

RESOLUTION NUMBER R- 292170

ADOPTED ON SEP 14 1999

WHEREAS, on May 28, 1996, the Southeastern Economic Development Corporation submitted an application to the Planning and Development Review Department for a Tentative Map, Street Vacation, Resource Protection Ordinance Permit/Southeast San Diego Development Permit for the Imperial Marketplace project; and

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

WHEREAS, the issue was heard by the Council on September 14, 1999; and

WHEREAS, the Council of The City of San Diego considered the issues discussed in Environmental Impact Report LDR No. 96-0338, SCH No. 97091060; NOW, THEREFORE,

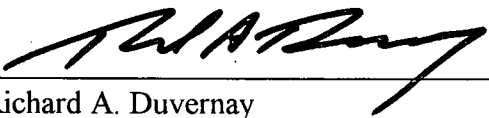
BE IT RESOLVED, by the Council of The City of San Diego, that it is certified that Environmental Impact Report LDR No. 96-0338, SCH No. 97091060, on file in the office of the City Clerk, has been completed in compliance with the California Environmental Quality Act of 1970 (California Public Resources Code section 21000 et seq.), as amended, and the State guidelines thereto (California Code of Regulations section 15000 et seq.), that the report reflects the independent judgment of The City of San Diego as Lead Agency and that the information contained in said report, together with any comments received during the public review process, has been reviewed and considered by this Council in connection with the approval of the Imperial Marketplace project.

BE IT FURTHER RESOLVED, that pursuant to California Public Resources Code section 21081 and California Code of Regulations section 15091, the City Council adopts the findings made with respect to the project, a copy of which is attached hereto and incorporated herein by reference.

BE IT FURTHER RESOLVED, that pursuant to California Code of Regulations section 15093, the City Council adopts the Statement of Overriding Considerations, a copy of which is attached hereto and incorporated herein by reference.

BE IT FURTHER RESOLVED, that pursuant to California Public Resources Code section 21081.6, the City Council adopts the Mitigation Monitoring and Reporting Program, or alterations to implement the changes to the project as required by this body in order to mitigate or avoid significant effects on the environment, a copy of which is attached hereto and incorporated herein by reference.

APPROVED: CASEY GWINN, City Attorney

By 
Richard A. Duvernay
Deputy City Attorney

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**CANDIDATE FINDINGS
AND STATEMENT OF OVERRIDING CONSIDERATIONS
FOR THE
IMPERIAL MARKETPLACE PROJECT
(LDR No. 96-0338, SCH No. 97091060)**

The California Environmental Quality Act (CEQA) requires that no public agency shall approve or carry out a project for which an environmental impact report (EIR) has been certified which identifies one or more significant effects on the environment that would occur if the project is approved or carried out unless both of the following occur:

- (a) The public agency makes one or more of the following findings with respect to each significant effect, accompanied by a brief explanation of the rationale for each finding (Section 21081 of CEQA and Section 15091 of the State CEQA Guidelines):
- (1) Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant effects on the environment as identified in the EIR.
 - (2) Such changes or alterations are within the responsibility and jurisdiction of another public Agency and not the agency making the finding. Such changes have been, or can and should be, adopted by such other agency.
 - (3) Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the EIR.
- (b) With respect to significant effects which were subject to a finding under paragraph (3) of subdivision (a), the public agency finds that specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects on the environment.

CEQA also requires that the findings made pursuant to Section 15091 shall be supported by substantial evidence in the record (Section 15091[b] of the State CEQA Guidelines).

Under CEQA, substantial evidence means enough relevant information and reasonable inferences from this information that a fair argument can be made to support a conclusion, even through other conclusions might also be reached. Substantial evidence shall include facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts (Section 15384 of the State CEQA Guidelines).

CEQA further 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 effects when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable" (Section 15093 [a] of the State CEQA Guidelines). When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the final EIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the final EIR and/or other information in the record. This statement of overriding considerations shall be supported by substantial evidence in the record, and does not substitute for, and shall be in addition to, findings required pursuant to Section 15091 (Sections 15093 [b] and [c] of the State CEQA Guidelines).

The following Candidate Findings and Statement of Overriding Considerations are made relative to the conclusions of the Environmental Impact Report (EIR) for the Imperial Marketplace Project and associated actions ("proposed project") (LDR No. 96-0338, SCH No. 97091060). The EIR is herein incorporated by reference. These findings have been prepared pursuant to Section 21081 of the California Public Resources Code, the California Environmental Quality Act (CEQA), and pursuant to Sections 15091 and 15093 of Title 14 of the California Code of Regulations (State CEQA Guidelines) which implement CEQA.

The Imperial Marketplace Project would develop a community shopping center with approximately 243,427 square feet of gross floor area, anchored by a multiplex movie theater and a retail home improvement center, on a 42-acre site. The project is an implementing activity identified in the adopted Central Imperial Redevelopment Plan. The project includes the construction of a north-south public road linking Ocean View Boulevard and Imperial Avenue, flood control improvements to South Las Chollas

Creek, developing a linear park along South Las Chollas Creek, and improvements to Ocean View Boulevard and Imperial Avenue.

The EIR for the project evaluates the following environmental issues: land use; transportation/circulation/parking; biological resources; hydrology/water quality; noise; public services/facilities; neighborhood character/aesthetics; cultural resources; and, paleontological resources. The EIR also addresses cumulative impacts; other required considerations, which include unavoidable and irreversible significant environmental effects, growth inducing impacts, and effects found not to be significant; and, alternatives that would reduce or avoid significant impacts of the proposed project. The City of San Diego, Planning and Development Review Department, located at 1222 First Avenue, Fifth Floor, San Diego, CA 92101, is the custodian of the documents and other material which constitute the entire record and the proceedings upon which the decision is based.

Having reviewed and considered the information contained in the EIR for the Imperial Marketplace Project (LDR No. 96-0338, SCH No. 97091060), related documents, public comments and the entire environmental record, the Council of the City of San Diego makes the following findings pursuant to Section 15091 of the California Code of Regulations (State CEQA Guidelines):

I. Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effects of the proposed project as identified in the EIR (LDR No. 96-0338, SCH No. 97091060) relative to: land use; transportation/circulation (direct); biological resources; hydrology/water quality; noise; public services/facilities; neighborhood character/aesthetics; cultural resources; and paleontological resources.

1. LAND USE

Impact 1A: The project would significantly impact sensitive upland and wetland habitat protected under the Resource Protection Ordinance (RPO) and Multiple Species Conservation Program (MSCP).

Finding 1A: The project has been revised to fully mitigate for upland habitat and wetland habitat consistent with RPO and MSCP, as described below under "Biological Resources."

Impact 1B: Nuisance noise from truck and loading dock activity may potentially result in a significant noise impact to nearby residences.

Finding 1B: The project has been revised to fully mitigate for nuisance noise impacts to adjacent residences, as described below under "Noise."

2. TRANSPORTATION/CIRCULATION

Impact 2A: The proposed project would add approximately 17,340 average daily trips (ADT) to the local street network. During the PM peak hour, the proposed project would add 895 inbound trips and 765 outbound trips. The proposed project would result in significant direct (near-term) impacts to the Imperial Avenue/40th Street unsignalized intersection during the PM peak hour and to the following four (4) street segments on a daily basis:

- Imperial Avenue, east of 32nd Street;
- Imperial Avenue, east of 36th Street;
- Ocean View Boulevard, east of 32nd Street; and,
- Ocean View Boulevard, east of 36th Street.

Finding 2A: The project has been revised to include the following measures, which would fully mitigate for direct (near-term) impacts to intersections and street segments to below a level of significance:

Prior to the recordation of the final map, the following improvements must be satisfied or assured satisfactory to the City Engineer:

1. Signalize the Imperial Avenue/40th Street intersection.
2. Contribute a fair share towards the future improvement of Imperial Avenue between 32nd Street and 40th Street to a Four-Lane Major street.

3. Contribute a fair share towards the future improvement of Ocean View Boulevard between 32nd Street and 40th Street to a Four-Lane Major street.
4. Install a traffic signal at the main project entrance opposite the cemetery entrance. Stripe three outbound lanes (one left-turn, one shared left/thru and one right-turn). Provide a westbound left-turn pocket at least 250 feet in length. Provide a 20-foot eastbound curb lane on Imperial Avenue approaching the main driveway for 160 feet with a 90-foot transition.
5. Lower Imperial Avenue for a distance of about 840 feet west of the main project entrance such that adequate stopping sight distance is maintained for eastbound travelers.
6. Provide a two-way left-turn lane on Street "A" starting 150 feet south of the most southerly driveway. Stripe red curb on both sides of Street "A" to prohibit on-street parking.
7. Do not place any driveways on Street "A" less than 150-feet from Imperial Avenue or Ocean View Boulevard.
8. Allow left in (no left out) and full right turn movements at the westerly site driveway on Imperial Avenue.

3. BIOLOGICAL RESOURCES

Impact 3A: Grading associated with site development would result in the loss of sensitive upland habitat, namely 2.27 acres of coastal sage scrub and 27.20 acres of non-native grassland habitat.

Finding 3A: The project has been revised to fully mitigate for impacts to sensitive upland habitat in accordance with the City's Biology Guidelines. Impacts to sensitive upland habitat would be mitigated off-site at the Cornerstone Lands mitigation bank if available; otherwise, an alternative mitigation site within the City's MHPA will be provided. The project has been revised to include the following measures, which would fully mitigate upland biology impacts associated with the proposed project to below a level of significance:

1. Prior to the issuance of any grading permit and/or recordation of the final map, the Applicant shall mitigate for impacts to 2.27 acres of coastal sage scrub and 27.20 acres of non-native grasslands in accordance with the City's Biology Guidelines. The proposed mitigation for these impacts consists of off-site mitigation at the Cornerstone Lands mitigation bank if available; otherwise, an alternative mitigation site within the City's MHPA will be provided.

a) If available, the applicant may purchase mitigation credits through the Cornerstone Lands mitigation bank to mitigate for impacts to coastal sage scrub habitat (CSS) and non-native grassland (NNG). If the Cornerstone Lands are available, the appropriate credit must be purchased before issuance of any grading permit and/or issuance of the final map. If the Cornerstone Lands are not available yet and the use of another mitigation site within the City may be necessary, a bond, letter of credit, or other form of assurance acceptable to the City Manager would be required for this alternative site. The alternative mitigation site must be obtained within one year of issuance of the grading permit; otherwise, the bond, letter of credit, etc. would be forfeited to the city. The bond, letter of credit, or other form of payment would need to be sufficient to cover the purchase of privately-owned land at fair market value to the satisfaction of the City Manager.

