

RESOLUTION NUMBER R- 315803

DATE OF FINAL PASSAGE OCT 01 2024

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING SITE DEVELOPMENT PERMIT NO. PMT-2587528, NEIGHBORHOOD DEVELOPMENT PERMIT NO. PMT-3288228, AND A MULTI-HABITAT PLANNING AREA BOUNDARY LINE ADJUSTMENT, PALM AND HOLLISTER APARTMENTS PROJECT NO. PRJ-0698277 (MMRP).

RECITALS

The Council of the City of San Diego (Council) adopts this Resolution based on the following:

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

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

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

D. On August 29, 2024, the Planning Commission of the City of San Diego considered Site Development Permit No. PMT-2587528, Neighborhood Development Permit No. PMT-3288228, and the MHPA Boundary Line Adjustment. Pursuant to Resolution No. 5305-PC, the Planning Commission voted to recommend Council approval of the project.

E. On October 1, 2024, the Council considered Site Development Permit No. PMT-2587528 and Neighborhood Development Permit No. PMT-3288228 pursuant to the Land Development Code of the City of San Diego.

F. The Office of the City Attorney prepared this Resolution based on the information provided by City staff, including information provided by affected third parties and verified by City staff, with the understanding that this information is complete and accurate.

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

#### ACTION ITEMS

Be it resolved by the Council of the City of San Diego:

1. The Council adopts the following findings with respect to Site Development Permit No. PMT-2587526 and Neighborhood Development Permit (NDP) No. PMT-3288228:

**A. SITE DEVELOPMENT PERMIT – San Diego Municipal Code (SDMC) Section 126.0505**

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

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

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

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

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

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

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

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

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

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

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

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

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

The project would redevelop an unutilized vacant site and construct a residential development improving the project area through rehabilitation and economic revitalization of the project site. The change in residential density would be consistent with the Community Plan as the Palm City neighborhood is identified as a neighborhood center that should provide residential opportunities. Therefore, the proposed development will not adversely affect the applicable land use plan.

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

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

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

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

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

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

- Install a blank-out no right turn sign on the northbound and southbound approach on Hollister Street to be displayed during the existing lead pedestrian interval. This would help reduce conflicts between vehicles and pedestrians that are crossing the street.

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

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

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

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

Therefore, the proposed project would not be detrimental to public health, safety, and welfare.

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

The project is proposing a rezone to the Residential Multiple (RM-2-6 zone) to allow for 198 multiple dwelling units on the 5.92-acre project site. The RM-2-6 zone permits a maximum of up to 206 dwelling units on the proposed project site. The purpose of the RM zones is to provide for multiple dwelling unit development at varying densities. The RM zones individually accommodate developments with similar densities and characteristics. Each of the RM zones is

intended to establish development criteria that consolidates common development regulations, accommodates specific dwelling types, and responds to locational issues regarding adjacent land uses.

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

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

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

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

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

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

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

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

Relative to structure height, Table 131-04G limits structure height to 40 feet from existing grade. The maximum structure height of the project is 56.5 feet, measured from existing grade. However, when measured from finished grade, project structures would be 40 feet in height or less. This deviation allows more housing, including eight affordable housing units, and also will result in development that complies with the underlying base zone regulation of 40 feet once grading has occurred and the project is completed.

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

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

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



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

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

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

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

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

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

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

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

The Palm & Hollister Apartments project site is located within the City's Multiple Species Conservation Plan (MSCP) area, which covers 206,124 acres within the City's jurisdiction; the northern portion of the project site is mapped within the

MHPA. The project site includes 2.2 acres of MHPA area. This area consists of developed land and disturbed habitat and does not contain native habitat with the ability to support a diversity of sensitive plant and animal life.

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

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

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

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

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

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

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

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

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

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

As demonstrated in the Evacuation Plan, the Palm and Hollister Apartments site is not rated as within the Very High Fire Hazard Severity Zone (VHFHSZ), except for a very small semi-circle area in the western portion of the project site, along the south border. Portions of the proposed site are adjacent to areas rated as Very High on the City of San Diego Fire-Rescue Department's VHFHSZ Map. A

portion of the proposed site access route is located through a VHFHSZ. The site topography ranges from nearly level to a steep slope on the northern boundary leading to the OVRP.

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

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

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

Finding A.2.a is incorporated by reference.

