RESOLUTION NUMBER R-290896 ADOPTED ON OCTOBER 20, 1998

WHEREAS, DTC-RECP Opoc, an Arizona Limited Liability Corporation,

Owner/Permittee, filed an application with The City of San Diego for a permit to allow the
adaptive reuse and to restore the vacant historic Scripps Clinic building by constructing thirtythree condominiums and a new building for fourteen townhomes above the existing parking
garage, by improving the public right-of-way, by landscaping and site improvements at 464 and
476 Prospect Street, which is legally described as Lots 34 through 47, 14 through 26, portions of
Lots 13, 33, and 48, and a portion of the vacated alley in Block 17, La Jolla Park, Map No. 352,
in the La Jolla Community Plan area, in the La Jolla Planned District 5 and 5A zones; and

WHEREAS, on September 17, 1998, the Planning Commission of The City of San Diego considered La Jolla Planned District/Coastal Development Permit [LJPD/CDP] No. 96-7888, and pursuant to Resolution No. 2701-PC voted to recommend City Council approval of the permit; and

WHEREAS, the matter was set for public hearing on October 20, 1998, testimony having been heard, evidence having been submitted, and the City Council 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 this Council adopts the following findings with respect to La Jolla Planned District/Coastal Development Permit No. 96-7888:

VARIANCE FINDINGS

A. There are special circumstances or conditions applying to the land or buildings for which the adjustment is sought, which circumstances or conditions are peculiar to such land or buildings in the neighborhood. Such conditions shall not have resulted from any act of the applicant subsequent to the adoption of the applicable zoning ordinance in effect for this site.

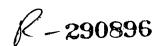
The project proposes the renovation and re-use of the historic Scripps Clinic-Copley Building which was originally constructed in 1924. In subsequent years several modifications have occurred. The existing, historic building requires emergency access and fire department access to the lower level. The existing historic building will remain at its present height and additions to the historic building will not increase the degree of non-conformity. The emergency and fire access will be provided through light wells below the surrounding grade. Views of the existing building height will not increase, yet the technical measurement of height exceeds the maximum allowed height, and therefore a variance is required. The requested variance is not necessary due to any actions taken by the current owner.

B. The aforesaid circumstances or conditions are such that strict application of the provisions of the ordinance in effect for this site would deprive the owner of reasonable use of the land or buildings and that the variance will accomplish this purpose.

The existing structure is currently over the maximum height allowed by the Planned District Ordinance. Denial of the requested variance would prevent the use of the existing basement floor area in the renovation and re-use of the historic site. Without the required access, the lower level of the existing building could not be included in the redevelopment plans. This possibility would represent a financial hardship to the owner and would deprive the owner of reasonable use of the land. Granting the variance would accomplish a reasonable use of the land.

C. The granting of the variance will be in harmony with the general purpose and intent of the zoning regulations and will not be injurious to the neighborhood or otherwise detrimental to the general public welfare.

Granting of the variance will not be injurious to the neighborhood or otherwise detrimental to the general public welfare. The existing, historic building requires emergency access and fire department access to the lower level. The existing historic building will remain at



its present height and additions to the historic building will not increase the degree of nonconformity. The emergency and fire access will be provided through light wells below the surrounding grade. Views of the existing building height will not increase, yet the technical measurement of height exceeds the maximum allowed height, and therefore a variance is required.

D. The granting of the variance will not adversely affect the City's Progress Guide and General Plan.

Granting the limited relief described by the proposed variance will allow the adaptive reuse of a historic building and will assure emergency and fire access to the lower level of the existing building. The minor variance will not adversely affect the City's Progress and General Plan. The limited relief will allow the renovation of a historic building which has been vacant. Without the variance granted, the lowest level of the building would be unusable without access for emergency services.

LA JOLLA PLANNED DISTRICT FINDINGS

A. The proposed use will fulfill a community need and will not adversely affect the City's Progress Guide and General Plan or the adopted Planned District Ordinance.