Impact 3B: Grading and flood control improvements to South Las Chollas Creek would significantly impact wetland habitat, namely 0.33 acre of mulefat scrub and southern willow scrub and 1.65 acres of natural flood channel.

Finding 3B: The project has been revised to fully mitigate for wetland impacts in accordance with the City's Biology Guidelines. Impacts to wetland habitat would be mitigated off-site by creating 0.66 acres of wetland habitat at Tecolote Canyon Natural Park. Impacts to the natural flood channel bottom would be mitigated on-site by creating 2.71 acres of natural flood channel within the reconstructed creek (1.6:1 replacement ratio), which would achieve the wetlands mitigation policy of no net loss of wetlands functions or values. The project has been revised to include the following measures, which would

fully mitigate wetland biology impacts associated with the proposed project to below a level of significance:

1. Prior to the issuance of any grading permit which affects on-site wetlands and/or recordation of the final map, the applicant shall mitigate for the loss of 0.33 acre of Mulefat Scrub and Southern Willow Scrub. The applicant proposes to create 0.66 acres of wetland habitat within the City of San Diego Tecolote Canyon Natural Park, where adequate opportunities for wetland creation exist. The proposed wetland creation site is currently occupied with non-native grassland (NNG) habitat with inclusions of chaparral. Mitigation for NNG and chaparral impacts would occur within a proposed upland buffer area that is included as part of the wetlands mitigation, and/or elsewhere within Tecolote Canyon Natural Park. The existing willow scrub habitat would be incorporated in to the wetlands habitat. It is expected that quality cuttings from the willow scrub would be used to establish some riparian vegetation within the site.

- a) The applicant proposes to create off-site wetland habitat at Tecolote Canyon Park as mitigation for impacts to 0.33 acre of Mulefat Scrub and Southern Willow Scrub. Prior to issuance of any grading permit which affects on-site wetlands, a bonded mitigation agreement in sufficient amount to ensure the mitigation for the 0.66 acres of wetlands or other mitigation site acceptable to the City and resource agencies at Tecolote Canyon Park shall be executed by the applicant and the City.
- b) Prior to the issuance of grading permits which effects wetland resources on-site, a final wetlands mitigation plan shall be prepared by the applicant and approved by the City prior to beginning off-site wetland creation. The mitigation plan shall describe the proposed mitigation location and methodology, buffer requirements, maintenance program, monitoring and reporting plan, success criteria, remedial measures to any correct problems, and any other information deemed necessary by the City.
- c) A project biologist shall be retained by the applicant to oversee the implementation of the mitigation plan. The project biologist shall have

experience preparing and monitoring wetland and riparian mitigation plans in San Diego County and shall be acceptable to the City of San Diego and the resource agencies. The project biologist shall oversee other specialists and contractors involved in the mitigation plan.

2. The Applicant shall submit the following items to the City prior to issuance of any grading permit which affects on-site wetlands and/or recordation of the final map:
 - a) Evidence of compliance with Sections 401 and 404 of the Clean Water Act.
 - b) Evidence of compliance with section 1601 of the Fish and Game Code.

Evidence shall include either copies of permits issued, letters or resolutions issued by the responsible agency documenting compliance, or other evidence documenting compliance and deemed acceptable by the City Manager.

4. HYRDOLOGY/WATER QUALITY

Impact 4A: Construction of the north-south Street "A" through the site, as required per the Southeast San Diego Community Plan, would result in the need to channelize the segment of South Las Chollas Creek which traverses the site. If fill is proposed to be placed within the 100-year floodplain without prior approval of the channel improvements, the potential exists for significant flooding impacts to neighboring properties.

Finding 4A: The project has been revised to include the following measures, which would fully mitigate hydrology impacts associated with the proposed project to below a level of significance:

- 1) The applicant shall modify and/or construct a channel capable of safely conveying a 100-year flood in accordance with a Conditional Letter of Map Revision (CLOMR) and permits issued by FEMA under sections 401 and 404 of the Federal Clean Water Act, Section 1601 of the

California Fish and Game Code, and the City of San Diego Resource Protection Ordinance. The applicant shall provide the City with copies of the CLOMR, permits, and agreement. City receipt of each document will constitute completion of this mitigation measure.

- 2) Prior to the issuance of any grading permits that involve grading within the 100-year floodplain (grading plans shall contain current FEMA 100-year flood limits), the applicant shall demonstrate to the satisfaction of the City Engineer that either the proposed grading would not increase flood elevations by greater than one foot or that a Conditional Letter of Map Revision (CLOMR) covering the proposed grading plan has been issued by FEMA.

Impact 4B: Contaminants related to urban runoff (e.g., grease, oils, and synthetic organic chemicals) could enter the creek channel as a result of construction-related and operation-related activities, resulting in a potentially significant water quality impact.

Finding 4B: The project has been revised to include the following measures, which would fully mitigate water quality impacts associated with the proposed project to below a level of significance:

- 1) The applicant shall incorporate and maintain stormwater BMPs in accordance with a Stormwater Pollution Prevention Plan (SWPPP) approved by the City Engineer in accordance with the NPDES permit process. The City Manager shall verify that all BMPs contained in the approved SWPPP are shown on the grading plans as site improvement requirements prior to the issuance of any grading permit. BMPs shall include, but not be limited to, stormwater inceptors to avoid the discharge of pollutants into the creek and the provision of a cobble channel bottom to minimize erosion.

5. NOISE

Impact 5A: Nuisance noise from truck and loading dock activity, parking lot activity (e.g., refuse collection, parking lot sweepers), and drive-thru

restaurant activity may potentially result in a significant noise impact to nearby residences.

Finding 5A: The project has been revised to include the following measures, which would fully mitigate noise impacts associated with the proposed project to below a level of significance:

Design

1. Prior to the issuance of any building permit, the City Manager shall verify that an 8-foot-high sound wall, designed to City standards, will be constructed along the westerly perimeter of the project site to attenuate project-related noise from adjacent residential uses. To further mitigate for potential loading dock noise impacts, the City Manager shall verify that the Major D and Major E loading docks will be shielded or enclosed.

Operational

2. The following measures shall be made conditions of project approval, included as conditions in the SED permit for the proposal:
 - a) Prohibit delivery truck traffic from 10 p.m. to 7 a.m.;
 - b) Prohibit refuse or recycling trucks from collecting after 10 p.m. and before 7 a.m. on weekdays, before 8 a.m. on Saturday, and before 9 a.m. on Sundays;
 - c) Prohibit parking lot sweeping from 10 p.m. to 7 a.m.; and,
 - d) Limit fast-food services to drive-through only after midnight. This will discourage people from gathering outside their vehicles in parking lots, and reduce the attendant noise from cars stereos, chatter, and other activities.

6. PUBLIC SERVICES/FACILITIES

Impact 6A: The proposed project would result in annual waste generation volumes that exceed the City's Environmental Services Department standards and would significantly impact landfill capacity. In addition, the deposition of construction debris could also have a significant impact on landfill capacity.

Finding 6A: The project has been revised to include the following measures, which would fully mitigate potentially significant landfill capacity impacts to below a level of significance:

1. Prior to the issuance of any building permits, the applicant shall prepare a waste management plan to the satisfaction of the City's Environmental Services Department (ESD) which includes the following elements:

Construction Phase

- a) The type and quantity of solid waste expected to enter the waste stream;
- b) Source separation techniques to be used and the location of on-site storage for separated materials, as required by Municipal Code Section 101.2001. The waste management plan shall describe the type of service to be used to separate each material (i.e., compaction, bailing, collection container, etc.);
- c) The method of transport and destination of separated waste and/or construction debris not re-used on-site;
- d) On-site re-use of construction demolition material.
- e) Separating construction debris for recycling/re-use by others.
- f) Using recycled materials in the project-related construction.

Post Construction Phase

- g) The type and quantity of solid waste expected to enter the waste stream;
- h) Source separation techniques to be used and the location of on-site storage for separated materials, as required by Municipal Code Section 101.2001. The waste management plan shall describe the type of service to be used to separate each material (i.e., compaction, bailing, collection container, etc.);
- i) The method of transport and destination of separated waste and/or construction debris not re-used on-site;
- j) A "buy-recycled" program for the project; and,

- k) An impact analysis. The analysis shall calculate projected diversion as a percentage of waste generated and the effects on landfill capacity.
- l) Providing ESD with the type and quantity of materials expected to enter the waste stream in order for ESD to assist in targeting money saving and waste reducing measures after the construction phase.

7. NEIGHBORHOOD CHARACTER/AESTHETICS

Impact 7A: Buildings constructed at the project site would have flat roofs and roof top mechanical equipment that would be visible from Greenwood Cemetery, resulting in a near term significant aesthetic impact.

Finding 7A: The project has been revised to include the following measures, which shall be verified by the City Manager prior to the issuance of building permits, to fully mitigate potentially significant neighborhood character/aesthetic impacts to below a level of significance:

1. Mitigation for the near term visibility of some flat roof tops from Greenwood Cemetery includes the use of non white or non gray color roofing material. Examples of alternate colors include tan or dark red.
2. Mitigation for the near term visibility of roof top mechanical equipment from Greenwood Cemetery are the placement of screens adjacent to the equipment on the side or sides that face Greenwood Cemetery.

8. CULTURAL RESOURCES

Impact 8A: The project would involve substantial grading to prepare the site for development and there are three recorded resource sites on the project site which have the potential to contain isolated significant features.

Finding 8A: The project has been revised to include the following measures, which would fully mitigate the potentially significant cultural resources impacts to below a level of significance:

1. Prior to the recordation of the first final map and/or issuance of the first grading permit, the applicant shall provide a letter of verification to the Environmental Review Manager of Land Development Review (LDR) stating that a qualified archaeologist and/or archaeological monitor, to be approved by LDR, have been retained to implement the controlled destruction and archaeological monitoring program. The requirement for controlled destruction and archaeological monitoring shall be noted on the grading plans. **ALL PERSONS INVOLVED IN THE CONTROLLED DESTRUCTION AND ARCHAEOLOGICAL MONITORING PROGRAM FOR THIS PROJECT SHALL BE APPROVED BY LDR PRIOR TO THE START OF MONITORING. THE APPLICANT SHALL NOTIFY LDR OF THE START AND END OF CONSTRUCTION.**
 - a. The qualified archaeologist shall attend any preconstruction meetings to coordinate with the grading contractor to ensure compliance with the controlled destruction and archaeological monitoring program.
 - b. The controlled destruction program for recorded site CA-SDI-14,788 shall consist of scraping the site area in parallel swaths removing thin layers (10 to 15 centimeters) of soil with each scrape. Diagnostic artifacts shall be collected during the program. If features are identified, they shall be marked with flagging and further scraping in the area of discovery shall be halted until the resources can be evaluated and treated. Soil removal shall continue until sterile subsoil is encountered throughout the entire limits of the site.
 - c. The archaeological monitoring program for recorded sites CA-SDI-14,789H and CA-SDI-14,790H shall be conducted full-time during the grading of topsoils within these site areas. Archaeological monitoring of excavation within geologic formational material is not necessary. Archaeological monitoring

shall be conducted during excavation activities at the proposed off-site wetlands mitigation site within Tecolote Canyon Natural Park.