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

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

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

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

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

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

*Drainage*

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

*Toxics*

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

*Lighting*

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

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

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

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

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

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

The project proposes to preserve 100 percent of the Najor Parcel and dedicate it in fee-title to the City to offset the proposed deletion of 2.2 acres of disturbed habitat from the MHPA. This increase of 2.48 acres of preserved coastal scrub and Diegan coastal sage scrub would more than offset the proposed MHPA deletion of 2.2 acres of disturbed land and would result in an equivalent or better overall MHPA habitat value. The City would manage and maintain the 9.92-acre Najor

Parcel as a part of the overall City's preserve system consistent with the MSCP Management Framework Plan and Natural Resource Management Plan for Mission Trails Regional Park. Thus, the project MHPA boundary line adjustment would result in the conservation of higher quality habitat and an improved habitat preservation configuration.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Finding A.1.a is incorporated by reference.

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

Finding A.1.b is incorporated by reference.

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

Finding A.1.c is incorporated by reference.



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

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

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

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

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

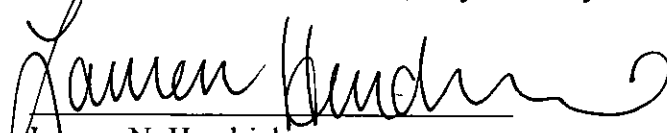
Findings A.1.a and A.1.c are incorporated by reference.

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

3. Based on these findings adopted by the Council, Site Development Permit No. PMT-2587526 and Neighborhood Development Permit No. PMT-3288228 is GRANTED by the City Council to the referenced Owner/Permittee, in the form, exhibits, terms, and conditions as set forth in Site Development Permit No. PMT-2587526 and Neighborhood Development Permit No. PMT-3288228, a copy of which is attached to and made a part of this Resolution by this reference.

APPROVED: MARA W. ELLIOTT, City Attorney

By

  
Lauren N. Hendrickson  
Deputy City Attorney

LNH:cm  
September 5, 2024  
Or.Dept: DSD  
Doc. No. 3782738

ATTACHMENT: Site Development Permit No. PMT-2587526, Neighborhood Development Permit No: PMT-3288228, and MHPA Boundary Line Adjustment

I certify that the Council of the City of San Diego adopted this Resolution at a meeting held on OCT 01 2024

DIANA J.S. FUENTES  
City Clerk

By   
Deputy City Clerk

**RECORDING REQUESTED BY**  
CITY OF SAN DIEGO  
DEVELOPMENT SERVICES  
PERMIT INTAKE, MAIL STATION  
501

**WHEN RECORDED MAIL TO**  
**PROJECT MANAGEMENT**  
**PERMIT CLERK**  
**MAIL STATION 501**

INTERNAL ORDER NUMBER: 24009082

SPACE ABOVE THIS LINE FOR RECORDER'S USE

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

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

Subject to the terms and conditions set forth in this Permit, permission is granted to Owner/Permittee to demolish a residential structure and construct 198 multiple dwelling units (including eight affordable units) in 13 buildings described and identified by size, dimension, quantity, type, and location on the approved exhibits [Exhibit "A"] dated October 1, 2024, on file in the Development Services Department.

The project shall include:

- a. The demolition of an existing unoccupied residential structure, garage, canopy structure, and two storage containers for the construction of 198 multiple dwelling units, including eight affordable units, in 13 buildings;
- b. The following four deviations from the base zone development regulations:
  1. Municipal Code Section 142.0340(d)(1): Two retaining walls with a maximum height of six feet each are permitted in the required side and rear yard if the two retaining walls are separated by a minimum horizontal distance equal to the height of the upper wall. The project includes a deviation from the Municipal Code for the proposed single retaining wall up to 24.5 feet in height.