The proposed project will fulfill a community need by providing additional needed housing to the housing base of the community. The adaptive re-use of the historic Scripps Clinic-Copley Building, consistent with the Secretary of Interior Standards, will assure the preservation of an important historical resource located in the community. The proposed project is consistent with the Cultural Complex designation of the La Jolla Community Plan, and the 1983 La Jolla - La Jolla Shores Local Coastal Program Land Use Plan, which specifically states that "[n]ew residential development shall be permitted in the cultural complex area provided such structures are compatible with the scale and character of the surrounding development and would not adversely affect the use of an existing cultural facility." The proposed project, located in the 5 and 5A zones, is consistent with the La Jolla Planned District regulations. Therefore, the proposed project will not adversely affect the City's Progress Guide and General Plan.

B. The proposed use will not be detrimental to the health, safety and general welfare of persons residing or working in the area and will not adversely affect other properties in the vicinity.

The permit controlling the development and continued use of the residential project contains conditions addressing the project compliance with the San Diego Municipal Code and other regional, state and federal regulations to prevent detrimental impacts to the health, safety, and general welfare of persons residing and/or working in the area.

Conditions of approval included in the project require conformance with the applicable



regulations, variances granted herein excepted, of the Municipal Code during construction and occupancy of the project. These conditions specifically address lighting, the generation of noise, the appearance of landscaping, and the continued operation of the development to prevent adverse affects to those persons or other properties in the vicinity.

C. The proposed use will fully comply with the relevant regulations of the San Diego Municipal Code in effect for this site.

Specific conditions of approval require the continued compliance with all relevant regulations of the Municipal Code effective for this site, except as provided for in the variance to maximum height, and have been written as such into LJPD/CDP No. 96-7888. All relevant regulations shall be complied with at all times for the life of the project.

COASTAL DEVELOPMENT FINDINGS

A. The proposed development will not encroach upon any existing physical accessway legally utilized by the general public or any proposed public accessway identified in an adopted Local Coastal Program [LCP] Land Use Plan; nor will it obstruct views to and along the ocean and other scenic coastal areas from public vantage points.

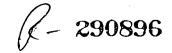
The proposed site does not contain any existing physical accessway legally, or illegally, utilized by the general public to and along the ocean and other scenic coastal areas. The proposed site is not identified in the La Jolla Community Plan or Local Coastal Program Land Use Plan as a proposed accessway to be utilized by the general public for providing access to the ocean or other scenic coastal area.

The proposed project has been analyzed to confirm that views from public vantage points to and along the ocean, and other scenic coastal areas, will not be encroached upon by the proposed seventeen new townhomes. Computer modeling was used to verify that existing views of the ocean from La Jolla Boulevard will not be negatively affected from public vantage points.

B. The proposed development will not adversely affect identified marine resources, environmentally sensitive areas, or archaeological or paleontological resources.

Environmental review of the proposed project did not identify any potential for impacts to marine resources, environmentally sensitive areas, archaeology, and paleontology. Site investigations and research revealed that the project site does not contain nor would the proposed development adversely affect these resources.

C. The proposed development will comply with the requirements related to biologically sensitive lands and significant prehistoric and historic resources as set forth in the Resource Protection Ordinance (San Diego Municipal Code Section 101.0462), unless



by the terms of the Resource Protection Ordinance, it is exempted therefrom.

The proposed project is not specifically exempted from the Resource Protection Ordinance, however, the site contains no biologically sensitive lands or significant prehistoric resources. The Scripps Clinic-Copley Building facade facing Prospect Street is a historically designated structure. The proposed project includes mitigation which requires compliance with the Secretary of Interior Standards for adaptive re-use and renovation to preserve the historic character of the designated facade of the building. The proposed mitigation is consistent with the requirements of the Resource Protection Ordinance as it relates to the historic resources present on the site.

D. The proposed development will not adversely affect identified recreational or visitor-serving facilities or coastal scenic resources.

The proposed residential development will not adversely affect facilities serving the recreational needs of the community or facilities serving the needs of the visiting public. The proposed residential development provides for the parking needs of visitors to the development and will not have a negative impact on the available parking to serve visitors to the scenic coastal resources located in the community.

E. The proposed development will be sited and designed to prevent adverse impacts to environmentally sensitive habitats and scenic resources located in adjacent parks and recreation areas, and will provide adequate buffer areas to protect such resources.

Park and recreational areas do not exist adjacent to this site. Therefore, the location of the proposed development will have no impact to environmentally sensitive habitats and scenic resources located in any parks within the community. No buffer areas are necessary to protect these resources from the proposed project.

