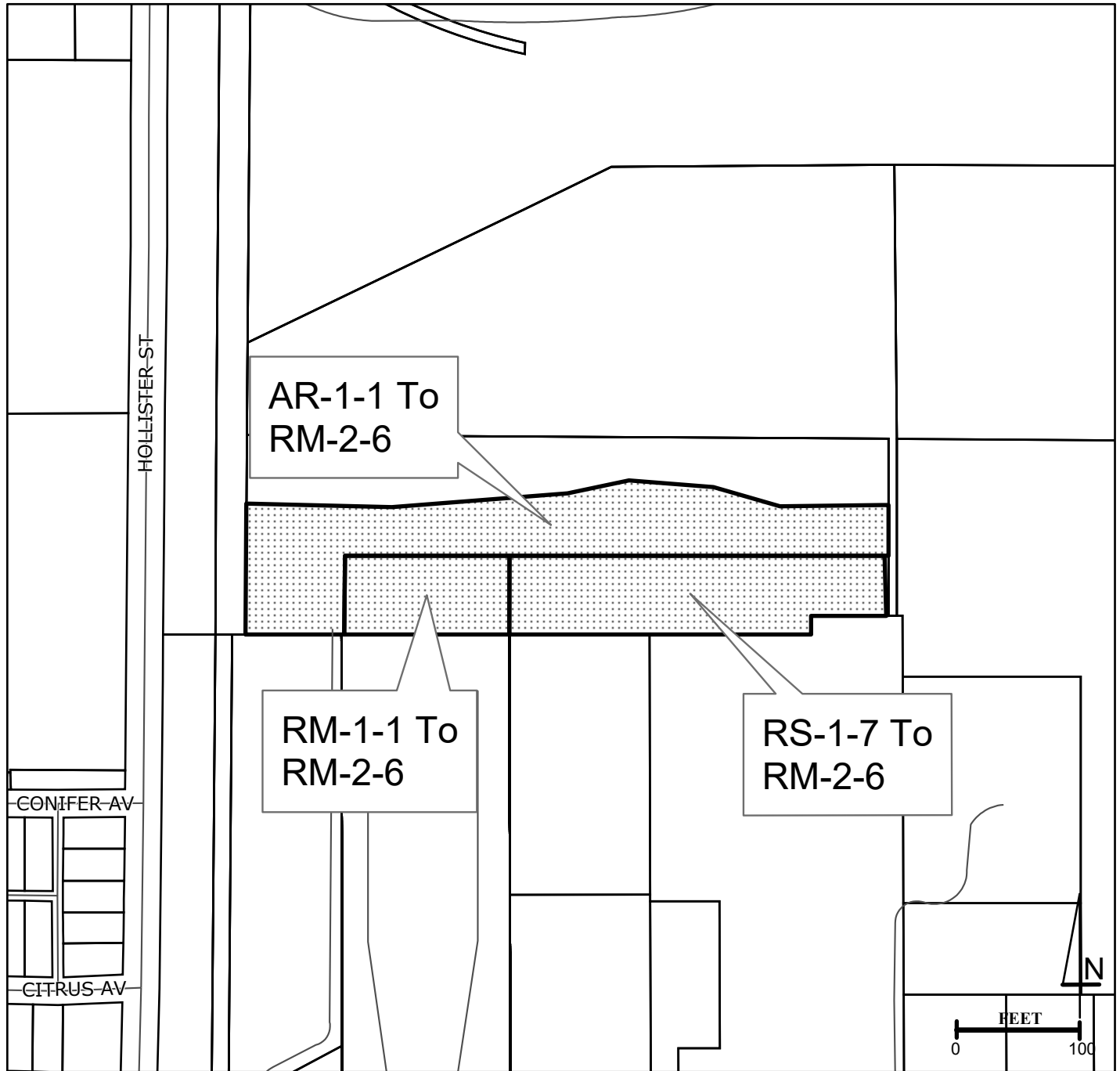
I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of \_\_\_\_\_.

DIANA J.S. FUENTES  
City Clerk

By \_\_\_\_\_  
Deputy City Clerk



# PROPOSED REZONING



		<b>B-4365</b>
ORDINANCE NO. _____ EFF. DATE ORD. _____ ZONING SUBJ. TO _____ BEFORE DATE _____ EFF. DATE ZONING _____	REQUEST <input style="width: 100%;" type="text"/> PLANNING COMM. RECOMMENDATION CITY COUNCIL ACTION	DEVELOPMENT SERVICES MANAGER  APN(s): _____



**Response to the Issues in the Planning Commission Resolution No. 5140-PC from the Community Plan Amendment Initiation**

The following information is provided in responses to the issues identify in the Planning Commission Staff Report No. PC-21-020 and Planning Commission Resolution No. 5140-PC dated June 10, 2021 for consideration by the Planning Commission for the proposed Otay Mesa - Nestor Community Plan Amendment (CPA) for the Palm Hollister Apartments project (PRJ 0698277)

**1. Appropriate land use designation, residential density range, and zoning for the site**

The applicant proposes to amend the community plan to revise the land use designation from Residential Low Density, Mixed use, and Open Space to Residential Medium-High Density of 20-35 dwelling units per acre, which would allow between 118 and 207 homes. To implement the proposed Community Plan Amendment, the property will be rezoned from RM-1-1 to RS-1-7. The Community Plan states that to achieve a balanced community in Otay Mesa, larger housing units along with a greater proportion of multi-family residential developments are needed to accommodate the increase of residents within the community. The proposed residential density range will be consistent with the Community Plan goal of providing affordable housing development through the provision of a variety of housing types that are affordable in nature.