2. Municipal Code Section 131.0443(e)(1)(A): Up to 50 percent of the width of the building envelope may observe the minimum 15-foot front setback, provided the remaining percentage of the building envelope width observes the standard 20-foot setback. This may occur on a floor-by-floor basis. The project proposes a deviation to allow for 100 percent of the building envelope to observe the minimum 15-foot front setback.
  3. Municipal Code Section 131.0443(e)(2)(A): The minimum side setback is five feet or 10% of the premises width (22 feet), whichever is greater. The project includes a deviation for the proposed building encroachment into the required side setback where 7.9 feet is proposed.
  4. Municipal Code Section Table 131-04G: Maximum structure height is 40 feet. The project proposes a maximum structure height of 59 feet, six inches (from the existing grade structure height). From the finished grade, maximum structure height is 40 feet.
- c. Multi Habitat Planning Area (MHPA) boundary line adjustment to remove 2.2 acres of disturbed land from the MHPA on-site and preserve higher quality habitat in the MHPA off-site on the 9.92-acre Najor Parcel (APN 366-031-12) located in the East Elliott preserve area in the City of San Diego.
  - d. Landscaping (planting, irrigation, and landscape-related improvements);
  - e. 262 parking spaces in garages (100 spaces), carports (48 spaces), and surface parking (114 spaces). Ten percent, or 27 of the parking spaces provided, would be electric vehicle parking spaces. The project would also provide 48 bicycle parking spaces and 50 percent of the 46 required bicycle parking spaces, or 23 spaces, would be supplied with individual outlets for electric charging of e-bikes; and
  - f. Public and private accessory improvements determined by the Development Services Department to be consistent with the land use and development standards for this site in accordance with the adopted community plan, the California Environmental Quality Act [CEQA] and the CEQA Guidelines, the City Engineer's requirements, zoning regulations, conditions of this Permit, and any other applicable regulations of the SDMC.

**STANDARD REQUIREMENTS:**

1. This permit must be utilized within thirty-six (36) months after the date on which all rights of appeal have expired. If this permit is not utilized in accordance with Chapter 12, Article 6, Division 1 of the SDMC within the 36-month period, this permit shall be void unless an Extension of Time has been granted. Any such Extension of Time must meet all SDMC requirements and applicable guidelines in effect at the time the extension is considered by the appropriate decision maker. This permit must be utilized by October 1, 2027.

1. No permit for the construction, occupancy, or operation of any facility or improvement described herein shall be granted, nor shall any activity authorized by this Permit be conducted on the premises until:

- a. The Owner/Permittee signs and returns the Permit to the Development Services Department; and

- b. The Permit is recorded in the Office of the San Diego County Recorder.
2. While this Permit is in effect, the subject property shall be used only for the purposes and under the terms and conditions set forth in this Permit unless otherwise authorized by the appropriate City decision maker.
3. This Permit is a covenant running with the subject property and all of the requirements and conditions of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest.
4. The continued use of this Permit shall be subject to the regulations of this and any other applicable governmental agency.
5. Issuance of this Permit by the City of San Diego does not authorize the Owner/Permittee for this Permit to violate any Federal, State or City laws, ordinances, regulations or policies including, but not limited to, the Endangered Species Act of 1973 [ESA] and any amendments thereto (16 U.S.C. § 1531 et seq.).
6. The Owner/Permittee shall secure all necessary building permits. The Owner/Permittee is informed that to secure these permits, substantial building modifications and site improvements may be required to comply with applicable building, fire, mechanical, and plumbing codes, and State and Federal disability access laws.
7. Construction plans shall be in substantial conformity to Exhibit "A." Changes, modifications, or alterations to the construction plans are prohibited unless appropriate application(s) or amendment(s) to this Permit have been granted.
8. All of the conditions contained in this Permit have been considered and were determined necessary to make the findings required for approval of this Permit. The Permit holder is required to comply with each and every condition in order to maintain the entitlements that are granted by this Permit.
9. If any condition of this Permit, on a legal challenge by the Owner/Permittee of this Permit, is found or held by a court of competent jurisdiction to be invalid, unenforceable, or unreasonable, this Permit shall be void. However, in such an event, the Owner/Permittee shall have the right, by paying applicable processing fees, to bring a request for a new permit without the "invalid" condition(s) back to the discretionary body which approved the Permit for a determination by that body as to whether all of the findings necessary for the issuance of the proposed permit can still be made in the absence of the "invalid" condition(s). Such hearing shall be a hearing de novo, and the discretionary body shall have the absolute right to approve, disapprove, or modify the proposed permit and the condition(s) contained therein.
10. The Owner/Permittee shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge,

or annul this development approval and any environmental document or decision. The City will promptly notify Owner/Permittee of any claim, action, or proceeding and, if the City should fail to cooperate fully in the defense, the Owner/Permittee shall not thereafter be responsible to defend, indemnify, and hold harmless the City or its agents, officers, and employees. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, Owner/Permittee shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Owner/Permittee regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Owner/Permittee shall not be required to pay or perform any settlement unless such settlement is approved by Owner/Permittee.

