UPDATED DRAFT CANDIDATE STATEMENT OF OVERRIDING CONSIDERATIONS REGARDING FINAL ENVIRONMENTAL IMPACT REPORT FOR ONE PASEO PROJECT

SCH No. 2010051073

Project No. 193036

February 2015

TABLE OF CONTENTS

							<u>Page</u>
I.	STAT	TATEMENT OF OVERRIDING CONSIDERATIONS					
	A.			STATEMENT		OVERRIDING	2
	В.	CONCLUSIO	N	•••••			18

TABLE OF AUTHORITIES

Page(s)	
Carmel Valley Community Plan	
Climate Action Plan	
Concept Map5	
General Plan Conservation Element	
General Plan EIR16	
General Plan EIR Findings	
General Plan Housing Element	
General Plan Strategic Framework	
Kosmont Fiscal Impact Analyses6	
Kosmont Retail Market Analyses	
London Group Critical Mass Report	
London Group One Paseo Retail Component Market Analysis	
National University Institute for Policy Research Economic Ledger5	
One Paseo Opportunistic Beach Nourishment Project Final Sampling and Analysis Plan Results Report	
RCP5	
San Diego's Road to Economic Recovery5	
Stack Traffic Consulting, Inc. Technical Memorandum, dated August 27, 201418	
Stack Traffic Consulting, Inc. Technical Memorandum, dated December 3, 201418	
Stack Traffic Consulting, Inc. Technical Memorandum, dated September 22, 201417	
Traffic Signal Communications Master Plan	

UPDATED DRAFT CANDIDATE STATEMENT OF OVERRIDING CONSIDERATIONS REGARDING FINAL ENVIRONMENTAL IMPACT REPORT FOR ONE PASEO PROJECT

SCH No. 2010051073

Project No. 193036

February 2015

I. STATEMENT OF OVERRIDING CONSIDERATIONS

As set forth in the Updated Draft Candidate Findings of Fact Regarding Final Environmental Impact Report for One Paseo Project (Findings), the City of San Diego (City)'s approval of the One Paseo project (Revised Project) will result in significant environmental impacts that cannot be avoided even with the adoption of all feasible mitigation measures. Whenever a lead agency adopts a project which will result in a significant and unavoidable impact, the agency must, pursuant to Public Resources Code sections 21002 and 21081(b) and CEQA Guidelines Section 15093, state in writing the specific reasons to support its action based on the EIR and/or other information in the administrative record.

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 Revised Project, despite its significant environmental impacts, because, in its view, specific economic, legal, social, and other benefits of the Revised Project render the significant environmental impacts acceptable.

The following statement identifies why, in the City Council's judgment, the benefits of the Revised Project outweigh the unavoidable significant impacts. Each of these public 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 Findings 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 Revised Project advances the City of Villages strategy, which is integral to the implementation of the City's General Plan.

The General Plan has adopted the City of Villages strategy as the operative growth policy for the City. The City Council made specific Findings and adopted a Statement of Overriding Considerations when it certified the General Plan EIR. The Revised Project implements the City of Villages strategy and the policies and goals of the General Plan, which were outlined in the previously adopted General Plan EIR Findings/SOC:

- a. The Revised Project protects the quality of life for existing and future residents through implementing the General Plan goals and policies designed to achieve a desired vision for the City that incorporates smart growth principles, concepts of sustainable development and resource management, and environmental protection.
- b. The Revised Project implements the General Plan policies and goals that guide the City in expanding the local economy, which provides jobs, attracts and retains businesses, supports diverse and vibrant commercial areas, recognizes and encourages technological innovations, and generates sufficient revenue to support various local programs and services.
- c. The Revised Project promotes development which accommodates anticipated population growth and guides physical development towards a desired image that is consistent with the social, economic and aesthetic values of the City.
- d. The Revised Project is consistent with the General Plan which provides a guiding framework for the completion of community plan updates which will allow individual communities and neighborhoods to provide direction for their future growth and successful economic development while maintaining their unique characters.