- d. **WHEN REQUESTED BY THE ARCHAEOLOGIST, THE CITY RESIDENT ENGINEER SHALL DIVERT, DIRECT, OR TEMPORARILY HALT GROUND DISTURBANCE ACTIVITIES IN THE AREA OF DISCOVERY TO ALLOW EVALUATION OF POTENTIALLY SIGNIFICANT CULTURAL RESOURCES. THE ARCHAEOLOGIST SHALL IMMEDIATELY NOTIFY LDR STAFF OF SUCH FINDING AT THE TIME OF DISCOVERY.** The significance of the discovered resources shall be determined by the archaeologist, in consultation with LDR and the Native American community. LDR must concur with the evaluation before grading activities will be allowed to resume. For significant cultural resources, a Research Design and Data Recovery Program shall be prepared and carried out to mitigate impacts before grading activities in the area of discovery will be allowed to resume. Any human bones of Native American origin shall be turned over to the appropriate Native American group for reburial.
- e. All cultural materials collected shall be cleaned, catalogued, and permanently curated with an appropriate institution. All artifacts shall be analyzed to identify function and chronology as they relate to the history of the area. Faunal material shall be identified as to species and specialty studies shall be completed, as appropriate.
- f. Prior to the release of the grading bond, a controlled destruction and archaeological monitoring results report and/or evaluation report, if appropriate, which describes the results, analysis, and conclusions of the controlled destruction and archaeological monitoring program (with appropriate graphics) shall be submitted to and approved by the Environmental Review Manager of LDR. For significant cultural resources, a Research Design and Data Recovery Program shall be included as part of the evaluation report. A mitigation report for significant cultural resources, if

required, shall be submitted to and approved by the Environmental Review Manager of LDR prior to the release of the grading bond.

Impact 8B: Grading associated with the proposed off-site wetlands mitigation site within Tecolote Canyon Natural Park has the potential to impact archaeological resources.

Finding 8B: The project has been revised to include the following measure, which would fully mitigate this potentially significant cultural resource impact associated with the proposed off-site wetlands mitigation site to below a level of significance:

1. Prior to the issuance of any grading permits that would impact on-site wetlands, a cultural resources survey report addressing the off-site wetlands mitigation area shall be prepared and approved by the Environmental Review Manager of LDR. Grading permits may be issued following approval of the report by the Environmental Review Manager of LDR, unless the results of the survey are positive. In the event the survey results are positive, the Environmental Review Manager of LDR shall make a determination regarding the need for additional testing and/or analyses and shall determine whether or not any supplemental environmental documentation is required in accordance with the provisions of CEQA prior to the issuance of any grading permits that would impact on-site wetlands.

9. PALEONTOLOGICAL RESOURCES

Impact 9A: The project would involve substantial grading to prepare the site for development, and the project site is underlain by the Bay Point, San Diego, and Lindavista geologic formations, all of which are known to contain paleontological (fossil) resources.

Finding 9A: The project has been revised to include the following measures, which would fully mitigate the potentially significant impacts to paleontological resources to below a level of significance:

1. Prior to the recordation of the first final map and/or issuance of the first grading permit, the applicant shall provide a letter of verification to the Environmental Review Manager of Land Development Review (LDR) stating that a qualified paleontologist and/or paleontological monitor, as defined in the City of San Diego Paleontological Guidelines, have been retained to implement the monitoring program. The requirement for paleontological monitoring shall be noted on the grading plans. ALL PERSONS INVOLVED IN THE PALEONTOLOGICAL MONITORING OF THIS PROJECT SHALL BE APPROVED BY LDR PRIOR TO THE START OF MONITORING. THE APPLICANT SHALL NOTIFY LDR OF THE START AND END OF CONSTRUCTION.

- a. The qualified paleontologist shall attend any preconstruction meetings to make comments and/or suggestions concerning the paleontological monitoring program with the construction manager.
- b. The paleontologist or paleontological monitor shall be on-site full-time during the initial cutting of previously undisturbed areas. Monitoring may be increased or decreased at the discretion of the qualified paleontologist, in consultation with LDR, and will depend on the rate of excavation, the materials excavated, and the abundance of fossils.
- c. WHEN REQUESTED BY THE PALEONTOLOGIST, THE CITY RESIDENT ENGINEER SHALL DIVERT, DIRECT, OR TEMPORARILY HALT CONSTRUCTION ACTIVITIES IN THE AREA OF DISCOVERY TO ALLOW RECOVERY OF FOSSIL REMAINS. THE PALEONTOLOGIST SHALL IMMEDIATELY NOTIFY LDR STAFF OF SUCH FINDING AT THE TIME OF DISCOVERY. LDR shall approve salvaging procedures to be performed before construction activities are allowed to resume.
- d. The paleontologist shall be responsible for preparation of fossils to a point of identification as defined in the City of San Diego Paleontological Guidelines and submittal of a letter of acceptance from a local qualified curation facility. Any discovered fossil sites shall be

recorded by the paleontologist at the San Diego Natural History Museum.

Prior to the release of the grading bond, a monitoring results report, with appropriate graphics, summarizing the results, analysis, and conclusions of the paleontological monitoring program shall be submitted to and approved by Environmental Review Manager of LDR.

- II. There are no changes or alterations within the responsibility and jurisdiction of another public Agency, and not the City of San Diego, which are necessary to avoid or mitigate significant environmental effects.**
- III. Specific economic, legal, social, technological, or other considerations make infeasible the mitigation measures or project alternatives identified in the final EIR (No. 96-0338) to reduce the following significant impacts:**

1. INFEASIBILITY OF MITIGATION FOR SIGNIFICANT UNMITIGATED IMPACTS

The only significant and unmitigated impact associated with the project is a cumulative traffic impact to the Imperial Avenue/I-805 southbound ramp intersection, which is calculated to operate at LOS F in the horizon year (2015). Mitigation to reduce this impact to below a level of significance is as follows:

- Widen the southbound off-ramp at the Imperial Avenue/I-805 intersection to provide two left-turn lanes and a single right-turn lane. This improvement will require the applicant to secure an encroachment permit from Caltrans.

The following discussion explains the reasons why specific economic, social or other considerations make infeasible the above mitigation measure for this cumulative traffic impact to the Imperial Avenue/I-805 southbound ramp.

Finding: The additional cost of implementing the mitigation for cumulative impacts to the Imperial Avenue I-805 southbound ramp would add

approximately \$287,500.00 in unanticipated project costs, and thereby make the Imperial Marketplace project financially infeasible.

The Imperial Marketplace project will be developed in accordance with the Disposition and Development Agreement (DDA) by and between the Redevelopment Agency of the City of San Diego (Agency) and Pacific Development Partners, LLC (Developer). The DDA addresses the sale and development of the project site, the project financing, as well as the responsibilities of both parties. In accordance with the DDA, the Redevelopment Agency will be responsible for financing on- and off-site public improvements required for development. These include but are not limited to the following:

- Elevating portions of the site above the 100-year floodplain (earthwork and soil import activities).
- Improving that portion of the South Las Chollas Creek aligned through the site so that it will contain storm flows from a 100-year storm event.
- Installing a public street (Street "A") through the site to connect Imperial Avenue and Ocean View Boulevard.
- Providing a pedestrian pathway along the creek (on-site improvement).
- Lowering a portion of Imperial Avenue.
- Installing a traffic signal at the main project entrance.
- Contributing a fair share towards the widening of Ocean View Boulevard between 32nd and 40th Streets.
- Installing a traffic signal at Imperial Avenue/40th Street intersection.
- Contributing a fair share towards the widening of Imperial Avenue between 32nd and 40th Streets.
- Other on-site improvements.

The cost of these off-site and on-site public/infrastructure improvements is estimated at \$10,082,080 (Table 1). The initial sources of funding for the infrastructure improvements included approximately \$4 million in TransNet funding plus approximately \$800,000 in CDBG Section 108 funding, for a total of \$4.8 million. Thus, the Agency had to find approximately \$5.3 million to cover the remainder of the required improvement costs (Total improvements costs of \$10,082,080 - 4,800 = \$5,282,080 ≈ \$5,300,000).

The Developer has agreed to loan the Agency the necessary \$5,300,000 to cover the remainder of the public improvement costs. A portion of this loan will be repaid with the net increase in City sales tax generated at the site (Table 2). The principal amount of the loan will be \$3,500,000 plus \$450,000 in pre-funding costs. The remaining \$1.8 million of the loan (Total Developer Loan of \$5.3 million less \$3.5 million Developer Sales Tax Loan = \$1.8 million) will be repaid with the tax increment revenue generated at the project site and 50 percent of the tax increment revenue generated within the remainder of the entire Central Imperial Redevelopment Project Area (Table 3). The principal amount for the Developer Tax Increment Loan will be \$1,800,000 plus \$135,000 in pre-funding costs.

The state law makes available to redevelopment agencies a method of obtaining funds called "tax increment financing." One of the primary tools of financing the public costs of redevelopment activities is the use of property tax increment. On the date the city council approves a redevelopment plan, the property within the boundaries of the plan has a certain total property tax value. If this total assessed valuation increases over time, most of the property taxes that are derived from the increase go to the redevelopment agency. These funds are called "tax increments."

It is financially infeasible to implement the additional \$287,500.00 mitigation measure for cumulative impacts to the Imperial Avenue/I-805 southbound ramp. These costs would be borne by the Redevelopment Agency and there are no additional funding sources available. As shown on Table 1, the primary tools used to finance the Agency's public improvement costs associated with the Imperial Marketplace project were TransNet Funding; CDBG Section 108 Funds; Tax Increment; and, Sales Tax Revenues. The following provides the specific reasons why no additional funding is available to cover the cost of as follows:

TransNet Funding – The current transaction will use approximately \$4 million in TransNet Funding. The use of these funds will require City Council's approval of the "defunding" of \$4 million in TransNet funded project from Council District 4 and the city-wide allocate to allow the funding of off-site improvements for this project.

