



City Council
Mayor John W. Minto
Vice Mayor Laura Koval
Council Member Ronn Hall
Council Member Rob McNelis
Council Member Dustin Trotter

CITY OF SANTEE
REGULAR MEETING AGENDA
Santee City Council

City Manager | Marlene D. Best
City Attorney | Shawn D. Hagerty
City Clerk | Annette Fagan Ortiz

REVISED AGENDA

****PLEASE NOTE: ITEM 11 HAS BEEN WITHDRAWN AND WILL NOT BE HEARD.
THIS AGENDA WAS REVISED ON APRIL 25, 2023 AT 7:48 PM.**

MEETING INFORMATION

Wednesday, April 26, 2023
6:30 p.m.
Council Chambers | Building 2
10601 Magnolia Ave • Santee, CA 92071

TO WATCH LIVE:

AT&T U-verse channel 99 (SD Market) | Cox channel 117 (SD County)
www.cityofsanteeca.gov

IN-PERSON ATTENDANCE

Please be advised that current public health orders recommend that attendees wear face coverings while inside the Council Chambers.

LIVE PUBLIC COMMENT

Members of the public who wish to comment on matters on the City Council agenda or during Non-Agenda Public Comment may appear in person and submit a speaker slip, before the item is called. Your name will be called when it is time to speak.

PLEASE NOTE: Public Comment will be limited to 3 minutes and speaker slips will only be accepted until the item is called. The timer will begin when the participant begins speaking.



The City Council also sits as the Community Development Commission Successor Agency and the Santee Public Financing Authority. Any actions taken by these agencies are separate from the actions taken by City Council. For questions regarding this agenda, please contact the City Clerk's Office at (619) 258-4100 x114

ROLL CALL: Mayor John W. Minto
 Vice Mayor Laura Koval – District 3
 Council Member Rob McNelis – District 1
 Council Member Ronn Hall – District 2
 Council Member Dustin Trotter – District 4

LEGISLATIVE INVOCATION: The Village Church SD – Scotty James

PLEDGE OF ALLEGIANCE

PROCLAMATION: Bike Anywhere Day – May 18, 2023

PRESENTATION: Presentation by the East County Advanced Water Purification Joint Powers Association on the East County Advanced Water Purification Project

CONSENT CALENDAR:

PLEASE NOTE: Consent Calendar items are considered routine and will be approved by one motion, with no separate discussion prior to voting. The public, staff or Council Members may request specific items be removed from the Consent Calendar for separate discussion or action. Speaker slips for this category must be presented to the City Clerk at the start of the meeting. Speakers are limited to 3 minutes.

- (1) **Approval of Reading by Title Only and Waiver of Reading in Full of Ordinances and Resolutions on the Agenda; Finding the Action is Not a Project Subject to the California Environmental Quality Act (“CEQA”). (City Clerk – Ortiz)**
- (2) **Approval of Payment of Demands; Finding the Action is Not a Project Subject to the California Environmental Quality Act (“CEQA”). (Finance – Jennings)**
- (3) **Approval of the Expenditure of \$102,254.37 for March 2023 Legal Services and Reimbursable Costs and Finding the Action is Not a Project Subject to the California Environmental Quality Act (“CEQA”). (Finance – Jennings)**
- (4) **Adoption of a Resolution Accepting the Walker Preserve Fence Repairs (RFB-20066) Project as Complete and Finding the Action is Not a Project Subject to the California Environmental Quality Act (“CEQA”). (Engineering – Schmitz)**
- (5) **Adoption of a Resolution Accepting the Public Improvements for the Castlerock Project as Complete, and Finding this Acceptance is Not a California Environmental Quality Act (“CEQA”) Project. Location: Mast Boulevard at Weston Road. (Engineering – Schmitz)**



- (6) Adoption of a Resolution Declaring the City Council's Intention to Vacate a 35-Foot-Wide Corridor Open Space Easement (VAC 2023-01) Excepting and Reserving Easements and Rights for Existing Drainage Facilities; Setting a Time and Place for Public Hearing; and Finding the Action is Not a Project Subject to the California Environmental Quality Act ("CEQA") or is Otherwise Exempt Pursuant to State CEQA Guidelines Section 15301(b)(3). (Engineering – Schmitz)
- (7) Adoption of a Resolution Initiating Proceedings and Ordering the Preparation of an Engineer's Report for the FY 2023-24 Santee Roadway Lighting District Annual Levy of Assessments; Finding the Action is Statutorily Exempt from the California Environmental Quality Act ("CEQA") Pursuant to State CEQA Guidelines Section 15262 (Feasibility and Planning Studies). (Finance – Jennings)
- (8) Adoption of a Resolution Initiating Proceedings and Ordering the Preparation of an Engineer's Report for the FY 2023-24 Santee Landscape Maintenance District Annual Levy of Assessments; Finding the Action is Statutorily Exempt from the California Environmental Quality Act ("CEQA") Pursuant to State CEQA Guidelines Section 15262 (Feasibility and Planning Studies). (Finance – Jennings)
- (9) Adoption of a Resolution Initiating Proceedings and Ordering the Preparation of an Engineer's Report for the FY 2023-24 Town Center Landscape Maintenance District Annual Levy of Assessments; Finding the Action is Statutorily Exempt from the California Environmental Quality Act ("CEQA") Pursuant to State CEQA Guidelines Section 15262 (Feasibility and Planning Studies). (Finance – Jennings)
- (10) Adoption of a Resolution Approving the City of Santee Investment Policy and Delegating Authority to the City Treasurer, and Finding the Action is Not a Project Subject to the California Environmental Quality Act ("CEQA"). (Finance – Jennings)
- (11) **[WITHDRAWN]**
Authorize the Award of a Contract for Electrical Repairs and Related Maintenance and Repair Services to Advanced Railway Innovations DBA Advanced Electrical Innovations Per RFB #23/24-20067 and Finding the Action is Not a Project Subject to the California Environmental Quality Act ("CEQA"). (Community Services – Chavez) **[ITEM 11 IS WITHDRAWN]**
- (12) Claim Against the City by Jose Tanega; Finding the Action is Not a Project Subject to the California Environmental Quality Act ("CEQA"). (Human Resources – Bishop)



NON-AGENDA PUBLIC COMMENT (15 minutes):

Persons wishing to address the City Council regarding items not on the posted agenda may do so at this time. In accordance with State law, Council may not take action on an item not scheduled on the Agenda. If appropriate, the item will be referred to the City Manager or placed on a future agenda. This first Non-Agenda Public Comment period is limited to a total of 15 minutes. Additional Non-Agenda Public Comment is received prior to Council Reports.

PUBLIC HEARING:

- (13) Public Hearing to Adopt a Resolution Approving the Program Year 2023 Annual Action Plan and Authorizing the City Manager to Submit a Grant Application for Community Development Block Grant (CDBG) Funds to the Department of Housing and Urban Development (HUD) and Finding the Action is Not a Project Subject to the California Environmental Quality Act (“CEQA”). (Engineering – Schmitz)**

Recommendation:

1. Conduct and close the public hearing; and
2. Adopt the Resolution approving the Program Year 2023 Annual Action Plan and authorizing the City Manager to submit the grant application to HUD.

- (14) Public Hearing for Development Review DR2022-6 and Variance V2022-4 for a Four-Story Hotel Consisting of 97 Guestrooms at 381 Town Center Parkway in the Town Center (TC) Zone and Art and Entertainment Overlay District, and to Consider a Supplemental Environmental Checklist and Addendum (AEIS2022-6) to Previously Adopted Environmental Impact Reports (State Clearinghouse Numbers 1985012314 and 1999031096) Prepared for the Project in Accordance with the California Environmental Quality Act (“CEQA”). (Planning – Coyne)**

Recommendation:

1. Conduct and close the Public Hearing;
2. Approve and adopt the Supplemental Environmental Checklist and Addendum (AEIS2022-6) to previously adopted Environmental Impact Reports (State Clearinghouse Numbers 1985012314 and 1999031096) in compliance with the provisions of the California Environmental Quality Act (CEQA) per the Resolution and authorize a filing of a Notice of Determination; and
3. Approve Development Review Permit DR2022-6 and Variance V2022-4 per the Resolution.

- (15) Public Hearing to Consider a Resolution Approving a Hotel Operating Agreement with Excel Acquisitions, LP, Accepting the Accompanying Economic Development Subsidy Report Prepared Pursuant to Government Code Section 53083, and Finding that the Action is Not Subject to the California Environmental Quality Act (“CEQA”). (City Manager – Best)**

Recommendation:

1. Conduct and close the Public Hearing; and
2. Adopt the Resolution Approving the Hotel Operating Agreement with Excel Acquisitions, LP and Accepting the Accompanying Economic Development Subsidy Report Prepared in Accordance with Government Code Section 53083, and Finding that the Action is Not Subject to CEQA.