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

**ENVIRONMENTAL/MITIGATION REQUIREMENTS:**

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

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

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

*Air Quality*  
*Historical Resources*  
*Tribal Cultural Resources*

**MULTIPLE SPECIES CONSERVATION PROGRAM REQUIREMENTS:**

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

**MHPA LAND USE ADJACENCY REQUIREMENTS:**

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

- **Grading/Land Development/MHPA Boundaries** -Within or adjacent to the MHPA, all manufactured slopes associated with site development shall be included within the development footprint.
- **Drainage** - All staging and developed/paved areas must prevent the release of toxins, chemicals, petroleum products, exotic plant materials prior to release by incorporating the use of filtration devices, planted swales and/or planted detention/desiltation basins, or other approved temporary and permanent methods that are designed to minimize negative impacts, such as excessive water and toxins into the ecosystems of the MHPA.
- **Toxics/Project Staging Areas/Equipment Storage** - Projects that use chemicals or generate by-products such as pesticides, herbicides, and animal waste, and other substances that are potentially toxic or impactful to native habitats/flora/fauna (including water) shall incorporate measures to reduce impacts caused by the application and/or drainage of such materials into the MHPA. No trash, oil, parking, or other construction/development-related material/activities shall be allowed outside any approved construction limits. Provide a note in/on the CD's that states: "All construction related activity that may have potential for leakage or intrusion shall be monitored by the Qualified Biologist/Owners Representative or Resident Engineer to ensure there is no impact to the MHPA."
- **Lighting** -All lighting within or adjacent to the MHPA is directed away/shielded from the MHPA, or limited to the immediate area and is in compliance with City Outdoor Lighting Regulations per LDC Section 142.0740.

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

**AFFORDABLE HOUSING REQUIREMENTS:**

17. Prior to issuance of any building permit associated with this Project, the Owner/Permittee shall demonstrate compliance with the provisions of the Inclusionary Affordable Housing Regulations of San Diego Municipal Code Chapter 14, Article 2, Division 13, and the Inclusionary Housing Procedures Manual. The Owner/Permittee shall enter into a written Agreement with the San Diego Housing Commission which shall be drafted and approved by the San Diego Housing Commission, executed by the Owner/Permittee, and secured by a deed of trust which incorporates applicable affordability conditions consistent with the San Diego Municipal Code. The Agreement will specify that in exchange for the City's approval of the Project, the Owner/Permittee shall provide eight (8) affordable units with rent of no more than 30% of 60% of AMI or 8 affordable units with prices of no more than 50% of Area Median Income for no fewer than 55 years.

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



**AIRPORT REQUIREMENTS:**

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

**ENVIRONMENTAL SERVICES REQUIREMENTS:**

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

**ENGINEERING REQUIREMENTS:**

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

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

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

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

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

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

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

28. Prior to the issuance of a retaining wall permit, the Owner/Permittee shall provide the following proof of the retaining wall's long-term ability to withstand inundated conditions on a dedicated sheet in the as-built plans that includes the following information (at a minimum): A certified statement of long-term stability. A statement of the periodic inspection frequency and maintenance efforts. The specific details are necessary to reflect that the retaining wall was designed to be in flood-prone / inundated conditions based on various long-term stability analyses (rapid drawdown, toe scour, etc.) performed. The specific details are necessary to ensure that the soil surrounding the retaining wall is properly reinforced, compacted, etc., to maintain its longevity

in flood-prone / inundated conditions. A profile of the retaining wall showing the elevation at the top of the wall, the 100-year water surface elevation, the finish ground line elevation, and the bottom of the footing. The height of the retaining wall shall be at least two feet above the base flood elevation at all locations.

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

**FIRE REQUIREMENTS:**

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

**LANDSCAPE REQUIREMENTS:**

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

32. Prior to issuance of any engineering permits for right-of-way improvements, the Owner/Permittee shall submit complete landscape construction documents for right-of-way improvements to the Development Services Department for approval. Improvement plans shall show, label, and dimension a 40 square-foot area around each tree which is unencumbered by utilities. Driveways, utilities, drains, water and sewer laterals shall be designed so as not to prohibit the placement of street trees.

33. Prior to issuance of any construction permits for structures, the Owner/Permittee shall submit complete landscape and irrigation construction documents consistent with the Landscape Standards to the Development Services Department for approval. The construction documents shall be in substantial conformance with Exhibit 'A,' Landscape Development Plan, on file in the Office of

the Development Services Department. Construction plans shall provide a 40 sq-ft area around each tree that is unencumbered by hardscape and utilities unless otherwise approved per LDC section 142.0403(b)5. No plants that are highly flammable (see County of San Diego UNDESIRABLE PLANT LIST available at: <https://www.sandiegocounty.gov/content/dam/sdc/pds/docs/DPLU199.pdf>) shall be used within the landscaping.