- e. The Revised Project is consistent with the General Plan which provides mitigation frameworks to guide community plan updates and development projects in order to reduce environmental impacts of future plans and projects.
- f. The Revised Project supports the policies and goals of the most recent General Plan Housing Element and allows the City to meet future housing needs for the growth in population, including affordable housing.
- g. The Revised Project provides for public facilities and services needed to serve the existing and future population and establishes goals and policies to enhance public safety.
- h. The Revised Project allows the City to become an international model of sustainable development and provide for the long-term conservation and management of the rich natural resources that help to define the City's identity, contribute to its economy, and improve its quality of life.
- i. The Revised Project is consistent with the General Plan policies that guides the preservation, protection, restoration, and rehabilitation of historical and cultural resources, improves the quality of the built environment, maintains the character and identity of communities, and contributes to the City's economic vitality.
- j. The Revised Project addresses expected impacts of global climate change by facilitating sustainable development, reducing greenhouse gas emissions within the City, and participating in the worldwide efforts to reduce effects such as extreme weather phenomena, sea level rise, and destruction of ecosystems.

Specifically, the Revised Project will help fulfill the City of Villages strategy by creating a mixed-use village in the heart of the Carmel Valley community where residential, commercial, employment and civic uses are all present and integrated. As noted in the General Plan, "Implementation of the City of Villages strategy relies upon the designation and development of village sites." (General Plan Strategic Framework, p. SF-3.) Therefore, actual development of sites within a community consistent with this strategy is necessary for the City of Villages to succeed. The Revised Project is located on one of the last undeveloped sites in the Carmel Valley

community and is being developed as a "village" to ensure implementation of this important General Plan strategy. According to the City's General Plan, the "City of Villages strategy focuses growth into mixed use activity centers that are pedestrian-friendly districts linked to an improved regional transit system...The strategy is designed to sustain the long-term economic, environmental, and social health of the City and its many communities... A 'village' is defined as the mixed-use heart of a community where residential, commercial, employment, and civic uses are all present and integrated...All villages will be pedestrian-friendly and characterized by inviting, accessible and attractive streets and public spaces. Public spaces will vary from village to village, consisting of well-designed public parks or plazas that bring people together. Individual villages will offer a variety of housing types affordable for people with different incomes and needs." (General Plan Strategic Framework, p. SF-3.)

The Revised Project proposes residential, commercial, employment and civic uses described in the strategy on the same site. The Revised Project's 608 units of multi-family residential housing will provide a greater range of housing types than currently exist in Carmel Valley. These units will be affordable to people of different incomes and needs. The 198,500 square feet of commercial uses will ensure that residents of the Revised Project and larger community have adequate retail to serve the area, and the employment uses will provide job centers close to residential uses to create a live-work balance in the community. By designating and developing this site consistent with the definition of a "village" in the General Plan, the Revised Project will "sustain the long-term economic, environmental, and social health of the City." (General Plan Strategic Framework, p. SF-3.)

Further, the City's General Plan states that coordination between the City and the San Diego Association of Governments (SANDAG) is vital for coordinating regional land use and transportation planning. The General Plan states the "SANDAG Board of Directors adopted a Regional Comprehensive Plan (RCP) in 2004 that provides a strategic planning framework for the San Diego region. The RCP encourages cities and the county to increase residential and employment concentrations in areas with the best existing and future transit connections, and to preserve important open spaces. The RCP includes an Integrated Regional Infrastructure Strategy and serves as a unifying document for a number of other regional initiatives covering topics such as housing, economic prosperity, habitat preservation, and environmental resource

protection...The City of San Diego General Plan is designed to complement and support the RCP." (*General Plan Strategic Framework*, p. SF-5.)

SANDAG's Smart Growth Concept Map provides a regional perspective on smart growth opportunity areas and identifies the Project site as a Town Center smart growth area. (*Smart Growth Concept Map*, January 27, 2012 [*Concept Map*].) The RCP defines Town Centers as containing residential, office/commercial, and civic/cultural facilities uses, at densities of 20 to 45 or more dwelling units per acre and 30 to 50 employees per acre. (*Regional Comprehensive Plan*, November 2006 [*RCP*].) This continues SANDAG's Regional Growth Management Strategy of encouraging placement of the highest development densities within, among other places, Town Centers. Towards that end, the RCP specifically recognizes local planning efforts aimed at intensifying land use near designated Town Centers, and specifically cites the General Plan's City of Villages strategy as supporting the Town Center concept. (*RCP*.) Therefore, development consistent with the City of Villages strategy implements both the General Plan goals and policies and furthers the established SANDAG regional planning goals.