CONTINUED BUSINESS:

- (16) Community Risk Assessment and Long-Range Master Plan Staff Updates; Finding the Action is Not a Project Subject to the California Environmental Quality Act (“CEQA”). (Fire – Matsushita)**

Recommendation:

Receive presentation and provide further direction to staff.

NEW BUSINESS:

- (17) Recommendation from the Salary Setting Advisory Committee Regarding Compensation for the Mayor and City Council and Finding the Action is Not a Project Subject to the California Environmental Quality Act (“CEQA”). (City Clerk – Ortiz)**

Recommendation:

Receive recommendation and provide direction to staff.

- (18) Appointment of Second Alternate to San Diego Metropolitan Transit System (MTS); Finding the Action is Not a Project Subject to the California Environmental Quality (“CEQA”). (Mayor – Minto)**

Recommendation:

Take action on the Mayor’s recommendation for a second alternate to San Diego Metropolitan Transit System (MTS).



NON-AGENDA PUBLIC COMMENT (Continued):

All public comment not presented within the first Non-Agenda Public Comment period above will be heard at this time.

CITY COUNCIL REPORTS:

CITY MANAGER REPORTS:

CITY ATTORNEY REPORTS:

CLOSED SESSION:

ADJOURNMENT:





BOARDS, COMMISSIONS & COMMITTEES
APRIL & MAY MEETINGS

Apr	04	Salary Setting Advisory Committee	Council Chamber
Apr	06	SPARC	Council Chamber
Apr	10	Community Oriented Policing Committee	Council Chamber
Apr	12	Council Meeting	Council Chamber
Apr	25	Town Hall – District 4	Council Chamber
Apr	26	Council Meeting	Council Chamber
May	04	SPARC	Council Chamber
May	08	Community Oriented Policing Committee	Council Chamber
May	10	Council Meeting	Council Chamber
May	24	Council Meeting	Council Chamber

The Santee City Council welcomes you and encourages your continued interest and involvement in the City’s decision-making process.

For your convenience, a complete Agenda Packet is available for public review at City Hall and on the City’s website at www.CityofSanteeCA.gov.

The City of Santee complies with the Americans with Disabilities Act. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 12132 of the American with Disabilities Act of 1990 (42 USC § 12132). Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the City Clerk’s Office at (619) 258-4100, ext. 112 at least 48 hours before the meeting, if possible.



MEETING DATE April 26, 2023

ITEM TITLE PROCLAMATION: BIKE ANYWHERE DAY – MAY 18, 2023

DIRECTOR/DEPARTMENT John W. Minto, Mayor

SUMMARY

The month of May is National Bike Month and May 18, 2023, is Bike Anywhere Day in the San Diego region. Students, families, commuters, bike enthusiasts and people new to biking are encouraged to replace an automobile trip with a bike trip. Bicycling is healthy, environmentally friendly, economical, and it promotes a sustainable economy. The City of Santee is committed to promoting alternative modes of transportation through the implementation of the City's Active Transportation Plan.

ENVIRONMENTAL REVIEW

N/A

FINANCIAL STATEMENT

N/A

CITY ATTORNEY REVIEW

N/A • Completed

RECOMMENDATION *MOB*

Present Proclamation

ATTACHMENT

Proclamation



| Proclamation

WHEREAS, the month of May is National Bike Month and May 18, 2023, is Bike Anywhere Day in the San Diego region; and

WHEREAS, there are nearly 1,800 miles of bikeways in the San Diego region, making the San Diego region one of the best places to explore local communities and GO by BIKE to the beach, park, school, work, or local restaurants; and

WHEREAS, biking is an emission-free and healthy transportation alternative for short automobile trips that reduces traffic congestion; and

WHEREAS, the San Diego Association of Governments (SANDAG) is organizing Bike Anywhere Day on May 18, 2023, to encourage students, families, commuters, bike enthusiasts, and people new to biking to replace an automobile trip with a bike trip and pledge to GO by BIKE to an official pit stop from 6:00 am to 9:00 am on May 18, 2023.

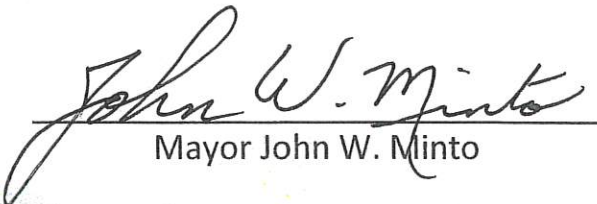
NOW, THEREFORE, I, John W. Minto, Mayor of the City of Santee, on behalf of the City Council, do hereby proclaim May 18, 2023, as

BIKE ANYWHERE DAY

in the City of Santee to commemorate a special day in May, which is National Bike Month.



IN WITNESS WHEREOF, I have hereunto set my hand this twenty-sixth day of April, two thousand twenty-three, and have caused the Official Seal of the City of Santee to be affixed.


Mayor John W. Minto

MEETING DATE April 26, 2023

ITEM TITLE PRESENTATION BY THE EAST COUNTY ADVANCED WATER PURIFICATION JOINT POWERS ASSOCIATION ON THE EAST COUNTY ADVANCED WATER PURIFICATION PROJECT AND FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

DIRECTOR/DEPARTMENT Carl Schmitz, Engineering 

SUMMARY

The East County Advanced Water Purification Joint Powers Authority will provide an update on the East County Advanced Water Purification project. This project will install an advanced water purification facility at the Ray Stoyer Water Recycling Facility and install a 10-mile advanced water purification pipeline from the Ray Stoyer Water Recycling Facility to Lake Jennings. In addition, the project will retrofit the East Mission Gorge Pump Station located on Mission Gorge Road at the SR-52 onramp and install a 3.5 mile sewer force main from the East Mission Gorge Pump Station north to the new water recycling facility. An existing sewer main on Mission Gorge Road from the East Mission Gorge Pump Station to the Mission Trails Regional Park and further east in the City of San Diego will be rehabilitated.

ENVIRONMENTAL REVIEW

This action is an administrative activity of government, and is not a project subject to CEQA pursuant to State CEQA Guidelines section 15378.

FINANCIAL STATEMENT 

N/A

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION 

Receive presentation.

ATTACHMENT

None.

MEETING DATE April 26, 2023

ITEM TITLE APPROVAL OF READING BY TITLE ONLY AND WAIVER OF READING IN FULL OF ORDINANCES AND RESOLUTIONS ON THE AGENDA; FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)

DIRECTOR/DEPARTMENT Annette Ortiz, CMC, City Clerk

SUMMARY

This Item asks the City Council to waive the reading in full of all Ordinances on the Agenda (if any) and approve their reading by title only. The purpose of this Item is to help streamline the City Council meeting process, to avoid unnecessary delay and to allow more time for substantive discussion of Items on the agenda.

State law requires that all Ordinances be read in full either at the time of introduction or at the time of passage, unless a motion waiving further reading is adopted by a majority of the City Council. (Gov. Code, § 36934). This means that each word in each Ordinance would have to be read aloud unless such reading is waived. Such reading could substantially delay the meeting and limit the time available for discussion of substantive Items. Adoption of this waiver streamlines the procedure for adopting the Ordinances on tonight’s Agenda (if any), because it allows the City Council to approve Ordinances by reading aloud only the title of the Ordinance instead of reading aloud every word of the Ordinance.

The procedures for adopting Resolutions are not as strict as the procedures for adopting Ordinances. For example, Resolutions do not require two readings for passage, need not be read in full or even by title, are effective immediately unless otherwise specified, do not need to be in any particular format unless expressly required, and, with the exception of fixing tax rates or revenue amounts, do not require publication. However, like Ordinances, all Resolutions require a recorded majority vote of the total membership of the City Council. (Gov. Code § 36936).

FINANCIAL STATEMENT

N/A

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION

It is recommended that the Council waive the reading of all Ordinances and Resolutions in their entirety and read by title only.

ATTACHMENT

None



MEETING DATE April 26, 2023

ITEM TITLE APPROVAL OF PAYMENT OF DEMANDS; FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA")

DIRECTOR/DEPARTMENT Heather Jennings, Finance *HJ*

SUMMARY

A listing of checks that have been disbursed since the last Council meeting is submitted herewith for approval by the City Council.

FINANCIAL STATEMENT

Adequate budgeted funds are available for the Payment of Demands per the attached listing.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *KV for MB*

Approve the Payment of Demands as presented.

