EXHIBIT C

DRAFT

STATEMENT OF OVERRIDING CONSIDERATIONS (PUBLIC RESOURCES CODE §21081(b))

REGARDING THE FINAL PROGRAM ENVIRONMENTAL IMPACT REPORT

FOR THE SAN YSIDRO COMMUNITY PLAN UPDATE AND SAN YSIDRO HISTORIC VILLAGE SPECFIC PLAN UPDATE PROJECT NO. 310690

SCH NO. 2015111012

August 2016

STATEMENT OF OVERRIDING CONSIDERATIONS (PUBLIC RESOURCES CODE §21081(b))

Pursuant to Section 21081(b) of CEQA and CEQA Guidelines §15093 and 15043, CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the San Ysidro Community Plan Update (CPU), and San Ysidro Historic Village Specific Plan (hereinafter respectively referred to as SYCPU and SYHVSP or the "Project"), as defined in the Final Program Environmental Impact Report (FEIR). As set forth in the Findings, the Project will result in unavoidable adverse direct impacts related to air quality and historical resources, and unavoidable adverse cumulative impacts related to air quality, historical resources, and transportation/circulation.

The City Council of the City of San Diego, (i) having independently reviewed the information in the EIR and the record of proceedings; (ii) having made a reasonable and good faith effort to eliminate or substantially lessen the significant impacts resulting from the Project to the extent feasible by adopting the mitigation measures identified in the EIR; and (iii) having balanced the benefits of the project against the significant environmental impacts, chooses to approve the project, despite its significant environmental impacts, because, in its view, specific economic, legal, social, and other benefits of the project render the significant environmental impacts acceptable.

The following statement identifies why, in the City Council's judgment, the benefits of the Project outweigh the unavoidable significant impacts. Each of these benefits serves as an independent basis for overriding all significant and unavoidable impacts. 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 either in the preceding sections, which are incorporated by reference into this section, the EIR, or in documents that comprise the Record of Proceedings in this matter.

A. FINDINGS FOR STATEMENT OF OVERRIDING CONSIDERATIONS

1. The Community Plan Update will provide a comprehensive guide for growth and development in the San Ysidro community.

The CPU provides a comprehensive guide for future growth and development within the San Ysidro community, and implements the vision developed by community stakeholders during the update process. The overarching guiding principal includes focusing future growth and development into distinct village areas; thereby preserving the surrounding established low-density residential neighborhoods and designated open space areas. This strategy provides a blueprint for future development that strengthens the San Ysidro community's established character as diverse urban neighborhoods through the creation of appropriate land uses, sufficient public facilities, and development policies as a component of the City of San Diego's General Plan.

The CPU includes goals and policies that will: (1) facilitate development of residential, commercial/mixed-use, institutional, and village-designated areas; (3) improve mobility throughout the community through the development of a balanced multi-modal transportation network and locate additional housing near transit, (3) establish direction for village design, neighborhoods,

community gateways and linkages, streetscapes and pedestrian orientation, and other unique San Ysidro attributes; a variety of housing types to meet the housing demands in the; a diversify of commercial and industrial uses that serve local, community and regional needs; and adequate public facilities and institutional resources that serve the needs of the community. The Community Plan Public Facilities, Safety, and Services Element includes policies that support the development of infrastructure to support future growth.

The CPU also contains more detailed land use guidance for defined areas known as Specific Plans to further assure that the increased land use intensities proposed in these areas will be appropriately designed. In addition, the CPU is accompanied by an Impact Fee Study (IFS) that will assure that funds are collected and available in a timely manner to implement the infrastructure needed to support future development with the overall San Ysidro community as well as the specific plan areas.

2. The Community Plan implements the General Plan's City of Villages Strategy by providing balanced land use plans that meet the needs of the San Ysidro community.

One of the primary goals of the City's General Plan is to implement the City of Villages Strategy on the community plan level by directing new development into already urbanized areas which promotes the integration of housing, employment, civic, and transit uses. The CPU is consistent with the City of Villages Strategy. It places an emphasis on directing population growth into mixed-use activity centers (villages) that are pedestrian-friendly and linked to an improved regional transit system. The CPU identifies two village areas: San Ysidro Historic Village, and Border Village The village area land uses, goals, and policies focus future growth and development in close proximity to transit nodes and commercial corridors in accordance with the City of Villages Strategy.