**2. Consideration of onsite affordable housing**

The Housing Element of the City of San Diego General Plan explicitly calls for the provision of new affordable housing (Goal 3). Affordable housing is also high on the list of attributes worthy of perpetuation and preservation in the Otay Mesa-Nestor Community Plan. The project includes the provision of four percent of the base density as deed-restricted affordable units for households demonstrating rent of no more than 30% of 60% of AMI for no fewer than 55 years. This would equate to eight affordable units provided by the project on-site.

**3. Evaluate Otay Valley Regional Park Concept Plan goals and policies for consistency**

The proposed amendment site is within the Open Space/Core Preserve Area of the Otay Valley Regional Park (OVRP) which is intended to protect biologically sensitive habitat areas and provide a regional wildlife corridor from South San Diego Bay to the Otay Reservoirs. The OVRP Concept Plan calls for disturbed areas within the Open Space/Core Preserve Area to be restored and enhanced consistent with the MSCP. The boundary of the Open Space/Core Preserve Area is contiguous with the Multiple Habitat Planning Area (MHPA) boundary which overlaps with the northern portion of the project site. See item 7 for a more details on the proposed MHPA boundary line adjustment as a part of the project.

The OVRP does not preclude private development. The Community Plan includes guidelines that are applicable to all future development within the OVRP, indicating that future development should be sensitive to, oriented towards, and enhance adjacent natural open space (OMCP p. 29). The OVRP Concept Plan also includes guidelines for development within the OVRP to provide linkages with OVRP trails and, as appropriate, to provide open space, recreational facilities, staging and viewing areas in conjunction with the OVRP. The project

would include connection to the future trail system and would provide on-site amenities, including recreation facilities and outdoor enjoyment spaces. The subject site is adjacent to the portion of Recreation Area 3 of the OVRP that is currently being leased to a nursery, which has conceptual plans to develop an active recreation sports complex.

**4. Compatibility of the proposed amendment with the General Plan Urban Design goals and policies addressing development adjacent to natural features**

The General Plan Urban Design Element Goals support a built environment that respects San Diego's natural environment and climate, and a pattern and scale of development that provides visual diversity, choice of lifestyle, opportunities for social interaction, and that respects desirable community character and context. The project proposes 13 residential buildings that would be one to three stories which would help to integrate the new buildings with the existing fabric and scale of with the adjacent Palm City neighborhood which is one to two stories (General Plan, UD-B.1). The project proposes deviations to setback and building height regulations while providing smart growth benefits of orientating the buildings near the transit station and providing onsite affordable homes (General Plan, HE-C.12)

**5. Connectivity of pedestrian and bicycle facilities to surrounding development, the Palm Avenue Transit Center, within the Otay Valley Regional Park, and to existing and planned facilities**

The proposed project would provide a ten-foot-wide pedestrian access from the Palm Avenue Trolley Station to the Otay Valley River Park (General Plan policy UD-A.3(n)). The proposed project fosters a sense of community through building orientation and architectural design features that promote interaction and active lifestyles with adjacent access to Otay Valley River Park and the Palm Avenue Trolley Station (General Plan policy HE-M.2).

The proposed project would increase density adjacent to a trolley station which helps make transit convenient for more people. Consistent with General Plan policy ME-A.8, the project would create mixed-use commercial centers located on a transit corridor with access to employment centers so that it is possible for a greater number of short trips to be made by walking. Consistent with ME-A.6(d), the proposed would address pedestrian needs by providing pedestrian and bicycle access from the project site to the Palm Avenue Trolley Station with an easement. The project would include improve and or replace existing curb returns and curb ramps from Palm Avenue to the project site. The project would also provide 48 bicycle parking spaces and 50 percent, or 23 spaces, would be supplied with individual outlets for electric charging of e-bikes.

**6. Incorporation of a range of housing types, to provide for a variety of household sizes and household incomes**

The proposed project will assist the City in meeting housing goals by providing new housing, provide new housing opportunities to the City by utilizing an underutilized site, provide an infill development adjacent to the Palm Avenue Trolley Station and provide a cohesive design that is compatible in use, scale and character with the surrounding neighborhood. Project design specifically implements this policy in that it includes a range of unit configurations, including three one-bedroom/one-bathroom floorplans, two-bedroom/two-bathroom floorplans, and one three- bedroom/one- bathroom floor plan. These floorplans would be rented at various rates commensurate to their size. Additionally, the project would include eight deed-restricted affordable units.

**7. Implementation of applicable Multiple Species Conservation Program land use adjacency guidelines and restoration policies for sensitive vegetation communities within Multiple Habitat Planning Area designated lands identified within the site**

Because the project is adjacent to the MHPA, conditions of project approval have been set to address indirect effects related to drainage and toxins, lighting, noise, public access, invasive plant species, brush management, and grading.

The Palm & Hollister Apartments project site is located within the City's Multiple Species Conservation Program area, which covers 206,124 acres within the City's jurisdiction; the northern portion of the project site is mapped within the Multiple Habitat Planning Area. A Site Development Permit (SDP) is required to allow for development of the project within Environmentally Sensitive Land (ESL) in the form of sensitive biological resources. The ESL regulations specify development requirement inside and outside if the Multi-Habitat Planning Area (MHPA). The northern portion of the project site is mapped within the MHPA.

The project would develop the entire project site; therefore, an MHPA boundary line adjustment is proposed as a part of the project to remove the 2.2 acres of disturbed land from the MHPA on-site and preserve higher quality habitat in the MHPA off site on the 9.92-acre Najor property (APN 366-031-12) located in the East Elliott preserve area in the City. Acquisition of the Najor property (at more than four times the required adjustment acreage) would occur in order to adjust (remove) the allowable development area of 25 percent for parcels within the MHPA. Palm Hollister LLC would acquire the entire 9.92-acre parcel and grant it to the City in fee title, to be managed by the City as MHPA land as a condition of the SDP/NDP. The US Fish and Wildlife Service and the California Department of Fish and Wildlife provide their concurrence for the MHPA boundary line adjustment.