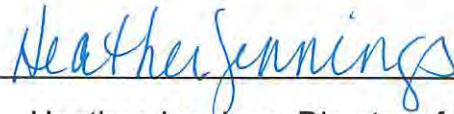
ATTACHMENT

- 1) Summary of Payments Issued
- 2) Voucher Lists

Payment of Demands
Summary of Payments Issued

<u>Date</u>	<u>Description</u>	<u>Amount</u>
04/05/23	Accounts Payable	\$ 146,490.46
04/06/23	Accounts Payable	34,112.02
04/06/23	Accounts Payable	225,687.23
04/06/23	Payroll	399,818.77
04/07/23	Accounts Payable	4,081.90
04/10/23	Accounts Payable	113,203.07
04/11/23	Accounts Payable	2,410.17
04/11/23	Accounts Payable	117,903.08
04/12/23	Accounts Payable	<u>535,847.90</u>
	TOTAL	<u>\$1,579,554.60</u>

I hereby certify to the best of my knowledge and belief that the foregoing demands listing is correct, just, conforms to the approved budget, and funds are available to pay said demands.



Heather Jennings, Director of Finance

Bank code : ubqen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
133138	4/5/2023	14650 A GARAGE DOOR AND GATE STORE	63102 63429	54192 54192	AS-NEEDED APPARATUS DOOR AM APPARATUS DOOR AND GATE REF	1,485.95 982.31 Total : 2,468.26
133139	4/5/2023	13456 AGRICULTURAL PEST CONTROL	660612 680847	53971 53971	PEST CONTROL SERVICES PEST CONTROL SERVICES	135.25 654.67 Total : 789.92
133140	4/5/2023	10412 AT&T	301053963; APR23		MAST PARK	90.95 Total : 90.95
133141	4/5/2023	10262 AUSTIN, ROY	04012023		RETIREE HEALTH INSURANCE	1,541.49 Total : 1,541.49
133142	4/5/2023	14306 AZTEC LANDSCAPING, INC	J1431 J1442	53940 53940	CUSTODIAL SERVICES - PARKS CUSTODIAL SERVICES - PARKS	4,523.69 198.67 Total : 4,722.36
133143	4/5/2023	13292 BORDER RECAPPING LLC	23-0049270-008 23-0050102-008	53865 53865	TIRES VEHICLE SERVICE	1,318.90 226.97 Total : 1,545.87
133144	4/5/2023	10569 CHARLENE'S DANCE N CHEER	405		INSTRUCTOR PAYMENT	6,176.60 Total : 6,176.60
133145	4/5/2023	10032 CINTAS CORPORATION #694	4149335216	53959	MISC SHOP RENTAL SERVICE	79.71 Total : 79.71
133146	4/5/2023	10171 COUNTY OF SAN DIEGO AUDITOR &	02/2023 AGENCY REV 02/2023 DMV REVENUE 02/2023 PHOENIX REV		02/2023 AGENCY PARK CITE REPT 02/2023 DMV PARK CITE REPT 02/2023 PHOENIX CITE REV REPT	1,048.75 331.25 755.00 Total : 2,135.00
133147	4/5/2023	10486 COUNTY OF SAN DIEGO	03202023		NOE - CITYWIDE CRACK SEALING	50.00 Total : 50.00
133148	4/5/2023	10333 COX COMMUNICATIONS	112256001; MAR23		9130 CARLTON OAKS DR	94.11

Voucher List
CITY OF SANTEE

Bank code : ubqen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
133148	4/5/2023	10333 10333 COX COMMUNICATIONS	(Continued)			Total : 94.11
133149	4/5/2023	11168 CTE INC CLARK TELECOM AND	3232 3233 3248	54027 54027 54027	STREET LIGHT REPAIRS - EXTRA V DIG ALERTS STREET LIGHT KNOCKDOWN - MIS	896.67 425.28 880.02 Total : 2,201.97
133150	4/5/2023	10145 CULLIGAN OF SAN DIEGO	1254847 1254848 1254849 1254850	54171 54171 54171 54171	FILTERED WATER SERVICE FILTERED WATER SERVICE FILTERED WATER SERVICE FILTERED WATER SERVICE	86.64 86.64 693.08 173.27 Total : 1,039.63
133151	4/5/2023	10046 D MAX ENGINEERING INC	7727	54080	STORMWATER INSPECTIONS & RE	3,113.75 Total : 3,113.75
133152	4/5/2023	12483 DISCOUNT SIGNS AND BANNERS	5663	53877	PPE IDENTIFICATION DECALS	10.78 Total : 10.78
133153	4/5/2023	11509 ENV PRODUCTIONS INC	SANFF0323	54204	SPECIAL EVENT ENTERTAINMENT	795.00 Total : 795.00
133154	4/5/2023	10251 FEDERAL EXPRESS	8-085-91138		SHIPPING CHARGES	53.89 Total : 53.89
133155	4/5/2023	12271 FERNO WASHINGTON INC	917928	54074	FERNO COT CHAIR	10,733.90 Total : 10,733.90
133156	4/5/2023	12760 FOCUS PSYCHOLOGICAL	SANTEE2023-2	53922	PSYCHOLOGICAL SERVICES	800.00 Total : 800.00
133157	4/5/2023	10202 FURTADO, DANIEL	6622658		WEARING APPAREL	200.00 Total : 200.00
133158	4/5/2023	14848 GOGO K9: MOBILE MASSAGE	#3dzP		FIDO FEST REFUND	165.00 Total : 165.00
133159	4/5/2023	14851 GRIFFITH. KENNETH	Ref000085671		LI Refund Cst #27233	46.00

Bank code : ubqen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
133159	4/5/2023	14851 14851 GRIFFITH. KENNETH	(Continued)			Total : 46.00
133160	4/5/2023	10490 HARRIS & ASSOCIATES INC	56643	53763	IS/MND CANNABIS ORDINANCE	5,198.75
						Total : 5,198.75
133161	4/5/2023	10600 HINDERLITER, DE LLAMAS & ASSOC	SIN026283	54218	CANNABIS CONSULTING SVCS	187.50
						Total : 187.50
133162	4/5/2023	14459 HMC GROUP	167473	53747	SANTEE COMMUNITY CENTER	19,284.48
						Total : 19,284.48
133163	4/5/2023	14833 INTERWEST CONSULTING GROUP	86052	54256	INTERWEST - CONTRACT PLANNE	312.50
						Total : 312.50
133164	4/5/2023	10272 JENKINS, CARROLL	04012023		RETIREE HEALTH INSURANCE	3,434.16
						Total : 3,434.16
133165	4/5/2023	13247 JOHNSON, DOUGLAS	04012023		RETIREE HEALTH INSURANCE	989.40
						Total : 989.40
133166	4/5/2023	10997 LAKESIDE FIRE PROTECTION	32923		SLEMSA LEGAL INVOICES	16,562.50
						Total : 16,562.50
133167	4/5/2023	10204 LIFE ASSIST INC	1300520 1301086 1301317 1302271	53891 53891 53891 53891	EMS SUPPLIES EMS SUPPLIES EMS SUPPLIES EMS SUPPLIES	241.90 1,357.65 144.26 144.50
						Total : 1,888.31
133168	4/5/2023	11285 MGT OF AMERICA CONSULTING, LLC	50313	53998	STATE MANDATE COST CLAIM SVC	3,772.50
						Total : 3,772.50
133169	4/5/2023	10083 MUNICIPAL EMERGENCY SERVICES	IN1843449	53926	SAFETY APPAREL	494.10
						Total : 494.10
133170	4/5/2023	10407 SAN DIEGO GAS & ELECTRIC	04229703218; MAR23 22373580042; MAR23 43940205509; MAR23		STREET LIGHTS TRAFFIC SIGNALS LMD	25,682.52 4,468.65 911.60