TABLE 1
Sources and Uses of Funding Imperial Market Place Public Improvements

Off-Site Improvements		
Imperial Avenue Lowering	\$2,051,800	
Street "A"	1,473,300	
Traffic Signal (Project Entrance)	200,000	
Imperial Avenue Widening (between 32 nd & 40 th Streets)	444,000	
Ocean View Boulevard Widening (between 32 nd and 40 th Streets)	219,900	
<i>Subtotal Off-Site Improvements</i>		<u>\$4,389,000</u>
On-Site Improvements		
Phase 1 On-sites	\$2,605,500	
Creek Improvements	3,087,580	
<i>Subtotal On-Site Improvements (1)</i>		<u>\$5,693,080</u>
TOTAL		<u>\$10,082,080</u>
Sources of Funding		
TransNet Funds	\$4,000,000	
CDBG Section 108 Funds	800,000	
Developer Sales Tax Loan	3,500,000	
Developer Tax Increment Loan	1,800,000	
TOTAL		<u>\$10,100,000</u>

Table 2
Imperial Marketplace
Project Sales Tax and Loan Repayment

Year	Home Depot		Theatre		Other Major		Other Retail		Restaurant		Total Taxable Sales	Estimated City Portion @ 1%	Pre-funded Debt Service	City Loan @ (1)	Surplus / (Shortfall)	First Year Debt Reserve (2)	Year 2 & 3 Debt Reserve (3)	Cumulative City (3)
	Sales/SE	Total Sales	Taxable Sales	Estimated Sales/SE	Total Sales	Estimated Sales/SE	Total Sales	Estimated Sales/SE	Total Sales									
Year 0																		
Year 1	\$ 250	\$ 26,981,250	\$ 2,000,000	\$ 100	\$ 3,018,200	\$ 150	\$ 980,000	\$ 150	\$ 2,250,000	\$ 150	\$ 4,225,000	\$ 352,295	\$ 322,872	\$ (322,872)	\$ 29,423	\$ 0	\$ 0	\$ 0
Year 2	\$ 400	\$ 43,170,000	\$ 2,060,000	\$ 200	\$ 6,036,400	\$ 275	\$ 1,950,000	\$ 200	\$ 4,125,000	\$ 275	\$ 5,731,400	\$ 573,514	\$ 322,872	\$ (322,872)	\$ 290,665	\$ 0	\$ 0	\$ 0
Year 3	\$ 420	\$ 45,328,500	\$ 2,121,800	\$ 206	\$ 6,217,492	\$ 283	\$ 2,018,800	\$ 212	\$ 4,246,750	\$ 283	\$ 5,935,342	\$ 599,353	\$ 322,872	\$ (322,872)	\$ 322,872	\$ 233,675	\$ 116,838	\$ 116,838
Year 4	\$ 441	\$ 47,594,925	\$ 2,185,454	\$ 212	\$ 6,404,017	\$ 292	\$ 2,079,364	\$ 219	\$ 4,376,213	\$ 292	\$ 6,239,972	\$ 626,400	\$ 322,872	\$ (322,872)	\$ 303,528	\$ 303,528	\$ 268,602	\$ 268,602
Year 5	\$ 463	\$ 49,974,671	\$ 2,251,018	\$ 219	\$ 6,596,137	\$ 300	\$ 2,141,745	\$ 225	\$ 4,507,499	\$ 300	\$ 6,647,070	\$ 654,711	\$ 322,872	\$ (322,872)	\$ 331,839	\$ 331,839	\$ 434,521	\$ 434,521
Year 6	\$ 477	\$ 51,473,911	\$ 2,318,548	\$ 225	\$ 6,794,021	\$ 310	\$ 2,205,997	\$ 232	\$ 4,642,734	\$ 310	\$ 6,743,262	\$ 674,352	\$ 322,872	\$ (322,872)	\$ 351,481	\$ 351,481	\$ 610,262	\$ 610,262
Year 7	\$ 491	\$ 53,018,129	\$ 2,388,105	\$ 232	\$ 6,987,842	\$ 319	\$ 2,272,177	\$ 232	\$ 4,782,066	\$ 319	\$ 6,943,298	\$ 694,583	\$ 322,872	\$ (322,872)	\$ 371,711	\$ 371,711	\$ 845,744	\$ 845,744
Year 8	\$ 506	\$ 54,608,673	\$ 2,459,748	\$ 239	\$ 7,207,777	\$ 328	\$ 2,340,343	\$ 239	\$ 4,925,466	\$ 328	\$ 7,154,206	\$ 715,420	\$ 322,872	\$ (322,872)	\$ 392,549	\$ 392,549	\$ 1,309,039	\$ 1,309,039
Year 9	\$ 521	\$ 56,246,933	\$ 2,533,540	\$ 246	\$ 7,424,011	\$ 338	\$ 2,410,553	\$ 246	\$ 5,073,230	\$ 338	\$ 7,368,266	\$ 736,883	\$ 322,872	\$ (322,872)	\$ 414,011	\$ 414,011	\$ 1,753,050	\$ 1,753,050
Year 10	\$ 537	\$ 57,934,341	\$ 2,609,546	\$ 253	\$ 7,646,731	\$ 348	\$ 2,482,869	\$ 253	\$ 5,225,427	\$ 348	\$ 7,589,914	\$ 758,989	\$ 322,872	\$ (322,872)	\$ 436,118	\$ 436,118	\$ 2,189,168	\$ 2,189,168
Year 11	\$ 553	\$ 59,672,371	\$ 2,687,833	\$ 261	\$ 7,876,133	\$ 359	\$ 2,567,955	\$ 261	\$ 5,382,189	\$ 359	\$ 7,817,581	\$ 781,759	\$ 322,872	\$ (322,872)	\$ 458,887	\$ 458,887	\$ 2,648,055	\$ 2,648,055
Year 12	\$ 569	\$ 61,462,542	\$ 2,768,468	\$ 269	\$ 8,112,417	\$ 370	\$ 2,634,076	\$ 269	\$ 5,543,655	\$ 370	\$ 8,052,212	\$ 805,212	\$ 322,872	\$ (322,872)	\$ 482,340	\$ 482,340	\$ 3,130,395	\$ 3,130,395
Year 13	\$ 587	\$ 63,306,418	\$ 2,851,522	\$ 277	\$ 8,355,789	\$ 381	\$ 2,713,098	\$ 277	\$ 5,709,965	\$ 381	\$ 8,293,688	\$ 829,368	\$ 322,872	\$ (322,872)	\$ 506,496	\$ 506,496	\$ 3,636,892	\$ 3,636,892
Year 14	\$ 604	\$ 65,205,611	\$ 2,937,067	\$ 285	\$ 8,606,463	\$ 392	\$ 2,794,491	\$ 285	\$ 5,881,264	\$ 392	\$ 8,542,896	\$ 854,249	\$ 322,872	\$ (322,872)	\$ 531,377	\$ 531,377	\$ 4,168,269	\$ 4,168,269
Year 15	\$ 622	\$ 67,161,779	\$ 3,025,179	\$ 294	\$ 8,864,657	\$ 404	\$ 2,878,326	\$ 294	\$ 6,057,702	\$ 404	\$ 8,797,643	\$ 879,876	\$ 322,872	\$ (322,872)	\$ 557,005	\$ 557,005	\$ 4,725,274	\$ 4,725,274
Year 16	\$ 641	\$ 69,176,633	\$ 3,115,935	\$ 303	\$ 9,130,515	\$ 416	\$ 2,964,676	\$ 303	\$ 6,239,433	\$ 416	\$ 9,067,273	\$ 906,273	\$ 322,872	\$ (322,872)	\$ 583,401	\$ 583,401	\$ 5,308,675	\$ 5,308,675
Year 17	\$ 660	\$ 71,251,932	\$ 3,209,413	\$ 312	\$ 9,404,515	\$ 428	\$ 3,053,616	\$ 312	\$ 6,426,616	\$ 428	\$ 9,346,091	\$ 934,461	\$ 322,872	\$ (322,872)	\$ 610,589	\$ 610,589	\$ 5,919,265	\$ 5,919,265
Year 18	\$ 680	\$ 73,389,490	\$ 3,306,695	\$ 321	\$ 9,686,650	\$ 441	\$ 3,145,225	\$ 321	\$ 6,619,414	\$ 441	\$ 9,646,473	\$ 964,465	\$ 322,872	\$ (322,872)	\$ 638,593	\$ 638,593	\$ 6,557,858	\$ 6,557,858
Year 19	\$ 700	\$ 75,591,174	\$ 3,404,866	\$ 331	\$ 9,977,249	\$ 455	\$ 3,239,581	\$ 331	\$ 6,817,956	\$ 455	\$ 9,930,868	\$ 990,309	\$ 322,872	\$ (322,872)	\$ 667,437	\$ 667,437	\$ 7,225,295	\$ 7,225,295
Year 20	\$ 721	\$ 77,858,909	\$ 3,507,012	\$ 340	\$ 10,276,567	\$ 468	\$ 3,336,769	\$ 340	\$ 7,022,536	\$ 468	\$ 10,200,179	\$ 1,020,018	\$ 322,872	\$ (322,872)	\$ 697,146	\$ 697,146	\$ 7,922,441	\$ 7,922,441
Year 21	\$ 743	\$ 80,194,677	\$ 3,612,222	\$ 351	\$ 10,584,864	\$ 482	\$ 3,436,872	\$ 351	\$ 7,233,212	\$ 482	\$ 10,506,847	\$ 1,050,618	\$ 322,872	\$ (322,872)	\$ 727,295	\$ 727,295	\$ 8,650,736	\$ 8,650,736
Year 22	\$ 765	\$ 82,600,517	\$ 3,720,589	\$ 361	\$ 10,902,410	\$ 497	\$ 3,539,978	\$ 361	\$ 7,450,209	\$ 497	\$ 10,821,370	\$ 1,082,137	\$ 322,872	\$ (322,872)	\$ 757,711	\$ 757,711	\$ 9,408,447	\$ 9,408,447
Year 23	\$ 788	\$ 85,076,533	\$ 3,832,207	\$ 372	\$ 11,229,482	\$ 512	\$ 3,646,177	\$ 372	\$ 7,673,715	\$ 512	\$ 11,146,601	\$ 1,114,601	\$ 322,872	\$ (322,872)	\$ 788,401	\$ 788,401	\$ 10,196,848	\$ 10,196,848
Year 24	\$ 812	\$ 87,630,889	\$ 3,947,173	\$ 383	\$ 11,566,367	\$ 527	\$ 3,755,563	\$ 383	\$ 7,903,927	\$ 527	\$ 11,480,917	\$ 1,148,039	\$ 322,872	\$ (322,872)	\$ 819,955	\$ 819,955	\$ 11,016,803	\$ 11,016,803
Year 25	\$ 836	\$ 90,259,815	\$ 4,065,588	\$ 395	\$ 11,913,358	\$ 543	\$ 3,868,230	\$ 395	\$ 8,141,044	\$ 543	\$ 11,824,805	\$ 1,182,480	\$ 322,872	\$ (322,872)	\$ 852,400	\$ 852,400	\$ 11,869,203	\$ 11,869,203
Year 26	\$ 861	\$ 92,967,610	\$ 4,187,556	\$ 407	\$ 12,270,758	\$ 559	\$ 3,984,276	\$ 407	\$ 8,385,276	\$ 559	\$ 12,179,476	\$ 1,217,955	\$ 322,872	\$ (322,872)	\$ 886,834	\$ 886,834	\$ 12,756,037	\$ 12,756,037
Year 27	\$ 887	\$ 95,756,638	\$ 4,313,183	\$ 419	\$ 12,638,881	\$ 576	\$ 4,103,805	\$ 419	\$ 8,636,834	\$ 576	\$ 12,549,340	\$ 1,254,493	\$ 322,872	\$ (322,872)	\$ 922,228	\$ 922,228	\$ 13,680,265	\$ 13,680,265
Year 28	\$ 914	\$ 98,629,337	\$ 4,445,878	\$ 431	\$ 13,018,048	\$ 593	\$ 4,226,919	\$ 431	\$ 8,895,939	\$ 593	\$ 12,921,820	\$ 1,292,128	\$ 322,872	\$ (322,872)	\$ 959,593	\$ 959,593	\$ 14,631,858	\$ 14,631,858
Year 29	\$ 941	\$ 101,586,217	\$ 4,575,635	\$ 444	\$ 13,408,569	\$ 611	\$ 4,353,726	\$ 444	\$ 9,162,817	\$ 611	\$ 13,308,205	\$ 1,330,892	\$ 322,872	\$ (322,872)	\$ 999,000	\$ 999,000	\$ 15,620,858	\$ 15,620,858
Year 30	\$ 970	\$ 104,635,864	\$ 4,713,131	\$ 458	\$ 13,810,847	\$ 629	\$ 4,484,338	\$ 458	\$ 9,437,702	\$ 629	\$ 13,708,181	\$ 1,370,819	\$ 322,872	\$ (322,872)	\$ 1,039,519	\$ 1,039,519	\$ 16,650,377	\$ 16,650,377
Year 31																		