F. The proposed development will minimize the alterations of natural landforms and will not result in undue risks from geologic and erosional forces and/or flood and fire hazards.

The project proposes no grading of the existing site. The site is a restoration and adaptive re-use of a historic clinic, and the addition of seventeen townhomes above an existing multi-level garage in a developed urban neighborhood. The proposed project will not affect potential risks from geologic forces. Risks from erosional forces and/or flood and fire hazards will not occur with the development of the site as proposed. In the absence of any on-site grading, erosional forces will have no impact to the site. Conditions of approval require the improvement to an existing storm drain system to address a drainage inadequacy in the existing system within the neighborhood. With the new drainage system, flooding experienced on Coast Boulevard South

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will be alleviated. Risks from wild fires due to the presence of natural vegetation do not occur on this urbanized site.

G. The proposed development will be visually compatible with the character of the surrounding area, and where feasible, will restore and enhance visual quality in visually degraded areas.

Renovation of the existing, historic Scripps Clinic-Copley Building from a institutional use to a residential use will be compatible to the existing residential uses in the surrounding neighborhood. The seventeen new townhomes constructed over the existing garage will meet the requirements of the La Jolla Planned District and Coastal Development standards in regard to the visual compatibility. The proposed new buildings will be consistent with the maximum height allowed and the bulk and scale of surrounding existing development. The restoration of the existing, historic Scripps Clinic-Copley Building will bring active uses to the visually degraded, vacant site, will adapt the clinical use to a residential use compatible with the existing surrounding uses, and will allow for the new uses consistent with The Secretary of the Interior standards for adaptive re-use.

H. The proposed development will conform with the City's Progress Guide and General Plan, the Local Coastal Program, and any other applicable adopted plans and programs in effect for this site.

The proposed development is consistent with the La Jolla Community Plan, Progress Guide, and General Plan which identifies this site with the Cultural Complex designation of the La Jolla Community Plan, and the 1983 La Jolla - La Jolla Shores Local Coastal Program Land Use Plan, which specifically states that "[n]ew residential development shall be permitted in the cultural complex area provided such structures are compatible with the scale and character of the surrounding development and would not adversely affect the use of an existing cultural facility."

The proposed development also conforms with the heritage resources element of the 1994 Draft La Jolla Community Plan and Local Coastal Program Land Use Plan, which states that "[t]he City shall encourage the adaptive reuse ... of historic structures ... in order to preserve the structural integrity, usefulness and potential historic value of these buildings." In addition, the proposed project would not obstruct existing views as identified in either the 1983 Local Coastal Program Land Use Plan or the Draft La Jolla Community Plan and Local Coastal Program Land Use Plan.

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

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BE IT FURTHER RESOLVED, that the recommendation of the Planning Commission is sustained, and La Jolla Planned District/Coastal Development Permit No. 96-7888¹ is hereby granted to DTC-RECP Opoc, an Arizona Limited Liability Corporation, Owner/Permittee, under the terms and conditions set forth in the permit attached hereto and made a part hereof.

APPROVED: CASEY GWINN, City Attorney

By

Richard A. Duvernay Deputy City Attorney

RAD:lc 02/18/99 03/12/99 COR.COPY Or.Dept:Clerk R-99-746 Form=permitr.frm Reviewed by John Fisher

¹Subsequent to the action of the City Council, Coastal Development Permit No. 96-7888 was appealed to the California Coastal Commission. The Coastal Commission assumed legal jurisdiction over issuance of the Coastal Development Permit and effectively nullified and superceded the action of City Council with issuance of new Coastal Development Permit No. A-6-LJS-98-140, on March 10, 1999. Therefore, the La Jolla Planned District/Coastal Development Permit No. 96-7888 has been administratively modified and a corrected copy placed on file in the Office of the City Clerk. The corrected copy retains all aspects of the La Jolla Planned District Permit and deletes all reference to the Coastal Development Permit language superceded by the action of the Coastal Commission.