Bank code : ubqen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
133170	4/5/2023	10407 SAN DIEGO GAS & ELECTRIC	(Continued) 85097421694; MAR23		CITY HALL GROUP BILL	12,769.40
					Total :	43,832.17
133171	4/5/2023	14853 SAN DIEGO HEARING CENTER	21298 21304		AUDIOGRAM AUDIOGRAM	110.00 110.00
					Total :	220.00
133172	4/5/2023	13171 SC COMMERCIAL, LLC	2341867-IN 2342975-IN	53902 53902	DELIVERED FUEL DELIVERED FUEL	775.77 372.30
					Total :	1,148.07
133173	4/5/2023	10217 STAPLES ADVANTAGE	3532622177 3532691462 3533039345 3533121335	53936 53936 53981 53981	OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES - DDS OFFICE SUPPLIES - DDS	68.63 51.56 123.17 94.41
					Total :	337.77
133174	4/5/2023	10119 STEVEN SMITH LANDSCAPE INC	51039	53937	A 1 LANDSCAPE SERVICES	4,049.15
					Total :	4,049.15
133175	4/5/2023	14388 STOUT, TRAVIS	3425014		WEARING APPAREL	200.00
					Total :	200.00
133176	4/5/2023	14830 TERRA NOVA TECHNOLOGIES INC	Ref000085066		LI Refund Cst #15758	195.00
					Total :	195.00
133177	4/5/2023	10250 THE EAST COUNTY	00128682 00128916	54017 54006	RFP/B ADVERTISING CSD FY 22/23 NOTICE OF PUBLIC SCOPING MEE	444.50 724.50
					Total :	1,169.00
133178	4/5/2023	10257 TYLER TECHNOLOGIES INC	045-411858	53803	PERMITTING SOFTWARE IMPLEME	1,480.00
					Total :	1,480.00
133179	4/5/2023	12276 VARGAS, CROSSBY	4	54206	SPECIAL EVENT ENTERTAINMENT	280.00
					Total :	280.00
133180	4/5/2023	10475 VERIZON WIRELESS	9929804963		WIFI SERVICE	1,744.45

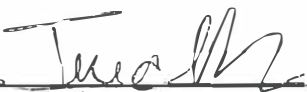
Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
133180	4/5/2023	10475 10475 VERIZON WIRELESS	(Continued)			Total : 1,744.45
133181	4/5/2023	10411 WAYNE JR, HOWARD HENRY	66	53914	EQUIPMENT SERVICE	95.00
						Total : 95.00
133182	4/5/2023	10148 WESTAIR GASES & EQUIPMENT INC	0011589266	54065	WELDING SUPPLIES	83.04
						Total : 83.04
133183	4/5/2023	10537 WETMORE'S	06P55928	53916	VEHICLE REPAIR PART	7.96
						Total : 7.96
133184	4/5/2023	10318 ZOLL MEDICAL CORPORATION	3682889	53917	EMS SUPPLIES	670.46
						Total : 670.46
47 Vouchers for bank code : ubgen						Bank total : 146,490.46
47 Vouchers in this report						Total vouchers : 146,490.46

Prepared by: Juan M
Date: 4/5/23
Approved by: [Signature]
Date: 4/5/23

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
6804139	4/6/2023	14704 457 MISSIONSQUARE	PPE 03/29/23		ICMA - 457	34,112.02	
						Total :	34,112.02
1 Vouchers for bank code : ubgen						Bank total :	34,112.02
1 Vouchers in this report						Total vouchers :	34,112.02

Prepared by: 
Date: 4.7.23
Approved by: _____
Date: _____

Bank code : ubgen

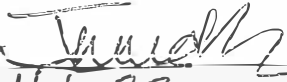

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
133185	4/6/2023	12903 AMERICAN FIDELITY ASSURANCE CO	2216901B		FLEXIBLE SPENDING ACCOUNT	2,568.03
					Total :	2,568.03
133186	4/6/2023	10334 CHLIC	3160225		HEALTH INSURANCE	203,670.44
					Total :	203,670.44
133187	4/6/2023	14793 CONTROLLING INS COST IN CA, SCHOO 2023-4			EMPLOYEE ASSISTANCE PROGRA	336.66
					Total :	336.66
133188	4/6/2023	14458 METROPOLITAN LIFE INSURANCE	76468561		DENTAL INSURANCE	12,448.45
					Total :	12,448.45
133189	4/6/2023	14458 METROPOLITAN LIFE INSURANCE	76468562		VOLUNTARY LEGAL	189.00
					Total :	189.00
133190	4/6/2023	10785 RELIANCE STANDARD LIFE	April 23		VOLUNTARY LIFE INSURANCE	435.98
					Total :	435.98
133191	4/6/2023	10424 SANTEE FIREFIGHTERS	PPE 03/29/23		DUES/PEC/BENEVOLENT/BC EXP	3,657.61
					Total :	3,657.61
133192	4/6/2023	10776 STATE OF CALIFORNIA	PPE 03/29/23		WITHHOLDING ORDER	449.53
					Total :	449.53
133193	4/6/2023	10776 STATE OF CALIFORNIA	PPE 03/29/23		WITHHOLDING ORDER	225.23
					Total :	225.23
133194	4/6/2023	10001 US BANK	PPE 03/29/23		PARS RETIREMENT	954.46
					Total :	954.46
133195	4/6/2023	14600 WASHINGTON STATE SUPPORT	PPE 03/29/23		WITHHOLDING ORDER	751.84
					Total :	751.84
11 Vouchers for bank code : ubgen						Bank total : 225,687.23
11 Vouchers in this report						Total vouchers : 225,687.23

vchlist
04/06/2023 9:48:29AM

Voucher List
CITY OF SANTEE

Bank code : ubqen

<u>Voucher</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>PO #</u>	<u>Description/Account</u>	<u>Amount</u>
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Prepared by: 
Date: 4-6-23
Approved by: 
Date: 4-6-23

EARNINGS SECTION				DEDUCTIONS SECTION			LEAVE SECTION					
Type	Hours/units	Rate	Amount Src	Plan	Base Wages	Deduction	Benefit/Cont	LvPlan	Accrued	Taken	Banked	Lost
				sb-1		74.40						
				sb-3		48.36						
				sifa		3,106.84						
				sffapc		419.52						
				st1cs3	79,762.47	2,392.89	-2,392.89					
				st2cs3	14,120.26	423.61	-423.61					
				texlif		55.19						
				vaccpr		519.30						
				vaccpt		227.04						
				vcanpr		328.21						
				vcanpt		116.75						
				vgcipt		79.44						
				vision		524.60						
				voladd		33.89						
				voldis		234.94						
				vollad			218.55					
				vollif		223.31						
Grand Totals	14,637.25		616,115.07			216,296.30	261,817.01					

Gross:	616,115.07
Net:	399,818.77

<< No Errors / 14 Warnings >>

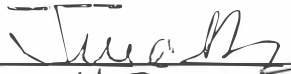

EB
4/4/23
PPE 3/29/23
Pay date 4/6/23

Bank code : ubgen

<u>Voucher</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>PO #</u>	<u>Description/Account</u>	<u>Amount</u>
6761068	4/7/2023	14705 RHS MISSIONSQUARE	PPE 03/29/23		RETIREE HSA	4,081.90
					Total :	4,081.90
					Bank total :	4,081.90
					Total vouchers :	4,081.90

1 Vouchers for bank code : ubgen

1 Vouchers in this report

Prepared by: 
Date: 4-7-23
Approved by: 
Date: 4-7-23

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
51804	4/10/2023	10956 FRANCHISE TAX BOARD	April 23 Retirees PPE 03/29/23		CA STATE TAX WITHHELD CA STATE TAX WITHHELD	46.00 28,218.69
					Total :	28,264.69
51842	4/10/2023	10955 DEPARTMENT OF THE TREASURY	April 23 Retiree PPE 03/29/23		FEDERAL WITHHOLDING TAX FED WITHHOLD & MEDICARE	211.00 84,727.38
					Total :	84,938.38
2 Vouchers for bank code : ubgen						Bank total : 113,203.07
2 Vouchers in this report						Total vouchers : 113,203.07

Prepared by: Juan M
Date: 4-11-23
Approved by: E Bull
Date: 4-11-23

Bank code : ubgen

<u>Voucher</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>PO #</u>	<u>Description/Account</u>	<u>Amount</u>
1262	4/11/2023	10482 TRISTAR RISK MANAGEMENT	117728		WORKERS COMP LOSSES; MAR 2:	2,410.17
					Total :	2,410.17
					Bank total :	2,410.17
					Total vouchers :	2,410.17

1 Vouchers for bank code : ubgen

1 Vouchers in this report

Prepared by: J. Small

Date: 4.12.23

Approved by: _____

Date: 4/12/23

Bank code : ubqen

<u>Voucher</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>PO #</u>	<u>Description/Account</u>	<u>Amount</u>
3235	4/11/2023	10353 PERS	03 23 5		RETIRMENT PAYMENT	117,903.08
Total :						117,903.08
1 Vouchers for bank code : ubqen						Bank total : 117,903.08
1 Vouchers in this report						Total vouchers : 117,903.08