The CPU policies related to villages are reinforced by the rezoning effort to apply citywide base zones that have a pedestrian focus. In addition, the CPU includes detailed planning and design policies for the San Ysidro Historic Village through the inclusion of a Specific Plan. The Specific Plan will contain a mix of uses, with higher density allowed near the high frequency transit stops as well as promote new commercial, residential, and mixed-use development throughout the Village area.

The CPU also implements the City of Villages Strategy by encouraging new housing on remnant vacant and underutilized parcels designated for multifamily. The CPU also encourages alternative housing options, such as collaborative housing in which residents actively participate and live cooperatively, senior housing, granny flats, and multi-generational housing. New ideas for creating affordable senior-friendly housing and retrofitting existing structures with multi-units are encouraged.

3. Plan adoption and implementation will support the City of Villages strategy through the implementation of additional housing and mixed uses near job/employment centers.

In comparison with the existing Community Plan, the CPU would allow for up to an additional 1,762 residential units to be developed within the community and contribute to the ability of the City to meet the overall demand for future housing. As discussed earlier, these additional residential units would be located in the Village areas to allow residents to take advantage for transit and improved mobility. Furthermore, the CPU provides affordable single- and multi-family housing throughout the proposed community area, thus enabling a wide range of economic levels and age groups to live within these communities.

Section 2.2 of the CPU Land Use Element includes housing policies designed to develop housing that responds to the surrounding neighborhoods, preserves and rehabilitates existing single-family homes and assures adequate services including schools, parks and shopping. The policies also incorporate the goal of the City's General Plan Housing Element to ensure the development of sufficient new housing for all income groups and significantly increase the number of affordable housing opportunities.

4. The Community Plan provides a more effective means to protect and enhance character and function than existing land use controls.

The Community Plan area are largely urbanized and built out. The Community Plan builds upon the adopted Community Plan's goal for respecting the existing character of the communities while strengthening linkages and connectivity, improving the built environment, creating mixed-use walkable neighborhoods and preserving open space. The Community Plan seeks to encourage an urban form that reflects the existing and evolving character and provides an attractive built environment.

Development completed in accordance with the Community Plan would occur in an existing urbanized area with established public transportation infrastructure, which may reduce vehicle trips and miles traveled and support walking as a transportation choice. In addition, implementation of the policies contained in the Land Use, Mobility, Urban Design, and Recreation Elements would improve mobility, including access to recreation areas through the development of a balanced, multi-modal transportation network. Implementation of proposed Land Use policies in Section 2.5, Village Areas, support the integration of transit within mixed use residential and employment areas and encourages the creation of safe and direct bicycle and pedestrian connections to provided multi-modal access, while preserving the low-scale single- and multi-family character of the surrounding neighborhoods.

The Land Use Element defines Village Areas and key corridors where future growth is targeted within both communities in order to fulfill the General Plan's City of Villages strategy. The Specific Plan area incentivizes reinvestment through supplemental development regulations including additional height allowance, reduced parking requirements while also ensuring character enhancements and pedestrian access by requiring "paseos", pedestrian pathways between private properties, in order to build from the existing pedestrian network of alleys and cut through. These supplemental regulations can be found in the Land Use chapter of the Specific Plan and are intended to spur development flexibility and create an attractive, intensified urban environment with a mix of land uses surrounding the Beyer Boulevard Trolley Station and along San Ysidro Boulevard, while preserving the character of the residential areas and highlighting the unique public spaces in the area.

The Recreation and Conservation Elements contain policies aimed at improving public access and active recreational opportunities through the creation of bicycle and pedestrian pathways linkages to the existing park system in San Ysidro and the adjacent Tijuana River Valley community plan area. The intent of the Mobility Element is to provide a cohesive transportation network, the Element specifically address transit services and facilities, including highlighting the presence of trolley stations, improving the environment surrounding bus and trolley stops and focuses on the community infrastructure to access the transit by walking and biking. Urban Design Element encourages pedestrian-oriented design, multi-modal connections, a comprehensive wayfinding, and streetscape design that will promote walkability and support both the village concepts.