(1) Year 0's debt service is added to the principal amount of the loan. (\$2,850,000 plus \$320,000=\$3,170,000)
\$322,872 is the annual debt service payable to developer.

(2) First year debt reserve is funded with 100% of sales tax in excess of debt service in addition to excess CDBG funds available in year 1.

(3) Second year debt reserve is funded with 50% of the excess sales tax after funding debt service and first year debt reserve. The additional 50% or balance of sales tax flows to the City of San Diego.

* Year 2 is projected as the stabilizes year. Home Depot Sales are projected to grow 5% from Years 3-5, then 3% thereafter.

R-292170

Table 3 Imperial Marketplace Projected Tax Increments and Loan Repayment

Year	Estimated Assessed Value	(Less) Existing Assessed Value	Net Increase in Assessed Value	Net Tax Increment @ 1%	Tax Increment After Set-Asides	50% of Remaining Central Imperial T.I. After Set-Asides	Remaining Central Imperial T.I. After Set-Asides	Pre-Funded Debt Service (1)	Agency (1) Loan @ 1.935,000 (\$195,526)	Surplus / (Shortfall)	Surplus With Remaining C.I.	Net Cumulative
Year 1	\$ 6,749,642	\$ (1,100,000)	\$ 5,649,642	\$ 56,496	\$ 33,898	\$ 26,780	\$ 53,560	\$ 134,848	\$ 1,935,000	\$ (30)	\$ 26,780	\$ 26,780
Year 2	\$ 26,998,566	\$ (1,100,000)	\$ 25,898,566	\$ 258,986	\$ 155,391	\$ 46,709	\$ 93,417	\$	\$ (195,526)	\$ 66,574	\$ 53,283	\$ 80,063
Year 3	\$ 27,538,538	\$ (1,100,000)	\$ 26,438,538	\$ 264,385	\$ 158,631	\$ 66,774	\$ 133,548	\$	\$ (195,526)	\$ 29,879	\$ 96,653	\$ 176,716
Year 4	\$ 28,089,309	\$ (1,100,000)	\$ 26,989,309	\$ 269,893	\$ 161,936	\$ 90,479	\$ 180,957	\$	\$ (195,526)	\$ 147,367	\$ 184,641	\$ 324,083
Year 5	\$ 28,651,095	\$ (1,100,000)	\$ 27,551,095	\$ 275,511	\$ 165,307	\$ 107,430	\$ 214,860	\$	\$ (195,526)	\$ 57,211	\$ 207,766	\$ 508,724
Year 6	\$ 29,224,117	\$ (1,100,000)	\$ 28,124,117	\$ 281,241	\$ 168,745	\$ 117,273	\$ 234,547	\$	\$ (195,526)	\$ 90,492	\$ 231,617	\$ 716,490
Year 7	\$ 29,808,599	\$ (1,100,000)	\$ 28,708,599	\$ 287,086	\$ 172,252	\$ 127,446	\$ 254,892	\$	\$ (195,526)	\$ 104,171	\$ 256,219	\$ 948,107
Year 8	\$ 30,404,771	\$ (1,100,000)	\$ 29,304,771	\$ 293,048	\$ 175,829	\$ 137,958	\$ 275,916	\$	\$ (195,526)	\$ 119,261	\$ 281,594	\$ 1,204,326
Year 9	\$ 31,012,866	\$ (1,100,000)	\$ 29,912,866	\$ 299,129	\$ 179,477	\$ 148,821	\$ 297,643	\$	\$ (195,526)	\$ 132,773	\$ 307,768	\$ 1,485,920
Year 10	\$ 31,633,124	\$ (1,100,000)	\$ 30,533,124	\$ 305,331	\$ 183,199	\$ 160,048	\$ 320,095	\$	\$ (195,526)	\$ 147,720	\$ 334,766	\$ 1,793,687
Year 11	\$ 32,265,786	\$ (1,100,000)	\$ 31,165,786	\$ 311,658	\$ 186,995	\$ 171,649	\$ 343,297	\$	\$ (195,526)	\$ 163,118	\$ 334,766	\$ 2,128,454
Year 12	\$ 32,911,102	\$ (1,100,000)	\$ 31,811,102	\$ 318,111	\$ 190,667	\$ 183,637	\$ 367,275	\$	\$ (195,526)	\$ 178,978	\$ 334,766	\$ 2,491,069
Year 13	\$ 33,569,324	\$ (1,100,000)	\$ 32,469,324	\$ 324,693	\$ 194,816	\$ 188,159	\$ 376,317	\$	\$ (195,526)	\$ 187,449	\$ 334,766	\$ 2,866,677
Year 14	\$ 34,240,710	\$ (1,100,000)	\$ 33,140,710	\$ 331,407	\$ 198,844	\$ 200,448	\$ 400,895	\$	\$ (195,526)	\$ 203,766	\$ 334,766	\$ 3,270,890
Year 15	\$ 34,925,525	\$ (1,100,000)	\$ 33,825,525	\$ 338,255	\$ 202,953	\$ 213,147	\$ 426,294	\$	\$ (195,526)	\$ 220,574	\$ 334,766	\$ 3,704,611
Year 16	\$ 35,624,035	\$ (1,100,000)	\$ 34,524,035	\$ 345,240	\$ 207,144	\$ 226,270	\$ 452,540	\$	\$ (195,526)	\$ 237,889	\$ 334,766	\$ 4,168,770
Year 17	\$ 36,336,516	\$ (1,100,000)	\$ 35,236,516	\$ 352,365	\$ 211,419	\$ 239,832	\$ 479,663	\$	\$ (195,526)	\$ 255,725	\$ 334,766	\$ 4,664,326
Year 18	\$ 37,063,246	\$ (1,100,000)	\$ 35,963,246	\$ 359,632	\$ 215,779	\$ 253,846	\$ 507,692	\$	\$ (195,526)	\$ 274,100	\$ 334,766	\$ 5,192,272
Year 19	\$ 37,804,511	\$ (1,100,000)	\$ 36,704,511	\$ 367,045	\$ 220,227	\$ 268,328	\$ 536,657	\$	\$ (195,526)	\$ 293,030	\$ 334,766	\$ 5,753,630
Year 20	\$ 38,560,601	\$ (1,100,000)	\$ 37,460,601	\$ 374,606	\$ 224,764	\$ 283,294	\$ 566,589	\$	\$ (195,526)	\$ 312,532	\$ 334,766	\$ 6,349,457
Year 21	\$ 39,331,813	\$ (1,100,000)	\$ 38,231,813	\$ 382,318	\$ 229,391	\$ 298,760	\$ 597,520	\$	\$ (195,526)	\$ 332,151	\$ 334,766	\$ 7,000,111
Year 22	\$ 40,118,450	\$ (1,100,000)	\$ 39,018,450	\$ 390,184	\$ 234,111	\$ 314,742	\$ 629,484	\$	\$ (195,526)	\$ 352,151	\$ 334,766	\$ 7,776,367
Year 23	\$ 40,920,819	\$ (1,100,000)	\$ 39,820,819	\$ 398,208	\$ 238,925	\$ 331,258	\$ 662,515	\$	\$ (195,526)	\$ 372,151	\$ 334,766	\$ 8,600,962
Year 24	\$ 41,739,235	\$ (1,100,000)	\$ 40,639,235	\$ 406,392	\$ 243,835	\$ 348,325	\$ 696,650	\$	\$ (195,526)	\$ 392,151	\$ 334,766	\$ 9,500,111
Year 25	\$ 42,574,020	\$ (1,100,000)	\$ 41,474,020	\$ 414,740	\$ 248,844	\$ 365,962	\$ 731,924	\$	\$ (195,526)	\$ 412,151	\$ 334,766	\$ 10,480,655
Year 26	\$ 43,425,500	\$ (1,100,000)	\$ 42,325,500	\$ 423,255	\$ 253,953	\$ 384,188	\$ 768,376	\$	\$ (195,526)	\$ 430,151	\$ 334,766	\$ 11,540,655
Year 27	\$ 44,294,010	\$ (1,100,000)	\$ 43,194,010	\$ 431,940	\$ 259,164	\$ 403,023	\$ 806,045	\$	\$ (195,526)	\$ 448,151	\$ 334,766	\$ 12,700,655
Year 28	\$ 45,179,890	\$ (1,100,000)	\$ 44,079,890	\$ 440,799	\$ 264,479	\$ 411,083	\$ 822,166	\$	\$ (195,526)	\$ 466,151	\$ 334,766	\$ 13,970,655
Year 29	\$ 46,083,488	\$ (1,100,000)	\$ 44,983,488	\$ 449,835	\$ 269,901	\$ 419,305	\$ 838,610	\$	\$ (195,526)	\$ 484,151	\$ 334,766	\$ 15,360,655
Year 30	\$ 47,005,158	\$ (1,100,000)	\$ 45,905,158	\$ 459,052	\$ 275,431	\$ 427,691	\$ 855,382	\$	\$ (195,526)	\$ 502,151	\$ 334,766	\$ 16,800,655
					\$ 6,126,506	\$ 6,962,663	\$ 13,925,325	\$ 134,848	\$ (3,910,518)	\$ 703,122	\$ 1,130,813	\$ 16,276,162

(1) Loan amount required is \$1,800,000 for infrastructure financing plus \$135,000 (Rounded) for year 1 funding gap. \$195,526 is annual debt service payment to developer.