Prepared by: Jusck
Date: 4-11-23
Approved by: C. Bull
Date: 4-11-23

Bank code : ubqen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
133196	4/12/2023	10010 ALLIANT INSURANCE SERVICES INC	2250702		EVENT INSURANCE - HOP DOWN	900.00
					Total :	900.00
133197	4/12/2023	10516 AWARDS BY NAVAJO	0323241	53864	NAMETAGS	11.85
					Total :	11.85
133198	4/12/2023	13292 BORDER RECAPPING LLC	23-0050789-008	53865	TIRES	1,746.98
					Total :	1,746.98
133199	4/12/2023	10022 BRAUN NORTHWEST INC	34327	54188	AMBULANCE REMOUNT	172,661.16
					Total :	172,661.16
133200	4/12/2023	13990 C.P. RICHARDS SIGNS, INC.	61870	53868	MEDIC UNIT DECALS	323.25
					Total :	323.25
133201	4/12/2023	10668 CALIFORNIA BUILDING STANDARDS	JAN-MAR 2023		JANUARY - MARCH 2023 SB1473 FI	349.20
					Total :	349.20
133202	4/12/2023	10478 CALIFORNIA DEPARTMENT OF	USE TAX JAN-MAR 2023		USE TAX JANUARY - MARCH 2023	198.00
					Total :	198.00
133203	4/12/2023	10299 CARQUEST AUTO PARTS	11102-581987 11102-582061	53869 53869	VEHICLE SUPPLIES VEHICLE REPAIR PARTS	32.64 20.01
					Total :	52.65
133204	4/12/2023	10032 CINTAS CORPORATION #694	4150025579 4150209106	53959 53959	MISC SHOP RENTAL SERVICE STATION SUPPLIES	65.10 46.80
					Total :	111.90
133205	4/12/2023	12328 CINTAS CORP. #2	5150406850	53989	FIRST-AID KIT SERVICE	245.00
					Total :	245.00
133206	4/12/2023	10050 CITY OF EL CAJON	707		TABLET COMMAND	2,143.00
					Total :	2,143.00
133207	4/12/2023	14739 CONTRACTOR MANAGING GENERAL	CIP 2022-02 RR		RETENTION RELEASE	90,579.52

Bank code : ubqen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
133207	4/12/2023	14739	14739 CONTRACTOR MANAGING GENERAL (Continued)			Total : 90,579.52
133208	4/12/2023	10333	COX COMMUNICATIONS		9951 RIVERWALK DR CITY HALL GROUP BILL	57.00 3,472.18 Total : 3,529.18
133209	4/12/2023	11418	DAMOOR, KESHAV		03162023KD COMMISSIONER STIPEND	50.00 Total : 50.00
133210	4/12/2023	10433	DEPARTMENT OF CONSERVATION		JAN-MAR 2023 JANUARY - MARCH 2023 SMIP FEE	854.77 Total : 854.77
133211	4/12/2023	14811	DIGITECH COMPUTER LLC	54274	60003180 SLEMSA BILLING CONTRACT SER\	315.62 Total : 315.62
133212	4/12/2023	13275	DOCHTERMAN, LINDA		03162023LD COMMISSIONER STIPEND	50.00 Total : 50.00
133213	4/12/2023	14446	ENTERPRISE FM TRUST		STMT 2721 VEHICLE LEASING PROGRAM	5,777.13 Total : 5,777.13
133214	4/12/2023	10057	SAFEBUILT, LLC LOCKBOX #88135		02/2023 (February) SHARE OF FEES	35,876.63 Total : 35,876.63
133215	4/12/2023	12271	FERNO WASHINGTON INC	53879	917717 EQUIPMENT REPAIR PARTS	926.65 Total : 926.65
133216	4/12/2023	10066	GLOBALSTAR USA LLC		47683735 SATELLITE PHONE SERVICE	107.22 Total : 107.22
133217	4/12/2023	13274	GRANBOIS, DARCY		03162023DG COMMISSIONER STIPEND	50.00 Total : 50.00
133218	4/12/2023	14817	HARRIS STEEL FENCE CO., INC	54236	1 WALKER PRESERVE FENCE REPA 1R - RFB-20066 RETENTION # 1 RFB-20066	57,439.00 -2,871.95 Total : 54,567.05
133219	4/12/2023	10256	HOME DEPOT CREDIT SERVICES	53923	1153979 SMALL TOOLS	61.32

Bank code : ubqen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
133219	4/12/2023	10256 HOME DEPOT CREDIT SERVICES	(Continued)			
			5153957	53923	STATION SUPPLIES	60.30
			6153940	53923	STATION SUPPLIES	52.73
					Total :	174.35
133220	4/12/2023	14229 JOBSITE SUPPLY CO	75034800	53978	CIP SUPPLIES	160.16
			75503600	53978	CIP SUPPLIES	121.80
			75883100	53978	CIP SUPPLIES	121.80
					Total :	403.76
133221	4/12/2023	10204 LIFE ASSIST INC	1302570	53891	EMS SUPPLIES	241.90
			1303700	53891	EMS SUPPLIES	216.75
			1304108	53891	EMS SUPPLIES	4,146.02
					Total :	4,604.67
133222	4/12/2023	10567 LLOYD'S COLLISION CENTER	16150	54201	VEHICLE REPAIR	3,148.99
					Total :	3,148.99
133223	4/12/2023	10720 MALL MEDIA INC	24972U		HOP DOWN BUNNY TRAIL EVENT :	56.14
					Total :	56.14
133224	4/12/2023	14869 MARION, CORBIN	03012023		EMPLOYEE REIMBURSEMENT	250.00
					Total :	250.00
133225	4/12/2023	11783 MINTO, JOHN	03232023		TRAVEL REIMBURSEMENT	142.59
					Total :	142.59
133226	4/12/2023	10083 MUNICIPAL EMERGENCY SERVICES	IN1846608	54270	FIREFIGHTING SUPPLIES	1,799.43
					Total :	1,799.43
133227	4/12/2023	10344 PADRE DAM MUNICIPAL WATER DIST	29700015: MAR23		CONSTRUCTION METER	287.40
					Total :	287.40
133228	4/12/2023	14266 PATCH, LILI	03162023LP		COMMISSIONER STIPEND	50.00
					Total :	50.00
133229	4/12/2023	11901 PECK'S HEAVY FRICTION INC	301625	53897	VEHICLE REPAIR PARTS	800.74

Bank code : ubqen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
133229	4/12/2023	11901 11901 PECK'S HEAVY FRICTION INC	(Continued)			Total : 800.74
133230	4/12/2023	10241 PETTY CASH	04062023CM		PETTY CASH REIMBURSEMENT - C	88.60
						Total : 88.60
133231	4/12/2023	10092 PHOENIX GROUP INFO SYSTEMS	022023031	54127	FY 22-23 PARKING CITE PROCESS	680.60
						Total : 680.60
133232	4/12/2023	12828 RICK ENGINEERING COMPANY	0093630 18100F(2)	53946 54219	MASTER DRAINAGE STUDY AS-NEEDED ENGINEERING SERVI	50,911.50 5,041.03
						Total : 55,952.53
133233	4/12/2023	13061 SAN DIEGO HUMANE SOCIETY &	FEB-23	54002	ANIMAL CONTROL SERVICES	36,794.00
						Total : 36,794.00
133234	4/12/2023	10768 SANTEE SCHOOL DISTRICT	9366	53964	CHET HARRITT LIGHTS	1,430.55
						Total : 1,430.55
133235	4/12/2023	10768 SANTEE SCHOOL DISTRICT	9367 9368	54003 54003	JOINT USE FIELDS - RIO SECO JOINT USE FIELDS - RIO SECO	245.25 374.25
						Total : 619.50
133236	4/12/2023	13171 SC COMMERCIAL, LLC	2343496-IN 2346180-IN 2348223-IN	53902 53902 53902	DELIVERED FUEL DELIVERED FUEL DELIVERED FUEL	812.77 313.62 635.42
						Total : 1,761.81
133237	4/12/2023	14261 SMOSNA, ADAM	03012023		EMPLOYEE REIMBURSEMENT	250.00
						Total : 250.00
133238	4/12/2023	10314 SOUTH COAST EMERGENCY VEHICLE	512000 512044 512067	53907 53907 53907	VEHICLE REPAIR PART VEHICLE REPAIR PARTS VEHICLE REPAIR PART	195.71 447.38 707.03
						Total : 1,350.12
133239	4/12/2023	11341 SRM CONTRACTING & PAVING	CIP2022-08 & 2022-09		RETENTION RELEASE	33,778.44
						Total : 33,778.44