The Community Plan provides for growth and development through the assumed buildout year of 2035 by providing a foundation for development that builds on established character as reinvestment occurs in the urbanized areas. These specific factors support the decision to approve the project despite the significant unavoidable impacts identified in the FEIR.

5. The CPU promotes the City's Complete Streets policy by restoring a more balanced street environment that prioritizes public transit, walking, and bicycling over private vehicle movement.

Effective January 1, 2011, state law requires that cities address complete streets upon revisions to their general plan circulation elements. The specific requirement is to "plan for a balanced, multimodal transportation network that meets the needs of all users of streets, roads, and highways for safe and convenient travel in a manner that is suitable to the rural, suburban, or urban context of the general plan." The City's General Plan Mobility Element as adopted in 2008 meets this requirement. In fact, the Mobility Element is cited as an example of a general plan that has multimodal goals and policies, and the City's Street Design Manual is listed as an example of a multi-modal transportation implementation document in the "Update to the General Plan Guidelines: Complete Streets and the Circulation Element," published by the State Office of Planning & Research (December 2010).

The CPU's Mobility Element promotes the concept of "complete streets," in which roadways are designed and operated to enable safe, attractive, and comfortable access and travel for all users including pedestrians, bicyclists, motorists, and public transport users. The Mobility Element include the following multi-modal goals; Pedestrian-friendly facilities throughout the community with emphasis on the San Ysidro Historic Village and Border Village areas in order to minimize or reduce pedestrian/vehicles conflicts; a complete, safe, and efficient bicycle network that connects community destinations and links to surrounding communities and the regional bicycle network; high-quality public transit as the preferred transportation mode for employees and residents centered on transit oriented development and individuals using the border crossing; and a circulation system that provides for complete streets and adequate capacity and improved regional access for vehicle traffic.

Recommended improvements in the Mobility Element were developed with the consideration of implementing complete streets on the community's existing roadways. Policies that address pedestrian mobility include Policies 3.2.1 through 3.2.14. Additional pedestrian related policies may be found in Sections 4.5 and 4.6 of the CPU. Policy UD-A-9 regarding transit integration and UD-D-3 regarding pedestrian-orientated design focus on integrating development towards the street and creating and improving pedestrian access to trolley stations and bus stops to capitalize on access to transit, boost transit ridership, and reduce reliance on single occupancy vehicle driving.

The CPU supports, refines, and implements the City's Bicycle Master Plan. This includes the provision of a Class I Bike Path from the Port of Entry through the Border Village, San Ysidro Historic Village to the Beyer Blvd Trolley Station and north along Beyer towards Otay-Mesa Nestor. Class II bikeways would be provided along Camino de la Plaza connecting to the Port of Entry to the Tijuana River Valley and Otay-Mesa Nestor community to the north and Otay Mesa community to the east. The bike routes for a community network that ultimately will connect to the regional bike network, including the Border Access Corridor. The Community Plan also encourages bikeways within the village areas to connect to trail heads, recreation areas, schools, activity centers and services.

The Community Plan provides for the use of street design and traffic calming/management solutions to improve pedestrian safety and also includes an Urban Design Element, which encourages the village design to be both pedestrian and transit-oriented with goals and policies for activating vibrant village cores with attractive streetscaping, public art, architecture, and public facilities.

6. The Community Plan implements the City's goal to incorporate its General Plan policies and goals into its neighborhoods as part of its long term community plan update process.

The Community Plan is superior in meeting the General Plan's Guiding Principles and the goals generated by the community planning group and stakeholders because it maintains established low density neighborhoods, provides employment lands, and increases residential development opportunities along the existing transit corridors to densities that support transit. The zones that have been identified for commercial uses allow for transit supportive floor area ratios (FARs) and residential densities.

The San Ysidro Historic Village concentrates on two areas of intensification: the area around the Beyer Trolley Station and the commercial corridor along San Ysidro Boulevard. The Border Village District centers on the commercial business along East San Ysidro Boulevard, and is within walking distance of the San Ysidro Transit Center Trolley Station and the international Port of Entry. The Community Plan implements the major goals of the City's General Plan Housing Element with the provision of sufficient housing for all income groups and providing affordable housing opportunities consistent with a land use pattern which promotes infill development and socioeconomic equity, while facilitating compliance with all applicable federal, state, and local laws and regulations.