RECORDING REQUESTED BY CITY OF SAN DIEGO DEVELOPMENT SERVICES

AND WHEN RECORDED MAIL TO PERMIT INTAKE MAIL STATION 501

SPACE ABOVE THIS LINE FOR RECORDER'S USE

La Jolla Planned District Permit No. 96-7888 464 & 476 PROSPECT STREET City Council

This Permit is granted by the Council of The City of San Diego to DTC-RECP Opoc, an Arizona Limited Liability Corporation, Owner/Permittee, pursuant to San Diego Municipal Code [SDMC] sections 102.0500 and 103.1200. The 2.75 acre site is located at 464 and 476 Prospect Street in the 5 and 5A zones of the La Jolla Planned District of the La Jolla Community Plan. The project site is legally described as Lots 34 through 47, 14 through 26, and portions of Lots 13, 33, and 48, and a portion of the vacated alley in Block 17, La Jolla Park, Map No. 352.

Subject to the terms and conditions set forth in this permit, permission is granted to Owner/Permittee to allow the adaptive reuse and restore the vacant historic Scripps Clinic building to construct thirty-three condominiums and construct a new building for fourteen townhomes above the existing parking garage, improvements in the public right-of-way, landscaping, and site improvements described as, and identified by size, dimension, quantity, type and location on the approved Exhibits "A," dated October 20, 1998, on file in the Office of Development Services. The facility shall include:

- a. Thirty-three (33) condominiums within the historic Scripps Clinic-Copley Building and construct fourteen (14) townhomes above the existing parking garage;
- b. Landscaping (planting, irrigation and landscape related improvements); and
- c. Off-street parking garage; and
- d. Maintenance of the historic facade of the Scripps Clinic-Copley Building in conformance with the Mitigation Monitoring and Reporting Program; and
- e. Accessory improvements determined by the City Manager to be consistent with the land use and development standards in effect for this site per the adopted Community Plan, California Environmental Quality Act guidelines, public and private improvement requirements of the City Engineer, the underlying zone(s), conditions of this permit, and any other applicable regulations of the Municipal Code in effect for this site.
- 1. Construction, grading or demolition must commence and be pursued in a diligent manner within 36 months after the effective date of final approval by the City, following

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all appeals. Failure to utilize the permit within 36 months will automatically void the permit unless an Extension of Time has been granted. Any such Extension of Time must meet all the Municipal Code requirements and applicable guidelines in effect at the time the extension is considered by the appropriate decision maker.

- 2. 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 Development Services; and
 - b. The Permit is recorded in the Office of the San Diego County Recorder.
- 3. Unless this permit has been revoked by The City of San Diego, the property included by reference within this permit shall be used only for the purposes and under the terms and conditions set forth in this permit unless otherwise authorized by the City Manager.
- 4. This permit is a covenant running with the subject property and shall be binding upon the Owner/Permittee and any successor or successors, and the interests of any successor shall be subject to each and every condition set out in this permit and all referenced documents.
- 5. The utilization and continued use of this permit shall be subject to the regulations of this and any other applicable governmental agencies.
- 6. Issuance of this permit by The City of San Diego does not authorize the Owner/Permittee for said permit 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 U.S.C. § 1531 et seq.)
- 7. The Owner/Permittee shall secure all necessary building permits. The Owner/Permittee is informed that to secure these permits, substantial modifications to the building and/or site improvements to comply with applicable building, fire, mechanical and plumbing codes and State law requiring access for disabled people may be required.
- 8. Before issuance of any building or grading permits, complete grading and working drawings shall be submitted to the City Manager for approval. Plans shall be in substantial conformity to Exhibit "A," dated October 20, 1998, on file in the Office of Development Services. No changes, modifications or alterations shall be made unless appropriate applications or amendment of this permit shall have been granted.

9. WATER AND SEWER REQUIREMENTS:

a. Prior to the issuance of any building permits, the Owner/Permittee must comply with the "WATER AND SEWER REQUIREMENTS" in the conditions of approval for Tentative Map No. 96-7888, in a manner satisfactory to the Metropolitan Wastewater Department Manager, the Fire Department, and the City Engineer.

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- b. Prior to the issuance of any building permits, the Owner/Permittee shall complete the construction of required sewer facilities identified in the accepted sewer relocation study, satisfactory to the Metropolitan Wastewater Department Manager and the City Engineer.
- 10. All of the conditions contained in this Permit have been considered and have been determined to be necessary in order to make the findings required for this discretionary permit. It is the intent of the City that the holder of this Permit be required to comply with each and every condition in order to be afforded special rights which the holder of the Permit is obtaining as a result of this Permit. It is the intent of the City that the Owner/Permittee of the property which is the subject of this Permit either utilize the property for any use allowed under the zoning and other restrictions which apply to the property or, in the alternative, that the Owner of the property be allowed the special and extraordinary rights conveyed by this Permit, but only if the Owner/Permittee complies with all the conditions of the Permit.