2. The Revised Project will create numerous construction and permanent jobs, resulting in a significant boost to the local economy.

The Revised Project will result in substantial fiscal benefits for the City. The national and regional economies are recovering from a significant recession, which led to numerous job losses and revenue reductions. According to the San Diego Regional Chamber of Commerce's 2012 economic impact study titled "San Diego's Road to Economic Recovery," the unemployment rate in San Diego was at approximately 5% in 2007, and rose to a peak of 10.9% in July of 2010. (San Diego's Road to Economic Recovery, dated June 2012.) The Chamber report shows a negative 3% growth between 2008 and 2009, with positive growth of 1% beginning in 2010. (Ibid.)

The National University System Institute for Policy Research (NUSIPR) Economic Ledger (December 2011) notes that "from 2007 to 2009 San Diego lost 102,400 payroll jobs." (National University System Institute for Policy Research *San Diego Economic Ledger*, dated December 2011.) The National University study indicates that although unemployment rates are dropping, more growth and job creation are necessary. "NUSIPR's forecast for employment gains in 2012 will only lower the annual rate to 9.8 percent. Real GDP needs to grow more than three percent to

absorb all new labor entrants and 're-entrants' to more significantly bring the unemployment rate down." (*Ibid.*)

The Revised Project will help boost the local economy by supporting an estimated 6,402 construction related jobs. (*One Paseo Mixed Use Project-Net Fiscal Impact and Economic Benefit Analysis*, dated January 2013; *Net Fiscal Impact and Economic Benefit of Reduced Mixed-Use Alternative*, dated March 13, 2014 [collectively hereinafter, *Kosmont Fiscal Impact Analyses*].) Construction output from the Revised Project, which includes direct, indirect and induced spending associated with Revised Project construction, is anticipated to be \$1,014,000,000. (*Ibid.*) In addition, the completed Revised Project will support an estimated 1,591 new permanent jobs and inject approximately \$154,000,000 in new permanent job wages into the local economy. (*Ibid.*)

3. The Revised Project will make a substantial contribution to the City's General Fund and fund City infrastructure.

The Revised Project is estimated to generate a net annual fiscal benefit to the City of between \$528,000 and \$880,000. (Kosmont Fiscal Impact Analyses.) Such revenue may be spent by the City to improve vital services including police and fire protection, parks, roads and other infrastructure in the City. Money added to the General Fund will positively impact the City as a whole, not just the Carmel Valley community.

4. The Revised Project will revitalize the Carmel Valley economy.

Development of the Revised Project will activate an underutilized property and result in a new source of economic vibrancy in the Carmel Valley community. The Revised Project is anticipated to generate on an annual basis approximately \$113,000,000 in new wages, \$41,000,000 in new wages through economic multiplier effects, and conservatively, more than \$80,000,000 in new retail sales activity. (Kosmont Fiscal Impact Analyses; One Paseo Mixed Use Project-Retail Market Analysis, February 9, 2012; Addendum to February 2012 Retail Market Analysis Conducted for the One Paseo Project, February 28, 2013 [collectively hereinafter, Kosmont Retail Market Analyses].) The Revised Project is also expected to generate approximately \$2,500,000 in

new annual tax revenues for the City, supporting net new tax revenues of between \$528,000 and \$880,000 annually, after incremental City project related expenses. (*Ibid.*)

As demonstrated by the Retail Market Analyses prepared for the project by the Kosmont Companies, the addition of new retail uses at the project site will fulfill a recognized need in the community for additional retail development, and reduce the need for area residents to travel outside the community to satisfy their shopping requirements. (*Kosmont Retail Market Analyses*.) The analysis prepared by The London Group suggests that Kosmont's study was conservative, and that "the local market is significantly underserved as to both the supply of retail space and variety of choices available to residents of the community." (*London Group One Paseo Retail Component Market Analysis*, dated May 2013.)