The increased residential density included in the preferred land use plan will assist in meeting the City's affordable housing needs and implement the Community Plan housing policies, found in the Land Use Element's Section 2.2 and the General Plan's Land Use Element policies in Section H, Balanced Communities and Equitable Development, for a mix of housing types and the integration of affordable housing within village areas. The villages are consistent with the General Plan's guiding principles, the City of Villages strategy, and the Community Plan policies for diverse, balanced, compact, and walkable mixed-use villages that are linked to public facilities, to recreation opportunities, and to employment centers by walkways, bikeways, transit, roadways, and freeways.

The Community Plan's Urban Design Element and the General Plan's Urban Design Element policies UD-A.1 – UD-A.17 contained in Section A General Urban Design, policies UD-B.1 – UD-B.8 in Section B Distinctive Neighborhoods and Residential Design, and policies UB-C.1- UD-C.8 in Section C Mixed-Use Villages and Commercial Areas provide policy direction for village areas, streetscape improvements, building character, street trees, and sustainability features, gateways, and view corridors that respect the community's natural setting, strengthens linkages and connectivity, improves the built environment, and creates mixed-use walkable villages.

These fundamental recommendations that are based on the General Plan policies cited not only will create diverse new housing near job/employment centers with transit opportunities; but will maintain the existing low density neighborhoods and historic districts, preserve open space resources while intensifying the nodes surrounding the transit stations and along the transit corridors in San Ysidro. Therefore, the Community Plan is consistent with the General Plan's Guiding Principles and each Community Plans land use goals that were generated with the community during the update process.

These specific factors support the decision to approve the project despite the significant unavoidable impacts identified in the FEIR.

7. The Community Plan implements strategies in the Climate Action Plan.

The Climate Action Plan (CAP) is intended to ensure the City of San Diego achieves Greenhouse Gas (GHG) reductions through local action. The CAP identifies five primary strategies implemented by a number of targets and actions, which together will meet GHG reduction target for 2020, as well as an interim target set for 2035 that is on the trajectory to the 2050 statewide goal established in former Governor Arnold Schwarzenegger's Executive Order S-3-05.

One of the five primary strategies identified in the CAP is to implement bicycling, walking, transit and land use strategies that promote increased capacity for transit-supportive residential and employment densities and provide more walking and biking opportunities in these areas. These concepts are consistent with the General Plan's Mobility Element and the City of Villages Strategy, and include a focus on increased capacity in Transit Priority Areas (TPAs).

The CPU and San Ysidro Historic Village Specific Plan provide site-specific recommendations consistent with these land use and mobility strategies. The Community Plan identifies neighborhood villages within Transportation Planning Areas (TPAs), and the land use and zoning associated with the CPU increases the capacity for transit-supportive residential densities in the villages, and identifies sites suitable to accommodate mixed-use village development, as defined in the General Plan.

The CPU includes two Neighborhood Villages, the San Ysidro Historic Village and the Border Village District. The San Ysidro Historic Village, implemented by the Specific Plan, concentrates on two areas of intensification: the area around the Beyer Trolley Station and the commercial corridor along San Ysidro Boulevard. The Border Village District centers on the commercial business along East San Ysidro Boulevard, and is within walking distance of the San Ysidro Transit Center Trolley Station. Densities range from 22 du/ac to 44 du/ac.

The CPU includes a section on Street Trees in the Conservation Element and a Street Tree Plan in Appendix A. The Street Tree Plan provides for a wide variety of tree types to enhance streetscapes in the community. Plan policies require new development to retain significant and mature trees, where feasible and supports public outreach efforts to educate business owners, residents, and school children on the care of, and environmental benefits of, shade-producing street trees and develops strategies for contributing to the canopy goal outlined in the CAP.

I. CONCLUSION

For the foregoing reasons, the City finds that the Project's adverse, unavoidable environmental impacts are outweighed by the above-referenced benefits, any one of which individually would be sufficient to outweigh the adverse environmental effects of the Project. Therefore, the City has adopted this Statement of Overriding Considerations.

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