* Stabilized Year

CDBG Section 108 Financing – The current transaction will use approximately \$800,000 in CDBG Section 108 Loan Funding. The approved Section 108 loan included a total of \$800,000 for improvements to South Las Chollas Creek. In accordance with City Council Resolution No. 2872798 (May 6, 1996), the City Council authorized the repayment of this loan from Council District 4 and City-wide allocations of CDBG funding. Therefore, there are no CDBG section 108 funds approved for this project.

Tax Increment – The current transaction proposed to use 100 percent of the tax increment (TI) generated from the project site plus 50 percent of tax increment generated within the remainder of the Central Imperial Redevelopment Project Area. These funds would be used to repay a portion of the funding the Developer will loan to the Agency (referred to as Developer TI Loan). Because California Redevelopment Law (Section 33334.3) requires that 20 percent of all tax increment generated within a project area be used for low-moderate income housing purposes, this leaves only 30 percent of TI available to finance/fund other redevelopment activities within the Central Imperial Redevelopment Project Area, of which Potter Tract project is a part.

Sales Tax Revenues – The current transaction also pledges 100 percent of the net increase in sales tax revenue projected to be generated at the site to repay the remainder of funding the Developer will loan to the Agency (referred to as Developer Sales Tax Loan). Because 100 percent of the sales tax generated at the site would be used to repay the Developer Sales Tax Loan, no additional sales tax revenues would be available.

It should also be noted that because of the project's tremendous public improvement costs, the value of the commercial development upon completion (based on a residual land value determination) will be less than the development costs (KMA Summary Report and Re-Use Analysis is the source for this information). The current transaction includes selling the project site to the Developer for a cost of one dollar. Therefore, there are no land sale proceeds available to cover additional, unanticipated Agency costs.

2. INFEASIBILITY OF PROJECT ALTERNATIVES TO REDUCE OR AVOID SIGNIFICANT IMPACTS

Where a project will result in some unavoidable significant environmental impacts even after application of all feasible mitigation measures identified in the EIR, the lead agency must evaluate the project alternatives identified in the EIR. Under these circumstances, the lead agency must consider the feasibility of alternatives to the project which could avoid or substantially lessen the unavoidable significant environmental impacts. "Feasible" means capable of being accomplished in a successful manner within a reasonable time, taking into account economic, environmental, legal, social and technological factors (Section 15364 of the State CEQA Guidelines).

If there are no feasible project alternatives, the lead agency must adopt a Statement of Overriding Considerations with regard to the project pursuant to Section 15093 of the State CEQA Guidelines. If there is a feasible alternative to the project, the lead agency must decide whether it is environmentally superior to the proposed project. The lead agency must consider, in detail, only those alternatives, which could feasibly attain most of the basic objectives of the project; however, the lead agency must consider alternatives capable of eliminating significant environmental impacts, even if these alternatives would impede to some degree the attainment of the project objectives (Section 15126[d] of the State CEQA Guidelines).

The only significant unavoidable impact of the project relates to upland biology impacts and wetland impacts associated with flood control improvements to South Las Chollas Creek. In addition to the above unavoidable impacts directly attributable to the project, the project would result in impacts on an incremental basis, which when added to other past, present, and reasonably foreseeable future project would be cumulative considerable. The only significant unmitigated impact of the project would be associated with cumulative traffic impacts to the Imperial Avenue/I-805 southbound ramp. The discussion of project alternatives in these findings will focus on the alternatives that would avoid or lessen these unavoidable and unmitigated impacts, but also acknowledges other significant project impacts that would be substantially reduced or avoided.

Finding: The Imperial Marketplace EIR (No. 96-0338) addresses a reasonable range of alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project. Significant impacts avoided and/or reduced for each of these project alternatives and the reasons for their rejection are described below.

No Project Alternative

As the current property owner, SEDC has considered but rejected the possibility of developing the residential project allowed under Final Map 12301 because it would not meet the objective of the proposed project to provide a commercial center and employment opportunities in the community, and due to the economic infeasibility of providing the aforementioned public improvements for such a development. Therefore, the retention of the project site in its present, undeveloped condition is assumed for the foreseeable future and is used as the basis for analyzing the No Project Alternative. This alternative would result in no commercial shopping center at the project site. Because the proposed shopping center would not be constructed, there would be no impacts to land use, traffic, biology, hydrology/water quality, noise, public services/facilities, neighborhood character, cultural resources, or paleontology.

This alternative was considered but rejected for the following reasons:

1. The redevelopment activities identified for the project site in the approved Southeast San Diego Community Plan and the Central Imperial Redevelopment Plan would not be implemented, and the site would remain significantly impacted by blighting influences.
2. This alternative would not widen, provide landscaping improvements, and improve the streetscape along Imperial Avenue and Ocean View Boulevard.

3. Beneficial impacts related to increased job opportunities within the community would not occur.
4. Local residents would remain impacted by a lack of commercial and recreational resources that would otherwise be provided by the proposed project. Therefore, no tax revenue would be generated from the site, and the City's ability to fund other redevelopment implementing activities in the project area would be significantly impacted.
5. This alternative would not create a beneficial land use impact by developing a passive pedestrian trail and/or bikeway along South Las Chollas Creek, as provided in the adopted Southeast San Diego Community Plan.
6. The project site would remain blighted due to impacts from the 100-year flood, a lack of access, and site underutilization.
7. Existing off-site property would remain significantly impacted by the 100-year flood.

All Residential Alternative

This alternative would develop approximately 161 single-family dwelling units (DU) on 5,000 square-foot minimum lots at the project site. This alternative would generate approximately 15,730 (90 percent) fewer average daily trips (ADTs) than the proposed project, and would avoid the significant impacts projected at signalized and unsignalized intersections for the proposed project, as well as degradations in LOS along Imperial Avenue. Likewise, vehicular noise levels would be substantially reduced.

This alternative was considered but rejected for the following reasons:

1. This alternative would not meet the existing demand for community commercial uses, and local residents would remain impacted by a lack of commercial uses that would otherwise be provided by the proposed project. Therefore, this alternative would generate less tax revenue than

the proposed commercial project, and therefore would significantly impact the City's ability to fund other redevelopment implementing activities in the project area.

2. Beneficial impacts related to increased job opportunities within the community would not occur.
3. This alternative would not develop the site with the highest and best use under existing zoning.
4. This alternative would not implement redevelopment activities (i.e., commercial shopping center) for the site indicated in the adopted Central Imperial Redevelopment Plan and Southeast San Diego Community Plan, creating a potential land use plan conformance impact.
5. This alternative would place additional demand on schools, libraries, and other educational facilities in the area, creating new public services/facilities impacts that would not occur under the proposed project.
6. This alternative would not reduce biology impacts related to the channelization of South Las Chollas Creek.
7. This alternative would not provide a bicycle path adjacent to South Las Chollas Creek, eliminating a beneficial land use/recreation impact.

Commercial/Residential Alternative

This alternative would develop approximately 41,858 square feet (SF) of general commercial uses (including restaurants), a 2,250-seat movie theater, and 75 single-family residential dwelling units (minimum 5,000 SF lots) at the project site. The commercial component would be developed on the eastern half of the site, and the residential component on the western half. This alternative would generate approximately 8,640 (50 percent) fewer ADTs than the proposed project and, with the exception of the Imperial Avenue/Main Project Driveway intersection, would avoid significant impacts to signalized

and unsignalized intersections. This alternative would also avoid significant impacts to the segment of Imperial Avenue east of 36th Street, and would also reduce the severity of street segments impacts along Ocean View Boulevard. Because fewer daily trips would be generated on the local street network, vehicular noise levels would also be substantially reduced. This alternative would reduce on-site noise impacts to existing residential uses located to the west of the project site. This alternative would also substantially reduce the number of large commercial structures, rooftops, trash receptacles, and accessory uses that would need to be screened from nearby uses.

This alternative was considered but rejected for the following reasons:

1. Beneficial impacts related to job creation for local residents at the project site would not be maximized.
2. This alternative would provide substantially less commercial uses; therefore, a locally unmet demand for such uses would likely remain and residents would remain impacted by a lack of commercial uses that would otherwise be provided by the proposed project. Therefore, this alternative would generate less tax revenue than the proposed commercial project, and therefore would significantly impact the City's ability to fund other redevelopment implementing activities in the project area.
3. This alternative would not reduce biology impacts related to the channelization of South Las Chollas Creek.
4. This alternative would not provide a bicycle path adjacent to South Las Chollas Creek, eliminating a beneficial land use/recreation impact.
5. This alternative would place additional demand on schools, libraries, and other educational facilities in the area, creating new public services/facilities impacts that would not occur under the proposed project.

Reduced Project Alternative

This alternative would develop a reduced commercial project on the portions of the site which are currently located outside of the 100-year floodplain. This alternative would reduce the proposed development and parking by approximately 25 percent, which translates into a corresponding reduction of 60,800 SF and 400 spaces, respectively. This alternative would avoid impacting South Las Chollas Creek and related impacts to wetlands, would reduce the net import of fill needed for the site resulting in fewer construction truck traffic impacts, and would reduce traffic and construction noise impacts.