In addition, the London Group's February 5, 2014 Critical Mass Report explains that the Revised Project will attract higher-quality "specialty" retail tenants that prefer to cluster together with other synergistic business entities that are currently missing from Carmel Valley. Patrons of one highend tenant are likely to patronize the other, and more likely to patronize both if both are present. (Retail Market Analysis and Retail Critical Mass Associated with a Reduced Project Alternative, February 5, 2014 [hereinafter, *London Group February 5, 2014 Critical Mass Report.*].).) The Revised Project will activate the area, emphasizing entertainment options and integrating open space to promote pedestrian activity, and at the same time, will contrast with and complement the existing nearby retail establishments.

5. The Revised Project will protect open space through consistency with the City of Villages strategy.

The City of Villages strategy is a departure from the suburban development model employed by the 1979 General Plan, which generally has been implemented in the Carmel Valley area. The General Plan explains that "[o]ver the last two centuries, San Diego has grown by expanding outward onto land still in its natural state. This is the first General Plan in the City's continuing history that must address most future growth without expansion onto its open lands." (General Plan Strategic Framework, p. SF-1.)

Based on this direction, the General Plan seeks to efficiently use the remaining developable land in the City consistent with the new growth policies of the Strategic Framework. The Strategic Framework Element embraces mixed use villages as the desirable development pattern for the City stating that "new policies have been created to support changes in development patterns to emphasize combining housing, shopping, employment uses, schools, and civic uses, at different scales, in village centers. By directing growth primarily toward village centers, the strategy works to preserve established residential neighborhoods and open space, and to manage the City's continued growth over the long term." (General Plan Strategic Framework, p. SF-6.) The Conservation Element of the General Plan at page CE-3 states that, "the City of Villages strategy to direct compact growth in limited areas that are served by transit is, in itself a conservation strategy. Compact, transit-served growth is an efficient use of urban land that reduces the need to develop outlying areas." (General Plan Conservation Element, p. CE-3.)

As shown in the Kosmont Retail Market Analyses, there is net supportable retail space of 1,219,972 square feet in the trade area for the Project, which includes Carmel Valley. (Kosmont Retail Market Analyses.) As noted in the London Group's February 5, 2014 Critical Mass Report, "our May 3, 2013 report concluded that \$542 million or 74% of annual retail expenditures by Primary Market Area residents are leaving the market in the form of 'outflow leakage.' In fact, [the] analysis demonstrates retail support for an additional 1.4 million square feet of space in the PMA." (London Group February 5, 2014 Critical Mass Report.) Therefore, the Carmel Valley area has significant pressure to develop additional retail space within the community to serve the unmet needs of residents. By concentrating that growth in retail space within the already developed area of the community, growth into open space areas will be avoided, thereby furthering the goals of the General Plan Conservation Element. Implementation of the City of Villages strategy also compliments and implements the third planning goal of the Carmel Valley Community Plan, which is "to preserve the natural environment." (Carmel Valley Community Plan.) The City of Villages strategy balances the growing needs of residents for retail, residential and employment uses, while preserving the environment and open space. Therefore, the Revised Project's design, which is consistent with the City of Villages strategy, will preserve and protect open space and the environment.

6. The Revised Project will support the housing goals of the General Plan and provide more balanced housing supply in the community.

The Revised Project implements the General Plan's goals and policies related to housing. As noted in the Statement of Overriding Considerations for the General Plan EIR, the implementation of the General Plan "supports the policies and goals of the most recent Housing Element adopted by the City in 2006, and allows the City to meet future housing needs for the growth in population, including affordable housing." (*General Plan EIR Findings*, p. 36.) The City Council similarly finds that the Revised Project will support the General Plan's Housing Element policies and allow the City to meet future housing needs.

General Plan Housing Element Policy HE-A.4 states: "Through the community plan update process, encourage location and resource efficient development. The community plans should focus on policies which promote a cluster of activities and services to establish a balance of housing, jobs, shopping, schools, and recreation, providing residents and employees with the option of walking, biking or using transit rather than driving." (*General Plan Housing Element*, p. HE-45.) Because the Revised Project will allow for the clustering of activities onsite, it advances this policy.