**8. Consideration of appropriate site design and flooding prevention methods**

The project has been designed considering the current site topography and features, as well as adjacency to current and future development. Due to the site's elevation, flood risk is not high. The project complies with Land Development Code Special Flood Hazard Area regulations.

**9. Consideration of appropriate site design to preserve views and access within the Otay River Valley Regional Park per the Community Plan**

The proposed project has been designed in a sensitive manner to complement the adjacent open space in the Otay Valley River Park with materials and colors that blend with the natural landscape (General Plan, UD-A.3). The proposed project would also include fencing that would permit views into the Otay Valley River Park and provide architectural interest in its rear elevations for views from the Otay Valley River Park. The project has been designed as low-lying structures of three to four stories with breaks between buildings to allow for views to and through the site. Additionally, setbacks along the northern, western, and eastern property lines would allow views to the future active recreation complex of the Otay Valley Regional Park.

The amendment to the Community Plan would remove reference to the following two view and access points which are in adjacent to the project site from Appendix C, View Corridors and View and Access Points:

- A - Palm Avenue Transit Center/Park-and-Ride: Provide a viewpoint overlooking the valley, north of the trolley station parking lot. Provide physical access, via a stairway, into the valley.
- B - Midway Baptist Church: Encourage the Church to provide a public viewpoint overlooking the valley.

The proposed project would interrupt eastward views into the Otay Valley River Park. While the Otay Mesa-Nestor Community Plan encourages a future viewpoint from the adjacent church property, public views on the church property do not exist. The removal of the View and Access Points A and B is consistent with Community Plan Appendix C.

**10. Incorporation of sustainability features including, but not limited to addressing water, energy, and storm water consistent with General Plan Conservation policies**

The project would be designed consistent with CalGreen and the California Building Code, the City's Climate Action Plan, and the requirements of the project-specific Storm Water Quality Management Plan.

**11. Consistency with the Transit-Oriented Development Design guidelines per the OMNCP, for future redevelopment of this area to be pedestrian/transit-oriented.**

Guidelines for Transit-Oriented Development Design guidelines are found in the OMNCP Appendix A. These call for minimized building setbacks, articulated building facades, orienting entrances to sidewalks as opposed to parking lots, develops a coordinated streetscape, encourages bicycling, and utilizes parking structures instead of surface parking.

*Minimized building setbacks:* Along the front setback, the project includes a deviation for 100 percent of the building envelope to observe the minimum (15-foot) setback, where the San Diego Municipal Code (SDMC) only allows up to 50 percent of the building envelope to observe this minimum setback as long as the remaining percentage observes the larger standard (20-foot) setback. The second deviation, along the street side, allows for the building setback to be 7.9 feet, where 22 feet is required.

*Articulated building facades:* Project design includes such features as recessed balconies, protruding window planes, and deeply recessed windows to add architectural interest and create a pedestrian-friendly environment.

*Entrance orientation:* The project site is not oriented along a street. Project design meets the intent of this design standard by orienting adjacent buildings and entrances toward the northern perimeter walking path.

*Coordinated streetscape:* Project landscape design meets the intent of this design standard by incorporating the jacaranda, which is an identified theme tree of Palm Avenue (Otay Mesa-Nestor Community Plan Appendix B: Otay Mesa-Nestor Street Tree Plan), as well as queen palm as a nod to the theme tree of Mexican fan palm and the median tree of Canary Island palm.

*Encourages bicycling:* The project includes bicycle racks throughout the site, including adjacent to pedestrian facilities on-site and pedestrian/bicycle connections off-site.

*Utilize parking structures:* The project provides for over half of its 268 unbundled vehicle park spaces in tuck-under garages (100 spaces) and carports (48 spaces) to minimize the amount of surface parking required for the project.

RESOLUTION NUMBER R-\_\_\_\_\_

DATE OF FINAL PASSAGE \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ADOPTING AN AMENDMENT TO THE OTAY MESA COMMUNITY PLAN TO REDESIGNATE THE 5.92-ACRE SITE FROM OPEN SPACE, MIXED USE, AND RESIDENTIAL LOW DENSITY (5 - 10 DWELLING UNITS PER ACRE (DU/AC)), TO RESIDENTIAL MEDIUM-HIGH DENSITY (20 - 35 DU/AC) IN THE OTAY MESA COMMUNITY.

WHEREAS, Palm Hollister, LLC, requested an amendment to the Otay Mesa Community Plan to redesignate the site from Open Space, Mixed Use, and Residential Low Density (5 - 10 dwelling units per acre (du/ac)), to Residential Medium-High Density (20 - 35 du/ac); and

WHEREAS, the site is legally described as: the north quarter of the west half of the southwest quarter and the north five acres of the east half of the southwest quarter of Section 22, Township 18 South, Range 2 West, San Bernadino Meridian, in the City of San Diego, County of San Diego, State of California, City of San Diego, County of San Diego, State of California; and

WHEREAS, the Planning Commission of the City of San Diego found the proposed amendments consistent with the Otay Mesa Community Plan; and

WHEREAS, on \_\_\_\_\_, 2024, the San Diego City Council (City Council) held a public hearing for the purpose of considering the proposed amendment to the Otay Mesa Community Plan; and

WHEREAS, the City Council has considered the Planning Commission record and recommendation, as well as the maps, exhibits, and written documents contained in the file for

these amendments on record in the City of San Diego, and has considered the oral presentation given at the public hearing; and

WHEREAS, the amendments retain internal consistency with the Otay Mesa Community Plan and helps achieve long-term community; and

WHEREAS, the Office of the City Attorney has drafted this resolution based on the information provided by City staff, including information provided by affected third parties and verified by City staff, with the understanding that this information is complete, true, and accurate; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that it adopts the amendment to the Otay Mesa Community Plan, a copy of which are on file in the office of the

APPROVED: MARA W. ELLIOTT, City Attorney

By \_\_\_\_\_

Deputy City Attorney

LHS:nja  
05/25/2023  
Or. Dept: DSD  
Doc. No. 3315809

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of \_\_\_\_\_ .