Bank code : ubqen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
133240	4/12/2023	10217 STAPLES ADVANTAGE	3532079636	54040	OFFICE SUPPLIES - PSD	98.46
			3532154039	54040	OFFICE SUPPLIES - PSD	193.47
Total :						291.93
133241	4/12/2023	10534 STATE CONTROLLER'S OFFICE	FAUD-00003737	53848	FY 21/22 ANNUAL STREET REPOR	2,639.52
Total :						2,639.52
133242	4/12/2023	10572 SUNBELT RENTALS INC	137031713-0001	54009	EQUIPMENT RENTAL	369.57
			137034821-0001	54009	EQUIPMENT RENTAL	370.00
Total :						739.57
133243	4/12/2023	10136 WEST COAST ARBORISTS INC	197449	53939	URBAN FORESTRY MANAGEMENT	5,565.00
			197450	53939	URBAN FORESTRY MANAGEMENT	4,147.20
Total :						9,712.20
133244	4/12/2023	12510 ZERO WASTE USA	537408	54258	PET WASTE BAGS	6,613.70
Total :						6,613.70
49 Vouchers for bank code : ubqen						Bank total : 535,847.90
49 Vouchers in this report						Total vouchers : 535,847.90

Prepared by: Juan M.
 Date: 4/12/23
 Approved by: [Signature]
 Date: 4/12/23

MEETING DATE April 26, 2023

ITEM TITLE APPROVAL OF THE EXPENDITURE OF \$102,254.37 FOR MARCH 2023 LEGAL SERVICES AND REIMBURSABLE COSTS AND FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA")

DIRECTOR/DEPARTMENT Heather Jennings, Finance *HJ*

SUMMARY

Legal services invoices proposed for payment for the month of March 2023 total \$102,254.37 as follows:

1) General Retainer Services	\$ 16,530.00
2) Labor & Employment	9,493.50
3) Litigation & Claims	21,094.58
4) Special Projects - General Fund	36,677.94
5) Special Projects – Other Funds	7,424.25
6) Third-Party Reimbursable Projects	<u>11,034.10</u>
Total	<u>\$ 102,254.37</u>

FINANCIAL STATEMENT

	<u>AMOUNT</u>	<u>BALANCE</u>
General Fund:		
Adopted Budget	\$ 691,360.00	
Revised Budget	821,360.00	
Prior Expenditures	(544,881.34)	
Current Request	(83,796.02)	\$ 192,682.64
Other Funds (excluding third-party reimbursable items):		
Adopted Budget	\$ 150,000.00	
Revised Budget	150,000.00	
Prior Expenditures	(87,837.45)	
Current Request	(7,424.25)	\$ 54,738.30

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *KV for MB*

Approve the expenditure of \$102,254.37 for March 2023 legal services and reimbursable costs.

ATTACHMENTS

1. Legal Services Billing Summary March 2023
2. Legal Services Billing Recap FY 2022-23



**LEGAL SERVICES BILLING SUMMARY
MARCH 2023**

DESCRIPTION	CURRENT AMOUNT	INVOICE NUMBER	NOTES
Retainer 1001.00.1201.51020	\$ 16,530.00 16,530.00	961823	
Labor & Employment: Labor & Employment Employee Benefits 1001.00.1201.51020	8,466.00 1,027.50 9,493.50	961792 961827	
Litigation & Claims: Litigation & Claims Affordable Housing Coalition of San Diego County Parcel 4 Litigation 1001.00.1201.51020	15,165.80 2,058.80 3,869.98 21,094.58	961793 961797 961802	
Special Projects (General Fund): Community Oriented Policing Annual Municipal Code Update CEQA Special Advice Water Quality Prop 218 Entertainment District Parcel 4 Hotel Advanced Records Center Services for PRA Cannabis City Hall Cell Site COVID-19 Related (ARPA) Safety-Environ Justice Element 1001.00.1201.51020	10,479.59 1,938.00 918.00 408.00 11,973.75 433.50 1,122.00 4,062.70 918.00 752.40 1,938.00 1,734.00 36,677.94	961794 961805 961812 961798 961799 961800 961801 961806 961807 961818 961803 961809	
Special Projects (Other Funds): Mobile Home Rent Control Commission Cuyamaca Street Right-of-Way Acquisition CSA 69 Dissolution/SLEMSA JPA	4,437.00 80.25 2,907.00 7,424.25	961796 961804 961808	2901.04.4106.51020 cip71402.30.05 5505.00.1901.51020
Third-Party Reimbursable: MSCP Subarea Plan MSCP Subarea Plan MSCP Subarea Plan HomeFed Project Redevelopment of Carlton Oaks Golf Course Tyler St. Subdivision Slope Street Subdivision	1,584.00 1,267.20 910.80 856.90 3,049.20 3,009.60 356.40 11,034.10	961811 961811 961811 961810 961813 961814 961816	spp2101a.92.05 spp2101a.93.05 spp2101a.94.05 tm22001a.10.05 cup1906a.10.05 tm17001a.10.05 tm20001a.10.05
Total	\$ 102,254.37		

**LEGAL SERVICES BILLING RECAP
FY 2022-23**

Attachment 2

Category	Adopted Budget	Revised Budget	Previously Spent Year to Date	Available Balance	Current Request	
					Mo./Yr.	Amount
General Fund:						
General / Retainer	\$ 200,360.00	\$ 200,360.00	\$ 132,398.85	\$ 67,961.15	Mar-23	\$ 16,530.00
Labor & Employment	60,000.00	110,000.00	54,345.40	55,654.60	Mar-23	9,493.50
Litigation & Claims	90,000.00	90,000.00	104,927.93	(14,927.93)	Mar-23	21,094.58
Special Projects	341,000.00	421,000.00	253,209.16	167,790.84	Mar-23	36,677.94
Total	\$ 691,360.00	\$ 821,360.00	\$ 544,881.34	\$ 276,478.66		\$ 83,796.02
Other City Funds:						
MHFP Commission	\$ 12,000.00	\$ 12,000.00	\$ 8,338.50	\$ 3,661.50	Mar-23	\$ 4,437.00
Capital Projects	75,000.00	75,000.00	30,396.60	44,603.40	Mar-23	80.25
SLEMSA JPA	60,000.00	60,000.00	49,102.35	10,897.65	Mar-23	2,907.00
Highway 52 Coalition	3,000.00	3,000.00	-	3,000.00	Mar-23	-
Total	\$ 150,000.00	\$ 150,000.00	\$ 87,837.45	\$ 62,162.55		\$ 7,424.25
Third-Party Reimbursable:						
Total			\$ 165,936.08			\$ 11,034.10

**Total Previously Spent to Date
FY 2022-23**

General Fund	\$ 544,881.34
Other City Funds	87,837.45
Applicant Deposits or Grants	165,936.08
Total	\$ 798,654.87

Total Proposed for Payment

General Fund	\$ 83,796.02
Other City Funds	7,424.25
Applicant Deposits or Grants	11,034.10
Total	\$ 102,254.37

MEETING DATE April 26, 2023

ITEM TITLE RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, ACCEPTING THE WALKER PRESERVE FENCE REPAIRS (RFB-20066) PROJECT AS COMPLETE AND FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)

DIRECTOR/DEPARTMENT Carl Schmitz, Engineering 

SUMMARY

This item requests City Council accept the Walker Preserve Fence Repairs (RFB-20066) project as complete. This project replaced lodge pole fencing along the Walker Preserve Trail and completed repairs to the low water crossing pedestrian bridge that was damaged by the November 2021 wildfire.

At its January 25, 2023 meeting, the City Council awarded the construction contract for the Walker Preserve Fence Repairs (RFB-20066) project for a total contract amount of \$50,439.00 to Harris Steel Fence Company, Inc., and authorized the City Manager, Director of Development Services or City Engineer to approve contract change orders in a total amount not to exceed \$7,565.00 for unforeseen items and costs associated with the Project, and to replace additional damaged fencing as determined by staff.

A Notice to Proceed was issued on March 8, 2023 and the work was completed on March 31, 2023. One change order was approved in the amount totaling \$7,000.00 to replace additional damaged lodge pole fence posts along the Walker Preserve Trail.

Staff requests City Council accept the project as complete and direct the City Clerk to file a Notice of Completion with the San Diego County Clerk.

ENVIRONMENTAL REVIEW

Per California Environmental Quality Act (CEQA) Guidelines Section 15378, this action is not a project under CEQA as it involves an administrative activity of government without the potential of a significant impact on the environment.

FINANCIAL STATEMENT 

Funding for this project was provided by the Fiscal Year 2022-23 Adopted Budget in the Community Services Department in the amount of \$40,000.00 and General Fund reserves in the amount of \$19,005.00, providing a project budget totaling \$59,504.00.