The Housing Element also "incorporates the City of Villages strategy as a key component of the City's housing strategy." (General Plan Housing Element, p. HE-1.) Goal number 1 of the Housing Element is to "[e]nsure the provision of sufficient housing for all income groups to accommodate San Diego's anticipated share of regional growth over the next housing element cycle, 2013 – 2020." (General Plan Housing Element, p. HE-2.) The City's share of regional growth is expressed in the RHNA developed by SANDAG. The City is required to certify that there is suitable land available to meet the RHNA through the Adequate Sites Inventory, which is incorporated into the General Plan Housing Element. The Revised Project would contribute to the realization of the City's housing goals under the RHNA. As noted in the General Plan Housing Element, "the General Plan sets forth direction to update the City's many community plans to be consistent with current citywide goals and policies. This includes targeting new growth into village centers to fully integrate land use, circulation, and sustainable development and design principles. As part of the ongoing community plan update process, the City will work with

community stakeholders to identify locations that would support compact, pedestrian-friendly mixed-use village centers linked by transit, and develop community-specific policies that support infill development. It is expected that over the eight years of this Housing Element cycle a number of locations will be identified for higher-density mixed-use development throughout the City." (*General Plan Housing Element*, p. HE-46.) The Housing Element's Adequate Sites Inventory allocates 608 dwelling units to the Project site, and describes those units as "Review In Process With Plan Amendment." Those units are included in the inventory of housing which could accommodate the City's housing needs in the RHNA. Therefore, the Revised Project's 608 units would contribute to and support the goals and policies of the General Plan's Housing Element. (*General Plan Housing Element*, p. HE-149.)

The Project site provides a unique opportunity to allow for a compact mixed-use village in an already urbanized area, with existing infrastructure in place. The Housing Element states that a "full realization of the Adequate Sites Inventory cannot be achieved unless there is significant infrastructure investment in the City's communities." (*General Plan Housing Element*, p. HE-3.) The majority of infrastructure necessary to serve the Revised Project is already in place, and therefore, the site is more desirable for meeting the RHNA than infill or vacant sites in areas where infrastructure does not exist. The Revised Project maintains the same number of housing units on the site as the originally proposed project, and therefore maximizes the site for housing consistent with the Adequate Sites Inventory. The Revised Project therefore meets the policy demands of the RHNA and implements the General Plan Housing Element Policies.

Housing Element Policy HE-A.3 states that "[t]hrough the community plan update process, designate land for a variety of residential densities sufficient to meet its housing needs for a variety of household sizes, with higher densities being focused in the vicinity of major employment centers and transit service." (*General Plan Housing Element*, p. HE-45.) By placing 608-dwelling units in the same location as a new employment center, the Revised Project protects areas far from developed employment centers from future residential development. By focusing higher densities in the major employment center of the community, which is located directly south and west of the Project site on El Camino Real and High Bluff Drive, the Revised Project satisfies these important public policy goals.

Housing Element Policy HE-A.5 seeks to "[e]nsure efficient use of remaining land available for residential development and redevelopment by requiring that new development meet the density minimums, as well as maximums, of applicable zone and plan designations." (*General Plan Housing Element*, p. HE-45.) Policy HE-A.5 provides clear direction to maximize residential density on sites suitable for residential use, which is what will happen with the Revised Project. Since this site has been deemed suitable by the Adequate Sites Inventory, the Revised Project will maximize the density of the proposed zone. It thus satisfies the policies of the General Plan.

Housing Element Policy HE-A.7 encourages the "develop[ment of] a comprehensive strategy for addressing the critical need for more workforce housing, serving moderate to middle income workers in San Diego. In keeping with the goals of SB 375 and the Sustainable Communities Strategy, the City should strive to promote the location of workforce housing proximate to employment and/or multimodal transportation facilities." (*General Plan Housing Element*, p. HE-45.) The Revised Project will create a mix of housing types on the Project site and provide work force housing adjacent to the major employment center in the area. The Carmel Valley area is predominantly single family housing, and the additional multi-family housing on the site would provide the opportunity for a greater variety of ages and income levels to locate in the community. These units would also be close to the community job-center, which could reduce the number of automobiles commuting in, keeping with the goals of SB375. Therefore, the Revised Project's housing units are consistent with Policy HE-A.7 and satisfy public policy.