DIANA J.S. FUENTES  
City Clerk

By \_\_\_\_\_  
Deputy City Clerk

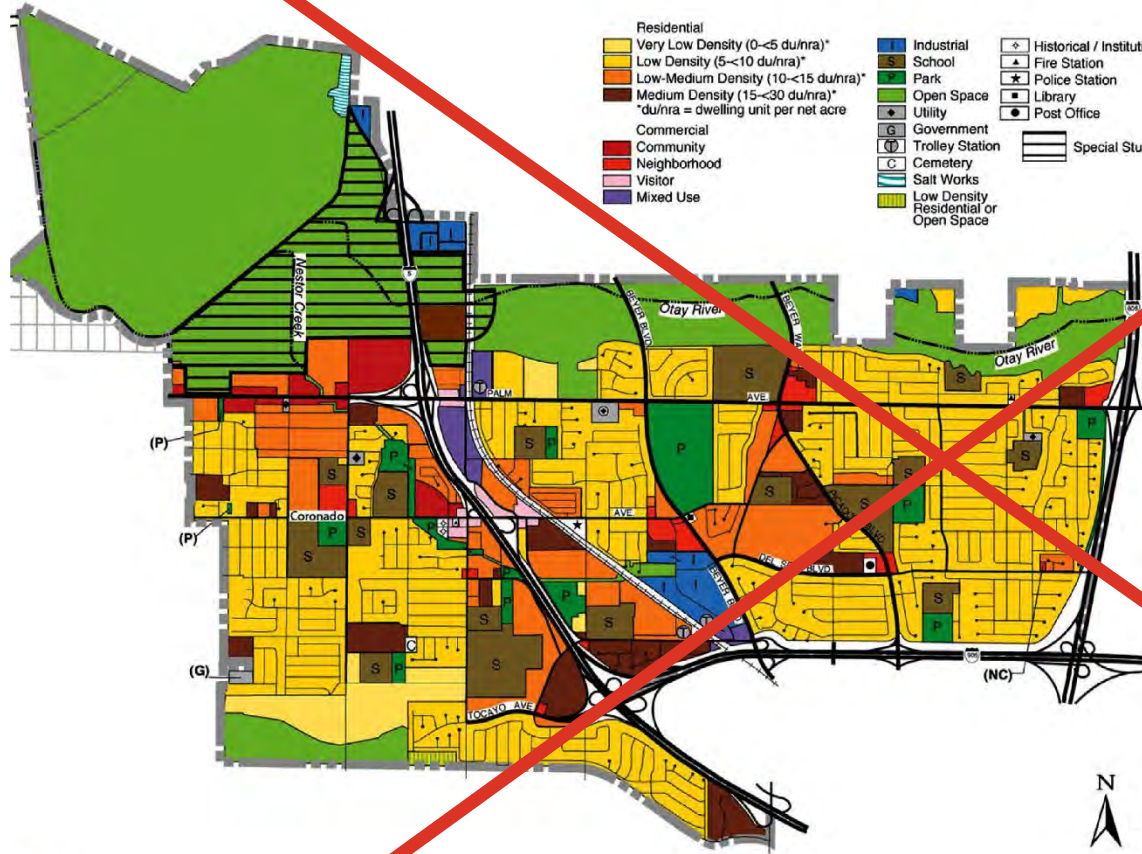
Approved: \_\_\_\_\_  
(date)

\_\_\_\_\_  
TODD GLORIA, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
TODD GLORIA, Mayor





- Residential**
- Very Low Density (0-5 du/nra)\*
  - Low Density (5-10 du/nra)\*
  - Low-Medium Density (10-15 du/nra)\*
  - Medium Density (15-30 du/nra)\*
  - \*du/nra = dwelling unit per net acre
- Commercial**
- Community
  - Neighborhood
  - Visitor
  - Mixed Use
- Industrial**
- School
  - Park
  - Open Space
  - Utility
  - Government
  - Trolley Station
  - Cemetery
  - Salt Works
  - Low Density Residential or Open Space
- Historical / Institutional**
- Fire Station
  - Police Station
  - Library
  - Post Office
- Special Study Area**