In the event that 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" conditions(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 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.

- 11. Prior to issuance of any grading permits for this project, a final subdivision map shall be recorded on the subject property.
- 12. This project may be developed in phases. Each phase shall be constructed prior to sale or lease to individual owners or tenants to ensure that all development is consistent with the conditions and exhibits approved for each respective phase (per the approved Exhibits "A," dated October 20, 1998, on file in the Office of Development Services).

13. ENVIRONMENTAL/MITIGATION REQUIREMENTS:

- a. Prior to issuance of any building permits, the Owner/Permittee shall submit complete construction plans to the Environmental Review Manager of the Environmental Analysis Section (EAS) of Development Services for approval. These plans shall be consistent with the approved Exhibit "A," dated October 20, 1998, on file in the Office of Development Services, which has been designed to comply with the Secretary of Interior Standards for the exterior rehabilitation of historic buildings.
- b. Prior to issuance of certificates of occupancy, the Environmental Review Manager of EAS shall confirm that the exterior building rehabilitation is consistent with Exhibit "A," dated October 20, 1998, on file in the Office of Development Services, and complies with the Secretary of Interior Standards.

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- c. This mitigation monitoring and reporting program will require an additional deposit of \$450 to be collected prior to the issuance of building permits to ensure the successful completion of the program.
- 14. Prior to the issuance of building permits, construction documents shall fully illustrate compliance with the Citywide Storage Standards for Trash and Recyclable Materials, to the satisfaction of the City Manager. All exterior storage enclosures for trash and recyclable materials shall be located in a manner that is convenient and accessible to all occupants of and service providers to the project, in substantial conformance with the conceptual site plan marked Exhibit "A," dated October 20, 1998, on file in the Office of Development Services.
- 15. Prior to the issuance of any building permits, the Owner/Permittee shall obtain an encroachment removal agreement from the City Engineer, for maintenance of sidewalk underdrain at La Jolla Boulevard and Coast Boulevard South.
- 16. Prior to issuance of any building permits, complete landscape construction documents, including plans, details and specifications (including a permanent automatic irrigation system unless otherwise approved), shall be submitted to the City Manager for approval. The construction documents shall be in substantial conformance with Exhibit "A," Landscape Concept Plan, dated October 20, 1998, on file in the Office of Development Services. No change, modification or alteration shall be made unless appropriate application or amendment of this Permit shall have been granted.
- 17. Prior to the issuance of any building permits, complete outdoor lighting information shall be submitted to the Development Services, Land Development Review Division, for review and approval. Complete lighting information shall include a plan view photometric analysis indicating an isofoot candle plot and a point by point plot to include all areas within the private property and to extend a minimum of fifty (50) feet beyond the property line, construction details as necessary to direct installation of the outdoor lighting system, manufacturers name, visors, prisms, lenses and reflectors and a lighting plan locating each fixture in plan view and a legend. The outdoor lighting system shall be designed, manufactured and installed to allow shading, adjusting, and shielding of the light source so all outdoor lighting is directed to fall only onto the same premises as light sources are located.

Prior to the issuance of any occupancy permit, a night inspection shall be required to verify compliance of the outdoor lighting system. No light shall be directed to fall outside the property line. Light levels along the perimeter of the property shall be measured no higher than three footcandles. Light levels throughout the project shall be the least practical level necessary to effectively illuminate the operation. Sky glow or light halo shall be reduced to the greatest extent practical and in no case shall initial light levels be measured exceeding eight footcandles anywhere within the site. The Owner/Permittee, or an authorized representative, shall provide an illuminance meter to measure light levels as required to establish conformance with the conditions of this permit during the night inspection.

18. Prior to issuance of any Certificate of Occupancy, it shall be the responsibility of the Owner/Permittee to install all required landscape and obtain all required landscape inspections and to obtain a No Fee Street Tree Permit for the installation,

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establishment and on-going maintenance of all street trees. Copies of these approved documents must be submitted to the City Manager.