This alternative was considered but rejected for the following reasons:

1. This alternative would provide approximately 25 percent less developable area and parking than the proposed project due the increased 100-year floodplain boundary, which result in substantially increased costs to provide structured parking and/or multi-story commercial uses. This would impact the viability of the project and would generate less tax revenue than the proposed commercial project, which in turn would significantly impact the City's ability to fund other redevelopment implementing activities in the project area.
2. This alternative would not implement flood control improvements at the project site, resulting in portions of the project site and existing off-site property (existing homes, portions of the ECC, Ocean View Boulevard) remaining significantly impacted by the 100-year flood.
3. This alternative would require additional import of fill to raise the site above the 100-year floodplain, resulting in additional construction truck traffic impacts.
4. This alternative would provide less stable channel banks because Armorflex® would not be used, which may jeopardize the structural integrity of the channel, and thus, impact on-site development at the project site.

5. This alternative would require a more costly, flood-protected crossing of the South Las Chollas Creek Floodplain, which would impact the viability of the project and the success of the larger Central Imperial Redevelopment Plan.
6. This alternative would not construct the north-south road connecting Ocean View Boulevard and Imperial Avenue that is recommended in the Southeast San Diego Community Plan, creating a new land use plan conformance impact that would not occur with the proposed project.

All Retail Alternative

This alternative would replace the proposed theater with 55,000 SF of retail uses. This alternative would allow SEDC to maintain some tenant flexibility based on changing market conditions and finances, and would avoid the need to obtain a Special Permit for a movie theater.

This alternative was considered but rejected for the following reasons:

1. This alternative creates a mitigable noise nuisance impact to existing residences located west of the site from truck movement and loading dock activity associated with Retail A.
2. This alternative would not reduce or avoid traffic impacts, biology impacts related to channelization of South Las Chollas Creek, or any other project impacts.

Alternative Sites

One alternative site that was considered to avoid biology, traffic, and other project impacts was at the southwest corner of the intersection of 43rd Street/National Avenue and the National Avenue corridor. The 1996 Second Amendment Final EIR addressed this recommendation as the "43rd Street Alternative," and found that it is not a practicable alternative to the proposed development of the Imperial Marketplace site for the following reasons:

1. This alternative would develop less than half (49 percent) of the commercial uses compared to the proposed project. This reduction in square footage may not meet the existing demand for commercial uses in the area, would generate less tax revenue, and therefore would impact the City's ability to fund other redevelopment implementing activities in the project area.
2. Because the area currently supports existing businesses and residential uses, redevelopment of this alternative site would result in substantial residential and business displacement impacts that would not occur with the proposed project. These impacts would increase the cost for relocation assistance and increase the overall cost of this alternative compared to the proposed project.
3. With addition of trips generated by the 43rd Street Alternative, the level of service along National Avenue in the future would be below City standards (i.e., LOS D), and result in a significant traffic impact.
4. Development of the 43rd Street Alternative cannot be accomplished until the 43rd Street Intersection Improvement Project has been completed (CIP No. 52-409.0).
5. The presence of petroleum hydrocarbon in the near surface soils on several parcels in and around the existing intersection, as well as the potential for asbestos to occur in existing older structures in the vicinity of the intersection, could result in potentially significant human health and public safety impacts that would not occur with the proposed project.
6. The 43rd Street Alternative would not achieve the objectives of the adopted Central Imperial Redevelopment Plan, in that existing blighting conditions at the Imperial Marketplace site would continue.

There are no other large, vacant or unused multiple-use zoned sites are found in the Southeast San Diego Community Planning Area; therefore, development of any other site would require substantial efforts by the

Redevelopment Agency to assemble the necessary acreage, and substantial expenditures to acquire the parcels and relocate existing users. Redevelopment of other sites to provide long-term commercial employment in the community would not be a practicable alternative to the proposed action.

Alternative Channelization Methods

An alternative channelization method that was considered to reduce impacts to wetland habitat was to channelize South Las Chollas Creek by cutting and repacking on-site fill and stabilizing the channel banks by revegetation, without using Armorflex[®] slope protection, to create a channel wide enough to contain the 100-year flood. This alternative was considered but rejected due to potential erosional impacts, and potential difficulties with the long-term structural integrity and hydraulic capacity of the channelized creek.

500-Year Base Flood Elevation Alternative

An alternative that was considered to further reduce flooding impacts by designing the flood control improvements for the 500-year flood event was considered but rejected for the following reasons:

1. This alternative require a net import of fill to raise the site from above the 100-year floodplain to above the 500-year floodplain, which would increase construction cost, duration of construction, and construction-related traffic (i.e., number of trips to haul fill material).
2. This alternative would not mitigate any significant environmental effects.
3. The Federal Emergency Management Agency (FEMA) defines the limits of the floodplain as the water surface elevation resulting from a storm with a one percent probability of occurring during any given year. This one percent probability is also known as a 100 year storm. FEMA uses the 100-year floodplain as a basis for flood insurance requirements. The City of San Diego uses the 100-year storm as a design guideline for

drainage facilities. Standard design practice dictates that the site should be protected from a 100-year storm event.

Pursuant to Section 15093 of the State CEQA Guidelines, the City of San Diego as lead agency for the project must adopt a "Statement of Overriding Considerations" in order to approve a project that has significant unmitigated or unavoidable environmental impacts. This statement allows a lead agency to determine that specific economic, social or other expected benefits of a proposed project outweigh its potential significant unavoidable environmental risks.

**STATEMENT OF OVERRIDING CONSIDERATIONS
FOR THE IMPERIAL MARKETPLACE PROJECT (LDR NO. 96-0338)**

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 project. If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable" (Section 15093 [a]). CEQA further requires that, when the lead agency approves a project which will result in the occurrence of significant effects which are identified in the final EIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the final EIR and/or other information in the record. The statement of overriding considerations shall be supported by substantial evidence in the record (Section 15093 [b] of the State CEQA Guidelines). This statement does not substitute for, and shall be in addition to, findings required pursuant to Section 15091 (Section 15093 [c] of the State CEQA Guidelines).

The City Council, pursuant to Section 15093 of the State CEQA Guidelines, after balancing the benefits of the proposed Imperial Marketplace Project and associated actions against the unavoidable significant cumulative impacts of the project on traffic as defined in the Draft EIR (LDR No. 96-0338), hereby determines that the impacts are acceptable for the following reasons:

1. The proposed project is the next step in the redevelopment of a blighted site by the City Redevelopment Agency pursuant to the Community Redevelopment Law of the State of California Health and Safety Code, Section 33000 et seq. The project would implement the specific redevelopment recommendations for the Imperial Marketplace site that are contained in the approved Southeast San Diego Community Plan and the Central Imperial Redevelopment Plan (CIRP). Collectively, these plans call for the provision of infrastructure and flood control improvements to facilitate redevelopment of the proposed project site into a community commercial center. The proposed project is the cornerstone development for the Central Imperial Redevelopment Project, which is needed to generate tax revenue that would provide funding other redevelopment implementing activities in the project area.

2. The project would encourage infill development in redevelopment areas and within City neighborhoods where vacant land is adequate and public facilities exist, and to remove blight from City communities. Because the project is infill development, it would implement the City's habitat conservation goals by locating development outside of designated MHPA areas identified in the City's MSCP Subarea Plan.
3. The project would acquire land designated for open space on which subdivisions or improvements are proposed. This open space, which would be dedicated to the City, would add usable parkland in a highly urbanized area that is deficient in open space, and would implement a portion of the City-wide open space system.
4. The project would increase usable public park space within this highly urbanized area by developing a linear park along South Las Chollas Creek, which would implement a portion of the Chollas Creek green belt envisioned by the City for the community. The project would also implement the Southeast San Diego Community Plan goal to provide increased opportunities for the public enjoyment of open space area, including limited access to Chollas Creek.
5. The project would improve an existing neighborhood flooding problem by implementing flood control improvements to South Las Chollas Creek that would remove existing development located south of the project site from the 100-year floodplain, while retaining the natural appearance of drainage areas to the extent feasible. This would protect existing flood-prone areas against loss of life, significant property damage, and disruption of traffic or utility services.
6. The project would provide attractive quality community and neighborhood commercial facilities that offer a variety of goods and services to meet community needs. Community residents see the absence of commercial shopping locations in the community as a major problem. The project would provide a home improvement center, a movie theater, retail shops, restaurants, and other compatible commercial uses for Southeast San Diego residents. Currently, residents in the Mountain View neighborhood and throughout the Southeast San Diego Community Planning Area have to leave the area to obtain these types of commercial services.

7. The project would increase employment opportunities in the community, for both construction and operation of the project, which would improve the social and economic well-being of the community.
8. The project would implement roadway improvements indicated in the Community Plan Transportation Element to alleviate breaks in the existing transportation and street system and improve vehicular circulation and access to commercial centers. The project would improve north-south access in the community by constructing a public street ("Street A") through the site that would connect Imperial Avenue and Ocean View.
9. The project would provide physical and operational improvements to the street system to meet the City's design standards and to reduce accidents. This would include lowering Imperial Avenue to improve sight-line for drivers, which would improve safety along this existing roadway. The project would also increase the aesthetic quality of City street corridors to encourage pedestrian activity and enhance the community's visual image by implementing landscaping and streetscape improvements along Imperial Avenue and Ocean View Boulevard.
10. The project would improve pedestrian and bicycle access to public transportation by providing a pedestrian and bicycle path along South Las Chollas Creek that connects with bus stops along Imperial Avenue and Ocean View Boulevard. The project would also enhance bicycle circulation by improving bike lanes along Imperial Avenue and Ocean View Boulevard.
11. The Central Imperial Redevelopment Plan provides for public improvement activities to address the needs of a growing population, including: reducing flood hazards; increased lighting for safety; improved transportation facilities; increased parking; as well as expanded park and recreation facilities. The project would upgrade and enhance the existing infrastructure system in the area, which will improve the community and contribute to the effort to attract private investment. The Plan also reduces the lack of public open space within the Redevelopment Project Area by the development of a linear park along South Las Chollas Creek.
12. The project would help to revitalize and improve the economic environment of the community by providing a development that would increase the property tax base

Candidate Findings and Statement of Overriding Considerations

and redevelopment tax increment funds. This would in turn provide funding sources to complete other redevelopment activities throughout the community, including increasing the supply of affordable housing.

**MITIGATION, MONITORING, AND
REPORTING PROGRAM**

for the proposed

IMPERIAL MARKETPLACE PROJECT

LDR NO. 96-0338

July 22, 1999

R- 292170

**MITIGATION MONITORING AND REPORTING PROGRAM
FOR THE
IMPERIAL MARKETPLACE PROJECT (LDR 96-0338)**

This Mitigation Monitoring and Reporting Program (MMRP) was prepared for the Imperial Marketplace Project to comply with the mitigation monitoring statute (Public Resources Code Section 21081.6). This statute, entitled "Reporting or Monitoring Programs," requires public agencies to "adopt a reporting or monitoring program for the changes to the project, which it has adopted or made a condition of approval, in order to mitigate or avoid significant effects on the environment." This program shall be made a requirement of project approval. Certain changes or alterations (mitigation measures) are required for the Imperial Marketplace Project in connection with the Draft Environmental Impact Report (SCH# 97091060) to reduce significant environmental impacts. For each mitigation measure required by the Draft Environmental Impact Report, a monitoring and/or reporting element is identified below.