7. The Revised Project will address a number of critical infrastructure needs, above and beyond what is required to mitigate the Revised Project's potential environmental impacts.

As part of the Revised Project, the applicant will fund and/or implement a number of infrastructure improvements in addition to that which is required to mitigate the project's transportation impacts, including the following:

a. As part of an agreement with Caltrans and included as part of the Revised Project, the applicant has agreed to advance the installation of improvements within the jurisdiction of Caltrans, including improvements to the I-5/Del Mar Heights Road Interchange, and fund more than its fair share of such improvements. Specifically,

the applicant will add an HOV lane to the I-5 southbound Ramp (Loop) at a cost of \$350,000. The project's fair share cash contribution would have been \$111,000.

- b. As part of an agreement with Caltrans and included as part of the Revised Project, the applicant has agreed to make certain median landscaping enhancements on Del Mar Heights Road within Caltrans' jurisdiction, and the long-term maintenance of these improvements will be funded by the applicant.
- c. As part of an agreement with Caltrans and included as part of the Revised Project, the applicant voluntarily will contribute funding, above the applicant's fair share obligation, for Caltrans to study the design of a third eastbound through lane on the Del Mar Heights Road bridge, as needed to increase future capacity on that facility. The applicant's fair share contribution has been calculated by Caltrans to be \$1,192,500, but the applicant voluntarily has offered to contribute an additional \$307,500, for a total contribution of \$1,500,000.

8. The Revised Project will provide quality of life enhancement in and around Carmel Valley.

As part of the Revised Project, the applicant has agreed to provide a number of benefits to the community, which are not required to mitigate any environmental effects of the Revised Project, including the following:

a. The applicant will advance up to \$1,100,000 to the SR56/I-5 CVREP Phase 1 trail under I-5, to help advance portions of the installation of this previously approved Caltrans' improvement. The project is a 1.23-mile long, 12 foot wide trail connection under the I-5 freeway structures that would link the existing Old Sorrento Valley Road along Peñasquitos Lagoon easterly to the existing SR 56 bike bath, providing access to the lagoon and to the ocean and creating a link between three regional trail systems (the Sea-to-Sea Trail from the Salton Sea to the Pacific Ocean, the existing Old Sorrento Valley Road trail, and Carmel Valley Restoration Enhancement Project trail) and to the proposed Carmel Valley Park and Ride trailhead. The project would include removal of sediment under freeway bridges

to promote movement of wildlife. The applicant's financial contribution will help complete one of the most significant missing trail connections in coastal north county San Diego.

- b. The applicant will fund up to \$150,000 towards the investigation and installation of potential traffic calming devices on High Bluff Drive north of Del Mar Heights Road.
- c. The applicant will fund up to \$40,000 for the design and installation of Carmel Valley community identity monuments at Del Mar Heights Road and the south end of El Camino Real.
- d. The applicant will enhance the planted medians, tree-lined parkways and bike lanes along Del Mar Heights Road and El Camino Real in order to connect the Revised Project to the community beyond the Revised Project boundary. In addition, the applicant will implement a boulevard-style design treatment along the Revised Project frontage with separated bicycle tracks and improved pedestrian promenades.
- e. The applicant will enhance the crosswalks at the intersection of Del Mar Heights Road and El Camino Real with enhanced pedestrian connections.
- f. The applicant will advance up to \$550,000 for the design and engineering of a potential enhanced park and additional play fields at the Carmel Valley Recreation Center, as well as a potential future gateway to the Center.
 - 9. The Revised Project will advance the goals of SANDAG's 2050 RTP and will be a sustainable mixed-use community.