**Commercial Land Use Designations**

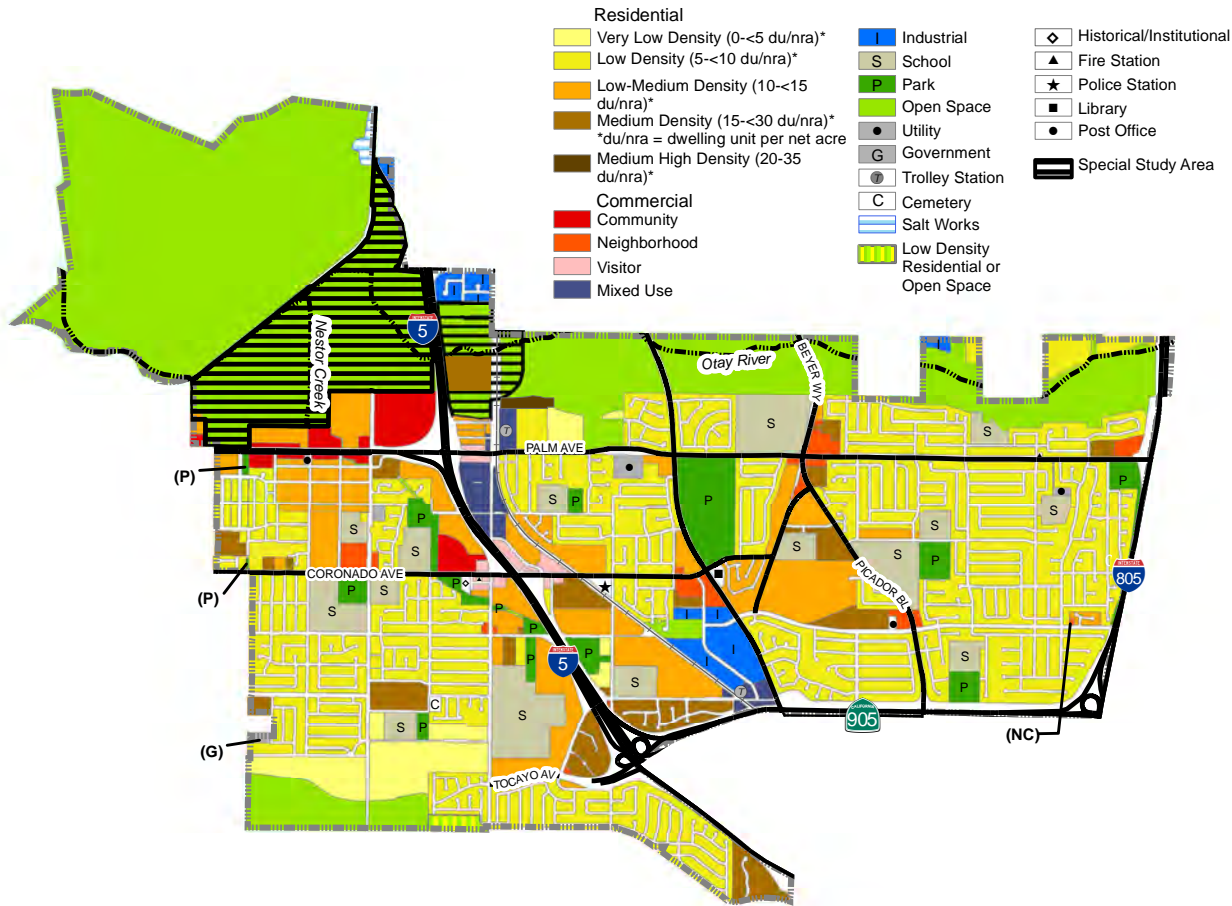
Designation	Functions	Typical Uses
<b>Community Commercial</b>	Provides a wide variety of community-serving necessities and retail goods, professional, financial and repair services; and recreational facilities, in strip-commercial or shopping center environments.	Those included in the Neighborhood/Commercial and Visitor Commercial designations; apparel, furniture and appliance sales; building and home supply; medical offices; automobile related services; sports (bowling, skating, miniature golf) and amusement centers.
<b>Neighborhood Commercial</b>	Provides a range of necessary goods, and personal and repair services for the convenience of the immediately adjacent residential neighborhood, concentrated in individual sites or small shopping centers.	Supermarkets, grocery stores and pharmacies; limited professional offices, banks and financial services; barber/beauty shops; cleaners and laundromats, and automobile service stations.
<b>Visitor Commercial</b>	Provides opportunities for visitor and locally oriented recreation, entertainment and shopping activities, usually adjacent to freeways or major streets.	Hotels/motels; restaurants and drinking establishments; specialty shops; theaters; bicycle shops; and automobile service stations.
<b>Mixed-Use Commercial*</b>	Provides a mixture of necessary goods, retail office, service and recreational commercial uses, and encourages limited residential uses in a transit/pedestrian-oriented environment.	Those included in the Neighborhood/Commercial and Visitor Commercial designations (excluding automobile service stations, motels and other automobile-oriented uses); public institutions and civic buildings; and public or private mini-parks and plazas.

\*See Appendix A, Transit-Oriented Development, for a more detailed description of the Mixed-Use Commercial designation.

**Residential Densities**

<b>Very Low-Density</b> 0-5 DUs per net acre	This density occurs on the fringes of the river valleys bordering the community and is distinguishable for its large lots ranging from 10,000 square feet to one acre and ten-acre lots.
<b>Low-Density</b> (5-10 DUs per net acre)	This density characterizes almost two thirds of the community, predominately on the mesa area. Low-Density is typified by conventional single-family detached units on lots that are 5,000 to 5,000 square feet.
<b>Low-Medium Density</b> (10-15 DUs per net acre)	This density is implemented by zoning permitting one unit per every 3,000 square feet of lot area. This density is characterized by lower intensity multifamily housing, such as duplexes, as well as mobile home parks.
<b>Medium Density</b> (15-30 DUs per net acre)	This is the highest density within the community, and it occurs in a zone permitting one unit per every 1,500 square feet of lot area.





**Commercial Land Use Designations**

Designation	Functions	Typical Uses
Community Commercial	Provides a wide variety of community-serving necessity and retail goods, professional, financial and repair services, and recreational facilities, in strip-commercial or shopping center environments.	Those included in the Neighborhood/Commercial and Visitor Commercial designations, apparel, furniture and appliance sales; building and home supply; medical offices; automobile related services; sports (bowling, skating, miniature golf) and amusement centers.
Neighborhood Commercial	Provides a range of necessity goods, and personal and repair services for the convenience of the immediately adjacent residential neighborhood, concentrated in individual sites or small shopping centers.	Supermarkets, grocery stores and pharmacies, limited professional offices, banks and financial services, barber/beauty shops, cleaners and laundromats, and automobile service stations.
Visitor Commercial	Provides opportunities for visitor and locally oriented recreation, entertainment and shopping activities, usually adjacent to free-ways or major streets.	Hotels/motels, restaurants and drinking establishments, specialty shops, theaters, bicycle shops, and automobile service stations.
Mixed-Use Commercial*	Provides a mixture of necessity goods, retail office, service and recreational commercial uses, and encourages limited residential uses in a transit/pedestrian-oriented environment.	Those included in the Neighborhood/Commercial and Visitor Commercial designations (excluding automobile service stations, motels and other automobile-oriented uses); public institutions and civic buildings; and public or private mini-parks and plazas.