The MMRP for the Imperial Marketplace Project is under the jurisdiction of the City of San Diego and other agencies as specified below. As Lead Agency for the project under CEQA, the City of San Diego will administer the MMRP for the Imperial Marketplace Project. Information contained within the following MMRP provides a summary of significant project impacts, and identifies the mitigation measures, the agency responsible for determining compliance, conditions required to verify compliance, and the monitoring schedule. Mitigation measures defined in this MMRP shall be defined as in Draft Environmental Impact Report LDR No. 96-0338, and may require further detail prior to construction and/or following project implementation. Tables and figures referred to in this MMRP are found in the Draft EIR.

A. LAND USE

Impact A1: The project would significantly impact sensitive upland and wetland habitat protected under the Resource Protection Ordinance (RPO) and Multiple Species Conservation Program (MSCP).

Mitigation A1: Mitigation measures for the biological resources covered under the RPO and MSCP are provided in Section 4.3, Biological Resources of the Draft EIR, and are listed in

pocket at least 250 feet in length. Provide a 20-foot eastbound curb lane on Imperial Avenue approaching the main driveway for 160 feet with a 90-foot transition satisfactory to the City Engineer.

5. Lower Imperial Avenue for a distance of about 840 feet west of the main project entrance such that adequate stopping sight distance is maintained for eastbound travelers.
6. Provide a two-way left-turn lane on Street "A" starting 150 feet south of the most southerly driveway. Stripe red curb on both sides of Street "A" to prohibit on-street parking.
7. Do not place any driveways on Street "A" less than 150-feet from Imperial Avenue or Ocean View Boulevard.
8. Allow left in (no left out) and full right turn movements at the westerly site driveway on Imperial Avenue.

C. BIOLOGICAL RESOURCES

Impact C1: Grading to prepare the site for development would eliminate all of the existing upland coastal sage scrub (2.27 acres) and non-native grassland habitat (27.20 acres), as well as the two existing San Diego barrel cacti, resulting in a significant biology impact.

Mitigation C1: Prior to the issuance of any grading permit and/or recordation of the final map, the Applicant shall mitigate for impacts to 2.27 acres of coastal sage scrub and 27.20 acres of non-native grasslands in accordance with the City's Biology Guidelines (See Table 4.3-2 of the Draft EIR). The proposed mitigation for these impacts consists of off-site mitigation at the Cornerstone Lands mitigation bank if available; otherwise, an alternative mitigation site within the City's MHPA will be provided.

- If available, the applicant may purchase mitigation credits through the Cornerstone Lands mitigation bank to mitigate for impacts to coastal sage scrub habitat (CSS) and non-native grassland (NNG). If the Cornerstone Lands are available, the appropriate credit must be purchased before issuance of any grading permit and/or issuance of the final map. If the Cornerstone Lands are not available yet and the use of another mitigation site within the City may be

by the City prior to beginning off-site wetland creation. The mitigation plan shall describe the proposed mitigation location and methodology, buffer requirements, maintenance program, monitoring and reporting plan, success criteria, remedial measures to any correct problems, and any other information deemed necessary by the City.

- A project biologist shall be retained by the applicant to oversee the implementation of the mitigation plan. The project biologist shall have experience preparing and monitoring wetland and riparian mitigation plans in San Diego County and shall be acceptable to the City of San Diego and the resource agencies. The project biologist shall oversee other specialists and contractors involved in the mitigation plan.

The Applicant shall submit the following items to the City prior to issuance of any grading permit which affects on-site wetlands and/or recordation of the final map:

- Evidence of compliance with Sections 401 and 404 of the Clean Water Act.
- Evidence of compliance with section 1601 of the Fish and Game Code.

Evidence shall include either copies of permits issued, letters or resolutions issued by the responsible agency documenting compliance, or other evidence documenting compliance and deemed acceptable by the City Manager.

Mitigation for impacts to 1.65 acres of natural flood channel on-site would be accomplished by creating 2.71 acres of flood channel within the reconstructed creek (1.6:1 replacement ratio), which is anticipated to be adequate to receive state and federal wetlands permits based on a preliminary review of the proposal by the U.S. Environmental Protection Agency, U.S. Fish and Wildlife Services, and U.S. Army Corps of Engineers (See Table 4.3-2 of the Draft EIR).

D. HYRDOLOGY/WATER QUALITY

Impact D1: The potential exists for significant flooding impacts to neighboring properties depending on the sequence of grading.

residential zoning districts, and therefore is considered a potentially significant impact. In addition, noise from parking lot activities such as truck movement and refuse collection has the potential to create a nuisance noise impact during normal quiet hours even if City standards would not be exceeded.

Mitigation E1: The following design and operational measures shall be requirements of the proposed project to ensure that all potential noise impacts are mitigated to below a level of significance.

Design

Prior to the issuance of any building permit, the City Manager shall verify that an 8-foot-high sound wall, designed to City standards, will be constructed along the westerly perimeter of the project site to attenuate project-related noise from adjacent residential uses. To further mitigate for potential loading dock noise impacts, the City Manager shall verify that the Major D and Major E loading docks will be shielded or enclosed.

Operational

The following measures shall be made conditions of project approval, included as conditions in the SED permit for the proposal:

1. Prohibit delivery truck traffic from 10 p.m. to 7 a.m.;
2. Prohibit refuse or recycling trucks from collecting after 10 p.m. and before 7 a.m. on weekdays, before 8 a.m. on Saturday, and before 9 a.m. on Sundays;
3. Prohibit parking lot sweeping from 10 p.m. to 7 a.m.; and,
4. Limit fast-food services to drive-through only after midnight. This will discourage people from gathering outside their vehicles in parking lots, and reduce the attendant noise from cars stereos, chatter, and other activities.

F. PUBLIC SERVICES/FACILITIES

Impact F1: The proposed project would result in annual waste generation volumes that exceed the City's Environmental Services Department standards and also result in significant landfill capacity impacts. In addition, the deposition of construction debris could also have a significant impact on landfill capacity. Implementation of

5. An impact analysis. The analysis shall calculate projected diversion as a percentage of waste generated and the effects on landfill capacity.
6. Providing ESD with the type and quantity of materials expected to enter the waste stream in order for ESD to assist in targeting money saving and waste reducing measures after the construction phase.

G. NEIGHBORHOOD CHARACTER/AESTHETICS

Impact G1: Buildings constructed at the project site would have flat roofs and roof top mechanical equipment that would be visible from Greenwood Cemetery, resulting in a near term significant impact (See Figure 4.7-3 of the Draft EIR).

Mitigation G1: The following measures would mitigate the potentially significant neighborhood character impacts identified above and shall be verified by the City Manager prior to the issuance of building permits:

- Mitigation for the near term visibility of some flat roof tops from Greenwood Cemetery includes the use of non white or non gray color roofing material. Examples of alternate colors include tan or dark red.
- Mitigation for the near term visibility of roof top mechanical equipment from Greenwood Cemetery are the placement of screens adjacent to the equipment on the-side or sides that face Greenwood Cemetery.

H. CULTURAL RESOURCES

Impact H1: The project would involve substantial grading to prepare the site for development, and three resource sites which have the potential to contain isolated significant features have been recorded at or near the site.

Mitigation.H1: 1. Prior to the recordation of the first final map and/or issuance of the first grading permit, the applicant shall provide a letter of verification to the Environmental Review Manager of Land Development Review (LDR) stating that a qualified archaeologist and/or archaeological monitor, to be approved by LDR, have been

the discovered resources shall be determined by the archaeologist, in consultation with LDR and the Native American community. LDR must concur with the evaluation before grading activities will be allowed to resume. For significant cultural resources, a Research Design and Data Recovery Program shall be prepared and carried out to mitigate impacts before grading activities in the area of discovery will be allowed to resume. Any human bones of Native American origin shall be turned over to the appropriate Native American group for reburial.

- e. All cultural materials collected shall be cleaned, catalogued, and permanently curated with an appropriate institution. All artifacts shall be analyzed to identify function and chronology as they relate to the history of the area. Faunal material shall be identified as to species and specialty studies shall be completed, as appropriate.
- f. Prior to the release of the grading bond, a controlled destruction and archaeological monitoring results report and/or evaluation report, if appropriate, which describes the results, analysis, and conclusions of the controlled destruction and archaeological monitoring program (with appropriate graphics) shall be submitted to and approved by the Environmental Review Manager of LDR. For significant cultural resources, a Research Design and Data Recovery Program shall be included as part of the evaluation report. A mitigation report for significant cultural resources, if required, shall be submitted to and approved by the Environmental Review Manager of LDR prior to the release of the grading bond.

Impact H2: Grading for the proposed off-site wetlands mitigation site has the potential to impact archaeological resources within Tecolote Canyon Natural Park.

Mitigation H2: 2. Prior to the issuance of any grading permits that would impact on-site wetlands, a cultural resources survey report addressing the off-site wetlands mitigation area shall be prepared and approved by the Environmental Review Manager of LDR. Grading permits may be issued following approval of the report by the Environmental Review Manager of LDR, unless the results of the survey are positive. In the event the survey results are positive, the Environmental Review

HALT CONSTRUCTION ACTIVITIES IN THE AREA OF DISCOVERY TO ALLOW RECOVERY OF FOSSIL REMAINS. THE PALEONTOLOGIST SHALL IMMEDIATELY NOTIFY LDR STAFF OF SUCH FINDING AT THE TIME OF DISCOVERY. LDR shall approve salvaging procedures to be performed before construction activities are allowed to resume.

- d. The paleontologist shall be responsible for preparation of fossils to a point of identification as defined in the City of San Diego Paleontological Guidelines and submittal of a letter of acceptance from a local qualified curation facility. Any discovered fossil sites shall be recorded by the paleontologist at the San Diego Natural History Museum.
- e. Prior to the release of the grading bond, a monitoring results report, with appropriate graphics, summarizing the results, analysis, and conclusions of the paleontological monitoring program shall be submitted to and approved by Environmental Review Manager of LDR.

MMRP DEPOSIT ACCOUNT

This MMRP shall require a deposit of \$7,000 to be collected prior to the issuance of any grading permits and/or recordation of the final map to cover the City's costs associated with implementation of the MMRP.