In the General Plan EIR Findings, the City Council determined that implementation of the General Plan policies and the City of Villages strategy "allows the City to become an international model of sustainable development and provide for the long-term conservation and management of the rich natural resources that help to define the City's identity, contribute to its economy, and improve its quality of life." (*General Plan EIR Findings*, p. 37.) The City finds that the Revised Project

implements the General Plan and the City of Villages strategy and therefore will continue to allow the City to be a model of sustainable development for the following reasons:

- The Revised Project is a premier example of "smart-growth" principles. The a. Revised Project fulfills a vision for a civic and cultural "core" by creating a special destination where work, play, dining/entertainment, living and just gathering naturally bring the Carmel Valley community together. The Revised Project will serve as "the major unifying element of the entire community," as envisioned by the Community Plan. (Carmel Valley Community Plan.) The Revised Project will help connect the community by providing walkways, trails, bike lanes and linear park-like amenities that will link the diverse land uses in Carmel Valley to one another. By providing a new degree of connectively in Carmel Valley, the Revised Project will allow residents, employees in the adjacent offices and shoppers to explore their community by foot and by bicycle in new and different ways. The Revised Project includes a pedestrian connection from High Bluff Drive which includes a significant number of office buildings. This connection will allow employees in these buildings to access food, entertainment, and shopping that will be offered by the project. The connection of these previously isolated office buildings to retail and uses furthers the Strategic Framework's smart growth goals to integrate jobs, housing and retail use in a pedestrian friendly area.
- b. The applicant will include bike and pedestrian friendly bike stations and ride sharing amenities, as well as several electric vehicle charging stations, and a shuttle service that will further the sustainability goals of the City and reduce GHG emissions. A shuttle service is being offered as part of an enhanced Transportation Demand Management program. It is anticipated that the shuttle system will be implemented in the final stages of the Revised Project. It will be piloted as a loop system from the Revised Project site through the Employment Center in Carmel Valley to the Sorrento Valley Coaster Station, arriving and departing at 15 minute intervals during AM/PM peak periods, the lunch hour and other times as appropriate (including school hours).

- c. It is anticipated that all of the Revised Project's office buildings will be certified to a LEED Gold rating based on the expectation that the Revised Project's office buildings will be designed to include features such as optimized energy performance, "cool roofs," water efficient fixtures and landscaping, and onsite renewable energy.
- d. The Revised Project will be developed using energy and water efficiency standards,
 "cool" roofs and paving materials and an extensive onsite recycling and composting program.

10. The Revised Project will create resources for beach sand replenishment.

Up to an estimated 250,000 cubic yards of material have been prequalified by the U.S. Army Corps of Engineers and the U.S. Environmental Protection Agency as beach quality sand for beach replenishment. (One Paseo Opportunistic Beach Nourishment Project Final Sampling and Analysis Plan Results Report.) This native Torrey Sandstone material has been tested and submitted to all necessary agencies for approval in a Final Sampling and Analysis Plan Results Report. Several receiving beach sites have been identified and possess existing Sand Compatibility Opportunistic Use Permits. These permits allow the subject beaches to receive qualified sand material between October and March. Therefore, to the extent that the Revised Project's grading operations occur between October and March, qualified beach sand material can be exported to local beaches as a part of the Revised Project's grading and excavation phase. Nourished shorelines provide two primary benefits: increased area for recreation, and greater protection against coastal storms. Other tangible benefits include tourism revenues, restored wildlife habitats, enhanced public health and safety.

- 11. The Revised Project addresses expected impacts of global climate change by facilitating sustainable development and helping reduce GHG emissions in the City.
- a. As noted in the General Plan EIR, by concentrating growth into mixed use centers that are pedestrian and bicycle friendly and that allow people to live, work and shop

in close proximity, the City of Villages strategy will reduce vehicle miles traveled. (*General Plan EIR*, p. 3.2-14). Reducing vehicle miles traveled to work, shopping, and home reduces the amount of GHG emissions from vehicles used for transportation to these locations. The Revised Project includes an essential shuttle link between the Project site and the Sorrento Valley Coaster Station, which will allow people who work in the Carmel Valley Employment Center to take public transportation to other parts of the City that are accessed by the Coaster rail service. The shuttle service is anticipated to reduce vehicle miles traveled and in turn, reduce GHG emissions.