\*See Appendix A, Transit-Oriented Development, for a more detailed description of the Mixed-Use Commercial designation.

**Residential Densities**

Very Low-Density (0-5 DUs per net acre)	This density occurs on the fringes of the river valleys bordering the community and is distinguishable for its large lots ranging from 10,000 square feet to one acre and ten-acre lots.
Low-Density (5-10 DUs per net acre)	This density characterizes almost two thirds of the community, predominantly on the mesa area. Low-Density is typified by conventional single-family detached units on lots that are 5,000 to 6,000 square feet.
Low-Medium Density (10-15 DUs per net acre)	This density is implemented by zoning permitting one unit per every 3,000 square feet of lot area. This density is characterized by lower intensity multifamily housing, such as duplexes, as well as mobile home parks.
Medium Density (15-30 DUs per net acre)	This density is implemented by zoning permitting one unit per every 1,500 square feet of lot area.
Medium High Density (20-35 DUs per net acre)	This is the highest density within the community, and it occurs in a zone permitting one unit per every 1,250 square feet of lot area.





other adjoining parcels, as the cornerstone of the Palm City neighborhood center.

- a. Include the northern portion of the triangular-shaped site, located at the southeast corner of the intersection of Palm Avenue and Hollister Street, west of the trolley tracks in these improvements.
  - b. Plans shall incorporate the trolley station and shall consider a mix of commercial, residential, civic, public plaza, and shared parking uses.
4. Consider preservation, reconfiguration and relocation options for the existing mobile home parks in this area, and integrate these sites with planned redevelopment. Explore undeveloped areas in Otay Mesa as possible sites for mobile home relocation.

#### **RESPONSIBILITY**

Community members, landowners and business owners working with City Departments and other responsible agencies including MTS and the Housing Commission.

#### **FUNDING**

1. Pursue City Capital Improvement Project (CIP) allocations and private investment.
2. Pursue Community Development Block Grant (CDBG) funds, Federal transportation planning grants and formation of a Business Improvement District or other similar entity.

#### **SCHEDULE**

On going

#### **LAND USE**

1. Mixed-Use Commercial. A Planned Commercial Development permit (PCD) shall be required for all sites developed within the Mixed-Use designated areas.
2. ~~Designate the Bella Sol site for multifamily residential.~~ Designate as multifamily residential the Bella Mar site and the site that is adjacent to the North of the Palm Avenue Transit Center.

#### **ZONING**

1. Use Citywide zones to implement the community plan land use designations.
2. Apply a zone that implements the Transit-Oriented Development intent, permitted uses, design standards and criteria. Condition rezones upon approval of a PCD.
3. Consider removal of the Mobile Home Park Overlay Zone if relocation of a mobile home park is considered as part of a proposed site redevelopment.

#### **GUIDELINES**

1. Any redevelopment or improvement in this area shall incorporate Transit-Oriented Development (TOD) Guidelines, (Appendix A).
2. Ensure that TOD guidelines, pedestrian orientation, and streetscape recommendations are incorporated into the design for future improvements to Hollister Street.
3. Development of sites located north of Palm Avenue, adjacent to the Otay Valley shall be required to meet specific development criteria (see Topic 1a, Otay Valley Regional Park).

---

**Reference:** Topic 1a, Otay Valley Regional Park; Topic 2c, Palm Avenue West; Appendix 1a, Otay Valley Regional Park; Appendix 1b, Special Study Area; Appendix C, View Corridors and View Points; Appendix H, Local Coastal Program; Bella Mar Special Study Report.