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

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

#### **PLANNING/DESIGN REQUIREMENTS:**

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

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

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

39. Prior to the issuance of building permits, an interior noise analysis shall be completed by a qualified acoustician and provided to the City demonstrating consistency with the City of San Diego General Plan Noise Compatibility Guidelines and CBC Section 1206.4 requirement of 45 dBA CNEL in residences. Any building specifications, such as window with above standard sound transmission ratings or closed windows, identified in that report that are required to achieve the interior 45 dBA standard shall be specified on the building plans prior to issuance of building permits.

#### **TRANSPORTATION REQUIREMENTS**

40. All automobile, motorcycle and bicycle parking spaces must be constructed in accordance with the requirements of the SDMC. All on-site parking stalls and aisle widths shall be in compliance with requirements of the City's Land Development Code and shall not be converted and/or utilized for any other purpose, unless otherwise authorized in writing by the appropriate City decision maker in accordance with the SDMC.

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

**PUBLIC UTILITIES DEPARTMENT REQUIREMENTS:**

44. All proposed private sewer facilities located within a single lot are to be designed to meet the requirements of the California Plumbing Code and will be reviewed as part of the building permit plan check.
45. Prior to the issuance of any building permits, the Owner/Permittee shall assure, by permit and bond, the design and construction of a new sewer service outside of any driveway or drive aisle and

the abandonment of any existing unused sewer services within the public right-of-way adjacent to the project site, in a manner satisfactory to the Public Utilities Department and the City Engineer.

46. The Owner/Permittee shall be responsible for any damage caused to City of San Diego sewer facilities within the vicinity of the project site, due to the construction activities associated with this project, in accordance with Municipal Code section 142.0607. In the event that any such facility loses integrity then, the Owner/Permittee shall repair or reconstruct any damaged public sewer facility in a manner satisfactory to the Public Utilities Department and the City Engineer.

47. Prior to final inspection, all public sewer facilities shall be complete and operational in a manner satisfactory to the Public Utilities Department and the City Engineer.

48. Prior to the issuance of any building permits, the Owner/Permittee shall obtain an Encroachment Maintenance Removal Agreement, from the City Engineer, for the private sewer facilities encroaching into the Public right-of-way.

49. No trees or shrubs exceeding three feet in height at maturity shall be installed within ten feet of any sewer facilities.

**GEOLOGY REQUIREMENTS:**

50. Prior to the issuance of any construction permits (either grading or building), the Owner/Permittee shall submit a geotechnical investigation report or update letter prepared in accordance with the City's "Guidelines for Geotechnical Reports" that specifically addresses the proposed construction plans.

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

**PARK & RECREATION REQUIREMENTS:**

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

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

**INFORMATION ONLY:**

- The issuance of this discretionary permit alone does not allow the immediate commencement or continued operation of the proposed use on site. Any operation allowed by this discretionary permit may only begin or recommence after all conditions listed on this permit are fully completed and all required ministerial permits have been issued and received final inspection.
- Any party on whom fees, dedications, reservations, or other exactions have been imposed as conditions of approval of this Permit, may protest the imposition within ninety days of the approval of this development permit by filing a written protest with the City Clerk pursuant to California Government Code-section 66020.
- This development may be subject to impact fees at the time of construction permit issuance.

APPROVED by the City Council of the City of San Diego on October 1, 2024 and

R-315803

Site Development Permit No. PMT-2587528  
Neighborhood Development Permit No. PMT-3288228  
Date of Approval: October 1, 2024

AUTHENTICATED BY THE CITY OF SAN DIEGO DEVELOPMENT SERVICES DEPARTMENT

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Oscar Galvez  
Development Project Manager

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

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**The undersigned Owner/Permittee**, by execution hereof, agrees to each and every condition of this Permit and promises to perform each and every obligation of Owner/Permittee hereunder.

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

By \_\_\_\_\_

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

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

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

Passed by the Council of The City of San Diego on OCT 01 2024, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Foster III	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul A. Campillo	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage OCT 01 2024.


**(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)**

AUTHENTICATED BY:

TODD GLORIA  
Mayor of The City of San Diego, California.

(Seal)

DIANA J.S. FUENTES  
City Clerk of The City of San Diego, California.

By , Deputy

Office of the City Clerk, San Diego, California  
Resolution Number R- 315803