- b. In addition, the Revised Project entails construction of a mixed-use development intended to promote sustainability through the provision of residential, retail, and office uses on the same site and in close proximity to existing community facilities. As explained in the Findings, the Revised Project has been registered with the Green Building Certification Institute with a certification goal of LEED® Silver under the LEED® for Neighborhood Development™ rating system, and subsequently achieved Smart Location and Linkages Prerequisite review approval, the first certification level, from the Green Buildings Certification Institute. LEED®-certified buildings are designed to reduce waste, conserve energy and water, reduce greenhouse gas emissions, and lower operating costs. Towards that end, the Revised Project would incorporate the following sustainable design features:
 - Proposed buildings would exceed Title 24 energy standards by a minimum of 20 percent;
 - The proposed site design is compact and walkable, and bicycle storage facilities
 would be available for residents and employees with connectivity to surrounding
 bike routes;
 - The Revised Project will include one or more shuttle stops;
 - All lighting systems and infrastructure, such as traffic lights, parking meters, and street lamps, would use energy efficient technology such as light-emitting diode (LED) bulbs;

- Proposed buildings would use energy-efficient heating and cooling systems, equipment, and lights, and have sophisticated controls to monitor ongoing energy consumption;
- Electric vehicle charging stations would be included in the parking structures;
- The site would limit the hours of operation of outdoor lighting to conserve energy, while maintaining the level of light required for security and safety;
- The site would feature water-efficient landscaping and irrigation systems;
- All site buildings will employ high-performance "cool roof" materials, and the sidewalks and streets will use "cool" paving materials to reduce building cooling loads; canopy shading along sidewalks and roadways would also contribute to cooling load reduction;
- The proposed office buildings will target reducing their water use by 35 percent compared to standard office buildings by installing water-efficient fixtures in restrooms and kitchens; and
- The Revised Project site will feature a comprehensive recycling plan with a hazardous waste drop-off point, and several easy-to-access recycling bins.

12. The Revised Project provides a state-of-the-art Traffic Signal Synchronization and Emergency Vehicle Preemption Program.

a. The Revised Project will provide the Carmel Valley area with a traffic signal synchronization and emergency vehicle preemption program that will modernize traffic signal systems at approximately 45 intersections throughout Carmel Valley with state-of-the-art technology. The new systems will provide added throughput at these intersections and provide emergency vehicles with the ability to preempt traffic signals without line-of-sight prior to arriving at an intersection (*Stack Traffic Consulting, Inc. Technical Memorandum*, dated September 22, 2014.) The program is expected to reduce intersection crashes in the area by a factor of up to 41%, which is up to 12 crashes annually. The program will implement adaptive signal operations technology that has been shown to be highly effective by recent City tests of the technology on Lusk Boulevard. It is anticipated that the program

will reduce stopped time on Del Mar Heights Road from Mango Drive to Carmel Canyon Road by 20-29%. (*Stack Traffic Consulting, Inc. Technical Memorandum*, dated August 27, 2014.)

- b. Further, the program is consistent with the GHG emission reduction goals proposed in the City's draft Climate Action Plan. For instance, Action 3.4 of the draft Climate Action Plan calls for reduction in vehicle fuel consumption through implementation of the City's Traffic Signal Communications Master Plan. *Draft City of San Diego Climate Action Plan*, September 2014, p. 10 [hereinafter, *Draft Climate Action Plan*].) (*Draft Climate Action Plan*, p. 39; *Traffic Signal Communications Master Plan*.) The target is to retime either 200 traffic signals or 13 coordinated traffic signal systems per year. The Revised Project traffic signal synchronization program would help fulfill Action 3.4 and achieve 20% of the near term goal by implementing the City's Traffic Signal Communications Master Plan at approximately 45 intersections throughout Carmel Valley.
- c. In addition, the program will give emergency vehicles improved access through the Carmel Valley area. The program will upgrade the existing intersection emergency vehicle detection systems and area-wide emergency vehicle (ambulances and fire trucks) with GPS technology, which will allow pre-emption of traffic prior to the emergency vehicle reaching visibility of the intersection. These emergency vehicle upgrades have been shown to be very effective in the City of Carlsbad. (Stack Traffic Consulting, Inc. Technical Memorandum, dated December 3, 2014.)

B. CONCLUSION

For the foregoing reasons, the City Council of the City of San Diego finds that the Revised 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 Council of the City of San Diego has adopted the Findings and these Statement of Overriding Considerations.