### **View and Access Points: Otay River Valley**

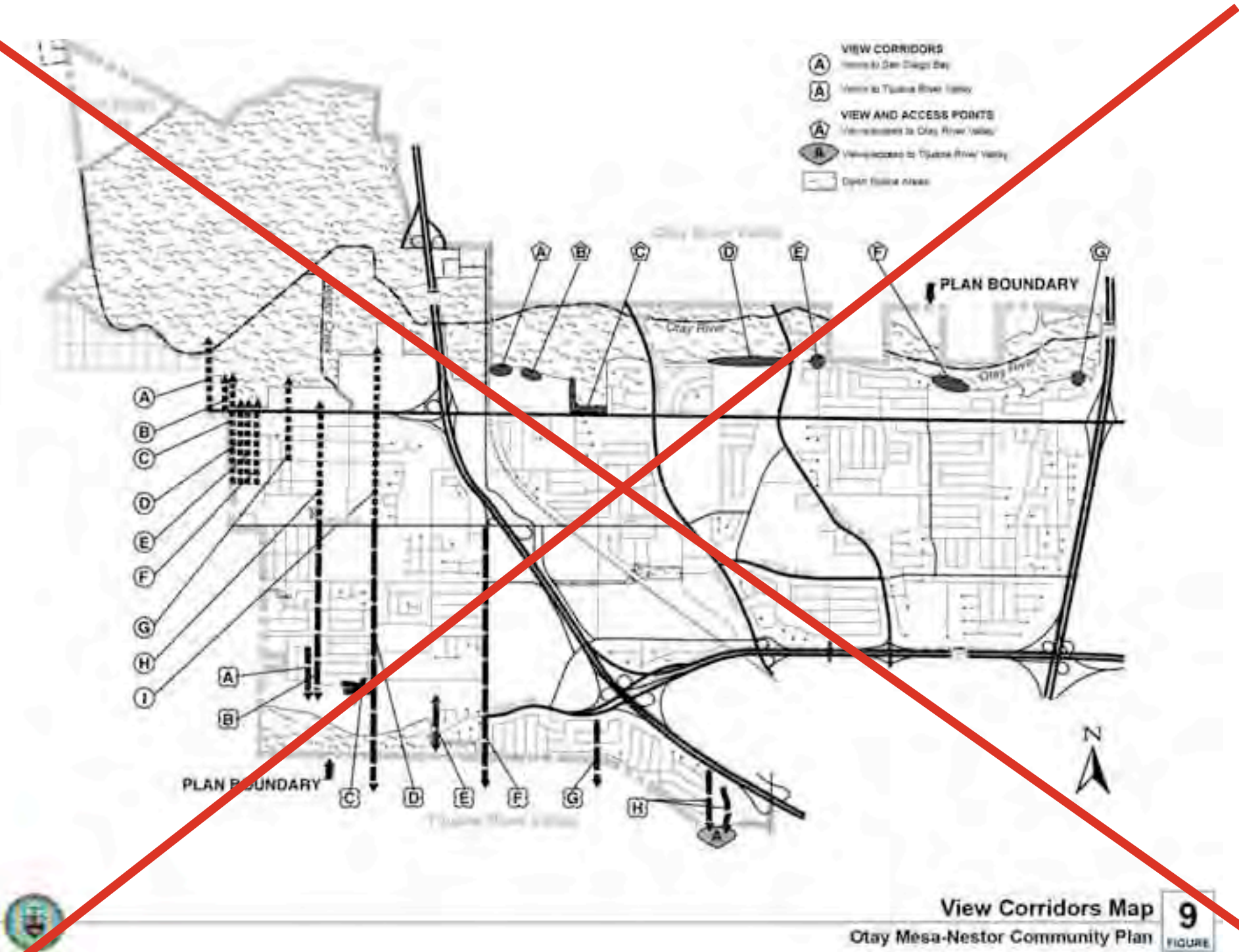
- ~~A. Palm Avenue Transit Center/Park-and-Ride: Provide a viewpoint overlooking the valley, north of the trolley station parking lot. Provide physical access, via a stairway, into the valley.~~
- ~~B. Midway Baptist Church: Encourage the Church to provide a public viewpoint overlooking the valley.~~
- A. ~~C.~~ Palm Avenue: This site is the only area between I-5 and I-805 that provides direct views into the valley from Palm Avenue. Preserve visual access and provide a public viewpoint from Palm Avenue. Provide public trail and vehicular access along the existing unimproved road alignment from Palm Avenue into the valley.
- B. ~~D.~~ Montgomery High School: Provide pedestrian access through the school campus to the sites north of the ball fields and stadium. Improve this area of natural bluffs overlooking the valley as a passive recreation and viewing area.
- C. ~~E.~~ Cochran Avenue: This site is proposed as a mini park (Topic 4e). Provide a public viewpoint overlooking the valley, including landscaping and seating. Design of this area should prevent vehicular access north of Lindbergh Street, and should discourage and prevent trash dumping over the cliff.
- D. ~~F.~~ Finney Elementary School: Provide pedestrian access through the school campus to the sites north of the ball field and playground. Improve this area of natural bluffs overlooking the valley and finger canyons as a passive viewing area.
- E. ~~G.~~ Murrieta Circle: An existing utility easement road provides access from Murrieta Circle down to the valley. Work with SDG&E to provide public access to this trailhead and viewpoint overlooking the valley.

### **View and Access Points: Tijuana River Valley**

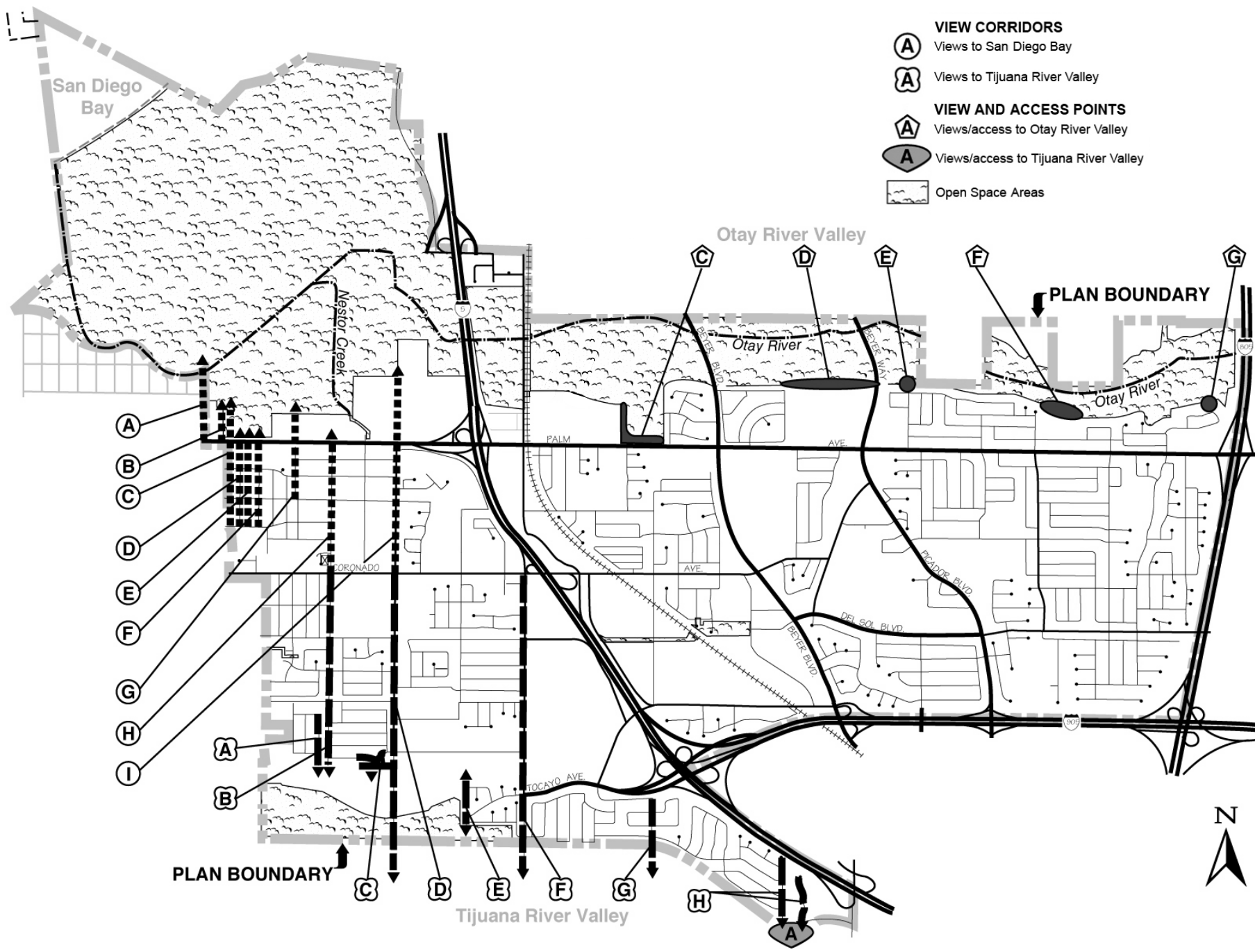
- A. Servando Avenue: Provide viewpoints along the alignments of Valentino Street and Bluehaven Court by clearing non-sensitive vegetation along the south side of this street, adjacent to the Tijuana River Valley. The viewpoints will provide aesthetic enjoyment for local residents and assist the U.S. Border Patrol in their operations.