- 19. Prior to the issuance of any occupancy permit, a building fire suppression sprinkler system shall be installed, to the satisfaction of the Fire Chief.
- 20. No fewer than ninety-nine off-street parking spaces shall be maintained on the property at all times in the approximate locations shown on the approved Exhibit "A," dated October 20, 1998, on file in the Office of Development Services. Parking spaces shall comply at all times with the Municipal Code and shall not be converted for any other use unless otherwise authorized by the City Manager.
- 21. A variance to the maximum height is approved for the existing Scripps Clinic-Copley Building, as described by the Exhibit "A," dated October 20, 1998, on file in the Office of Development Services, to allow for the adaptive reuse of the historic structure and to provide adequate fire protection.
- 22. A topographical survey conforming to the Municipal Code 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 regulations of the underlying zone. The cost of any such survey shall be borne by the Owner/Permittee.
- 23. All signage associated with this development shall be consistent with sign criteria established by the Municipal Code.
- 24. The use of textured or enhanced paving shall meet applicable City standards as to location, noise and friction values.
- 25. The subject property and associated common areas on site shall be maintained in a neat and orderly fashion at all times.
- 26. All uses, except storage and loading, shall be conducted entirely within an enclosed building. Outdoor storage of merchandise, material and equipment is permitted in any required interior side or rear yard, provided the storage area is completely enclosed by walls, fences or a combination thereof. Walls or fences shall be solid and not less than six feet in height and, provided further, that no merchandise, material or equipment stored not higher than any adjacent wall.
- 27. No mechanical equipment, tank, duct, elevator enclosure, cooling tower or mechanical ventilator or air conditioner shall be erected, constructed, converted, established, altered, or enlarged on the roof of any building, unless all such equipment and appurtenances are contained within a completely enclosed structure whose top and sides may include grillwork, louvers and latticework.
- 28. No merchandise, material or equipment shall be stored on the roof of any building.
- 29. No mechanical equipment shall be erected, constructed, or enlarged on the roof of any building on this site, unless all such equipment is contained within a completely enclosed architecturally integrated structure.



- 30. All required landscape shall be maintained in a disease, weed and litter free condition at all times and shall not be modified or altered unless this Permit has been amended. Modifications such as severe pruning or "topping" of trees is not permitted unless specifically noted in this Permit. The Owner/Permittee, or subsequent owner(s), shall be responsible to maintain all street trees and landscape improvements consistent with the standards of the Landscape Technical Manual.
- 31. If any required landscape (including existing or new plantings, hardscape, landscape features, etc.) indicated on the approved plans is damaged or removed during demolition, it shall be repaired and/or replaced in kind and equivalent size per the approved plans within 30 days of completion of construction by the Owner/Permittee. The replacement size of plant material after three years shall be the equivalent size of that plant at the time of removal, to the satisfaction of the City Manager.

APPROVED by the Council of The City of San Diego on October 20, 1998, by Resolution No. R-290896.

02/10/99 03/12/99 COR.COPY L:\DUVERNAY\PERMITS\P96-7888.WPD

AUTHENTICATED BY THE CITY MAN	NAGER
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The undersigned Permittee, by execution hereof, agrees to each and every condition of this Permit and promises to perform each and every obligation of Permittee hereunder.

DTC-RECP OPCO, LLC, a Delaware limited liability company

By: Desert Troon La Jolla, LLC, an Arizona limited liability company
Its: Managing Member

By: Desert Troon Limited, L.L.C., an Arizona limited liability company Its: Managing Member

> By: Desert Troon Investments, Inc., an Arizona corporation Its: Managing Member

> > By: Jones Jones Its: 11. P

NOTE: Notary acknowledgments Must be attached per Civil Code Section 1180 et seq.

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STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 12 day of March, 1999, by Gary L. Jones, the Vice President of Desert Troon Investments, Inc., an Arizona corporation, as Managing Member of Desert Troon Limited, L.L.C., an Arizona limited liability company, as Managing Member of Desert Troon La Jolla, LLC, an Arizona limited liability company, as Managing Member of DTC-RECP OPCO, LLC, a Delaware limited liability company, on behalf of the company.

OFFICIAL SEAL
CLAUDETTE J. McQUILLIAN
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Jan. 15, 2000

My commission expires:

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