View Corridor or View and Access Point	Location
<b>San Diego Bay:</b> View Corridor	A. 13 <sup>th</sup> Street B. Georgia Street C. Alley between Georgia Street and 14 <sup>th</sup> Street D. 14 <sup>th</sup> Street E. Alley between 14 <sup>th</sup> Street and Granger Street F. Granger Street G. 16 <sup>th</sup> Street H. Thermal Avenue I. Saturn Boulevard
<b>Tijuana River Valley:</b> View Corridor	A. Bubbling Well Drive B. Thermal Avenue C. Leon Avenue/Tremaine Way D. Saturn Boulevard E. Rodear Road F. Hollister Street G. International Road H. Valentino Street and Bluehaven Court
<b>Otay River Valley:</b> View and Access Points	<del>A. Palm Avenue Transit Center/Park and Ride</del> <del>B. Midway Baptist Church</del> A. <del>C.</del> Palm Avenue B. <del>D.</del> Montgomery High School C. <del>E.</del> Cochran Avenue D. <del>F.</del> Finney Elementary School E. <del>G.</del> Murietta Circle
<b>Tijuana River Valley:</b> View and Access Points	A. Servando Avenue



View Corridors Map  
 Otay Mesa-Nestor Community Plan



	<b>City of San Diego Development Services</b> 1222 First Ave., MS 302 San Diego, CA 92101 (619) 446-5000	<h1>Ownership Disclosure Statement</h1>	<b>FORM</b>
			<b>DS-318</b>
			<b>October 2017</b>

**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 Waiver  Land Use Plan Amendment •  Other Rezone

**Project Title:** Palm Hollister Apartments **Project No. For City Use Only:** 698277

**Project Address:** 555 Hollister Street

**Specify Form of Ownership/Legal Status (please check):**

Corporation  Limited Liability -or-  General - What State? CA Corporate Identification No. \_\_\_\_\_  
 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: D.I.M.E Hollister LLC  Owner  Tenant/Lessee  Successor Agency

Street Address: 2284 Palm Avenue

City: San Diego State: CA Zip: 92154

Phone No.: 619-213-3352 Fax No.: -- Email: wheelzone@yahoo.com

Signature: SEE attached page Date: \_\_\_\_\_

Additional pages Attached:  Yes  No

**Applicant**

Name of Individual: Palm Hollister LLC  Owner  Tenant/Lessee  Successor Agency

Street Address: 179 Calle Magdalena, Suite 201

City: Encinitas State: CA Zip: 92024

Phone No.: 619-417-4193 Fax No.: -- Email: dbudinger@ambient.email

Signature: Doreen Budinger Date: \_\_\_\_\_

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





**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 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 Waiver  Land Use Plan Amendment  other Rezone

**Project Title:** Palm Hollister Apartments **Project No. For City Use Only:** 698277

**Project Address:** 555 Hollister Street

**Specify Form of Ownership/Legal Status (please check):**

Corporation  Limited Liability -or-  General - What State? CA Corporate Identification No. \_\_\_\_\_  
 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: D.I.M.E Hollister LLC  Owner  Tenant/Lessee  Successor Agency

Street Address: 2284 Palm Avenue

City: San Diego State: CA Zip: 92154

Phone No.: 619-213-3352 Fax No.: -- Email: wheelzone@yahoo.com

Signature: \_\_\_\_\_ Date: 11/11/2021

Additional pages Attached:  Yes  No

**Applicant**

Name of Individual: Palm Hollister LLC  Owner  Tenant/Lessee  Successor Agency

Street Address: 179 Calle Maqdelana, Suite 201

City: Encinitas State: CA Zip: 92024

Phone No.: 619-417-4193 Fax No.: -- Email: dbudinger@ambient.email

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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