Bidding and Advertisement	904.00
Construction Contract	50,439.00
Construction Change Orders	<u>7,000.00</u>
Total Project Cost	\$ 58,343.00



CITY ATTORNEY REVIEW

N/A

Completed

RECOMMENDATION *KL for MB*

Adopt the attached Resolution:

1. Accepting the Walker Preserve Fence Repairs (RFB-20066) project as complete; and
2. Authorizing the City Clerk to file a Notice of Completion with the San Diego County Clerk.

ATTACHMENT

Resolution

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
ACCEPTING THE WALKER PRESERVE FENCE REPAIRS (RFB-20066) PROJECT AS
COMPLETE AND FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)**

WHEREAS, the City Council awarded the construction contract for the Walker Preserve Fence Repairs (RFB-20066) project to Harris Steel Fence Company, Inc. on January 25, 2023 in the amount totaling \$50,439.00; and

WHEREAS, the City Council authorized staff to approve construction change orders in a total amount not to exceed \$7,565.00; and

WHEREAS, one change order was approved in the amount totaling \$7,000.00 to replace additional damaged lodge pole fence posts along the Walker Preserve trail; and

WHEREAS, the construction contract was completed for a total contract amount of \$57,439.00; and

WHEREAS, Harris Steel Fence Company, Inc. has completed the project in accordance with the contract plans and specifications.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, as follows:

SECTION 1: The work for the construction of the Walker Preserve Fence Repairs (RFB-20066) project is accepted as complete on this date.

SECTION 2: The City Clerk is directed to record a Notice of Completion.

SECTION 3: The action is not a project subject to the California Environmental Quality Act (“CEQA”) per CEQA Guidelines Section 15378 as it involves an administrative activity of government without the potential of a significant impact on the environment.

SECTION 4: This Resolution shall take effect immediately upon its passage.

ADOPTED by the City Council of the City of Santee, California, at a regular meeting thereof held this 26th day of April, 2023 by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

MEETING DATE

April 26, 2023

ITEM TITLE RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, ACCEPTING THE PUBLIC IMPROVEMENTS FOR THE CASTLEROCK PROJECT AS COMPLETE, AND FINDING THIS ACCEPTANCE IS NOT A CEQA PROJECT. LOCATION: MAST BOULEVARD AT WESTON ROAD

DIRECTOR/DEPARTMENT

Carl Schmitz, Engineering



SUMMARY

This item requests City Council accept the public improvements constructed as part of the Castlerock project located north of Mast Boulevard. The public improvements constructed by Pardee Homes (now known as TriPointe Homes) include public improvements on Weston Road, Toyopa Court, Hightail Drive, Trailridge Avenue, West Bluff Place and Trailmark Way.

These improvements, and the terms of cost, inspection, acceptance, maintenance and warranty are defined in a document dated January 24, 2018 entitled Acquisition, Construction and Funding Agreement by and among City of Santee, Pardee Homes, Inc., and TriPointe Homes, Inc.

Per City of Santee Resolution 087-2013, dated October 9, 2013, City Council approved the annexation of a portion of land known as "East Elliot" and located in the City of San Diego, into the City of Santee. This was accomplished by a boundary adjustment between the two cities. This adjustment was approved by the San Diego County Local Agency Formation Commission (LAFCO) and the entire project is now within the City of Santee limits.

The public improvements are completed and ready for acceptance and incorporation into the City of Santee's maintained street system. All required improvements within the City of Santee right-of-way have been constructed in accordance with the City of San Diego accepted plans and to the satisfaction of the City of San Diego - Engineering and Capital Projects Department Construction Management and Field Engineering Engineer.

Specifically omitted from this acceptance are all drainage improvements, including water quality devices, basins, structures, etc., which are to be maintained by the Weston HOA. Also not included are open space areas and private streets, which again are the responsibility of the Weston HOA and/or City of San Diego.

ENVIRONMENTAL REVIEW

Environmental review was performed at the time of approval of Vesting Tentative Map No. 1004468 (per Ordinance O-20305) by the City of San Diego. Certification of the Environment Impact Report was filed as State Clearinghouse No. 2004061029 with the San Diego County Clerk.



FINANCIAL STATEMENT *Hj*

Acceptance of these public improvements will result in a minor increase in City of Santee street maintenance costs. These costs will be offset by increased tax and assessment revenues.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *KW for MB*

Adopt the attached Resolution accepting the public improvements as complete and directing City Staff to perform a warranty inspection of the public improvements prior to the end of the one year warranty period as defined in the Acquisition, Construction and Funding Agreement dated January 24, 2018.

ATTACHMENTS

- Resolution
- Vicinity Map
- Acquisition, Construction and Funding Agreement

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA,
ACCEPTING THE PUBLIC IMPROVEMENTS FOR THE CASTLEROCK PROJECT
AS COMPLETE. LOCATION: MAST BOULEVARD AT WESTON ROAD**

WHEREAS, on October 9, 2013, the City Council of the City of Santee adopted Resolution 087-2013, approving the annexation of a portion of land known as “East Elliot” and located in the City of San Diego, into the City of Santee. This was accomplished by a boundary adjustment between the two cities that was approved by the San Diego County Local Agency Formation Commission (LAFCO); and

WHEREAS, the Castlerock project (now known as the Weston project) was constructed on the annexed portion of land; and

WHEREAS, Pardee Homes (now known as TriPointe Homes), the developer of the Castlerock (Weston) subdivision project, entered into an Acquisition, Construction and Funding Agreement, dated January 24, 2018 (“Agreement”), with the City of Santee, to construct certain public improvements associated with the Weston development; and

WHEREAS, the public improvements are located on Weston Road, Toyopa Court, Hightail Drive, Trailridge Avenue, West Bluff Place and Trailmark Way, excluding therefrom all drainage improvements, including water quality devices, basins, structures, incidentals, all open space areas, and private streets; and

WHEREAS, the public improvements have been constructed in accordance with the City of San Diego accepted plans and to the satisfaction of the City of San Diego in accordance with the terms in the Agreement; and

WHEREAS, the street rights-of-way and / or easements where the public improvements are located have been dedicated, or offered for dedication, to the City of Santee, and the developer has granted to the City of San Diego and / or the City of Santee, all parcels of and easements on private property which may be necessary for the proper operation and maintenance of the public improvements, in accordance with Section 4 of the Agreement; and

WHEREAS, The “Declaration of Covenants, Conditions and Restrictions and Establishment of Easements of Weston” (CC&R), recorded in the County of San Diego on December 15, 2017 as document number 2017-0585953 of official records identified the maintenance obligation of the Home Owners Association (HOA); and

WHEREAS, the HOA maintenance obligations include certain public improvements and located within the public right of way and as described in detail in the above mentioned CC&R document; and

WHEREAS, environmental review was performed at the time of approval of Vesting Tentative Map No. 1004468 (per Ordinance O-20305) by the City of San Diego.

RESOLUTION NO. _____

Certification of the Environment Impact Report was filed as State Clearinghouse No. 2004061029 with the San Diego County Clerk.

NOW, THEREFORE BE IT RESOLVED that City Council of the City of Santee, California, does hereby accept the public improvements and incorporates them into the City's maintained street system.

BE IT FURTHER RESOLVED that the City Council does hereby direct the City Staff to perform a warranty inspection of the above mentioned public improvements in accordance with the terms stipulated in the above mentioned Acquisition, Construction and Funding Agreement within one year of acceptance.

ADOPTED by the City Council of the City of Santee, California, at a Regular meeting thereof held this 26th day of April 2023, by the following roll call vote to wit:

AYES:

NOES:

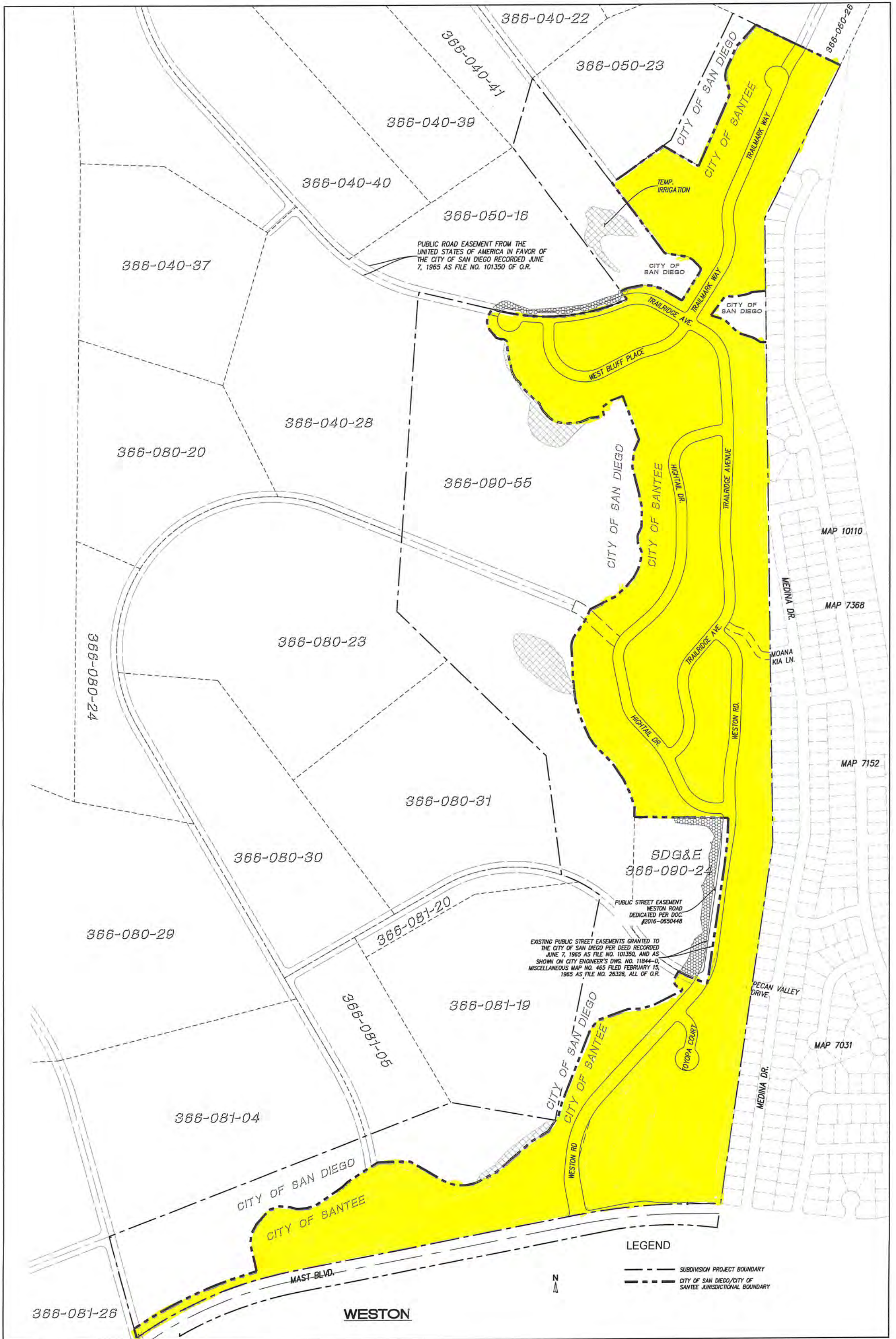
ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK



PUBLIC ROAD EASEMENT FROM THE UNITED STATES OF AMERICA IN FAVOR OF THE CITY OF SAN DIEGO RECORDED JUNE 7, 1965 AS FILE NO. 101350 OF O.R.

SDG&E
366-090-24

EXISTING PUBLIC STREET EASEMENTS GRANTED TO THE CITY OF SAN DIEGO PER DEED RECORDED JUNE 7, 1965 AS FILE NO. 101350, AND AS SHOWN ON CITY ENGINEER'S DWG. NO. 11844-D, MISCELLANEOUS MAP NO. 465 FILED FEBRUARY 15, 1965 AS FILE NO. 26326, ALL OF O.R.

PUBLIC STREET EASEMENT WESTON ROAD DEDICATED PER DOC. #2016-0650448

LEGEND

- SUBDIVISION PROJECT BOUNDARY
- - - CITY OF SAN DIEGO/CITY OF SANTEE JURISDICTIONAL BOUNDARY



WESTON

ACQUISITION, CONSTRUCTION AND FUNDING AGREEMENT

by and among

CITY OF SANTEE,

PARDEE HOMES, INC., and

TRI POINTE HOMES, INC.

dated as of

January 24, 2018

COMMUNITY FACILITIES DISTRICT NO. 2017-1
(WESTON INFRASTRUCTURE)
OF THE CITY OF SANTEE
COUNTY OF SAN DIEGO
STATE OF CALIFORNIA

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ACQUISITION, CONSTRUCTION AND FUNDING AGREEMENT

Community Facilities District No. 2017-1 (Weston Infrastructure)
of the City of Santee

THIS AGREEMENT is made and entered into as of the __ day of January, 2018 (“Effective Date”), by and among the CITY OF SANTEE, a municipal corporation and charter city, hereinafter referred to as the “City,” acting for and on behalf of itself and COMMUNITY FACILITIES DISTRICT NO. 2017-1 (WESTON INFRASTRUCTURE) OF THE CITY OF SANTEE, a community facilities district established by the City pursuant to the Mello-Roos Community Facilities District Act of 1982, as amended, hereinafter referred to as “CFD No. 2017-1,” PARDEE HOMES, INC., a California corporation, hereinafter referred to as “Pardee,” and TRI Pointe Homes, Inc., a Delaware corporation, hereinafter referred to as “TRI Pointe” (Pardee and TRI Point hereinafter referred to collectively as “Developers”).

A. Pardee is the master developer of approximately 203 acres of land formerly known as “Castlerock,” now known and referred to as “Weston,” located in the City of Santee which is shown and identified on the map attached hereto as Exhibit “A” (the “Property”);

B. Pardee owns approximately 184 acres of the Property and TRI Pointe Homes, Inc., owns approximately 26 acres of the Property;

C. As part of the proceedings to detach the Property from the City of San Diego (“San Diego”) and to annex the Property to City, an Annexation Agreement, dated as of August 26, 2013 (the “Annexation Agreement”), was entered into among City, Pardee, San Diego and the Padre Dam Municipal Water District to set forth the process for and the terms and conditions upon which the Property will be detached from San Diego and annexed to City in the event that San Diego approved the development of the Property;

D. The Annexation Agreement provided that San Diego shall process, permit and inspect the Project in accordance with the Residential Development Project Entitlements as such term is defined hereinbelow;

E. The Property has been entitled by the San Diego for the construction of 273 single-family detached homes and 142 detached condominium units and a public park (the “Project”);

F. As a part of the development of the Project, Pardee has, or will be constructing certain public improvements to serve the Project, including the improvements identified in Exhibit “B” attached hereto and incorporated herein by this reference (the improvements identified in Exhibit “B” shall be referred to as the “Improvements”);

G. At the request of Pardee, the City has initiated and completed all necessary proceedings pursuant to the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code (the “Act”) for the formation of Community Facilities District No. 2017-1 (Weston Infrastructure) of the City of Santee, County of San Diego, State of California (“CFD

No. 2017-1") over and including the Property, and for authorization and sale of bonds and the levy of Special Taxes (as defined below) to finance the design, acquisition, and construction of the Improvements. Pursuant to such proceedings, CFD No. 2017-1 is authorized to incur a bonded indebtedness in an aggregate principal amount not to exceed \$10,300,000 to finance the acquisition and construction of the Improvements (collectively, the "Bonds").

H. The City and Pardee entered into that certain Community Facilities District Reimbursement Agreement, dated April 27, 2016 (the "Reimbursement Agreement"), a copy of which is attached as Exhibit "C" hereto, pursuant to which, among other things: (i) Pardee has agreed to advance funds to the City for the payment of the City's costs and expenses relating to the formation of CFD No. 2017-1 and issuance of bonds of CFD No. 2017-1 and (ii) the City and Pardee identified certain "Initial Improvements" (as defined in the Reimbursement Agreement) that are eligible to be financed through CFD No. 2017-1 subject to bidding and contracting requirements set forth in the Reimbursement Agreement.

I. Developers confirm that Pardee has completed portions of the Initial Improvements prior to the adoption by the City Council of the resolution of formation establishing CFD No. 2017-1 (the "Resolution of Formation"). Pursuant to Section 53313.5 of the California Government Code, CFD No. 2017-1 may finance the purchase of improvements whose construction has been completed, as determined by the legislative body (i.e., the City Council), before the Resolution of Formation to establish CFD No. 2017-1 is adopted pursuant to Section 53325.1 of the California Government Code, except that CFD No. 2017-1 may finance the purchase of improvements completed after the adoption of the Resolution of Formation if the improvements were constructed as if they had been constructed under the direction and supervision, or under the authority of the City of San Diego or the City, as applicable.

J. Pardee, in order to proceed in a timely way with development of the Project, has constructed or desires to construct the Improvements that will, following the completion of the construction thereof, be acquired, owned, operated and/or maintained by the City.

K. The City and Developers agree that the Initial Improvements constructed by Pardee pursuant to the Reimbursement Agreement may, upon the completion of the construction thereof, be eligible to be acquired by the City through financing provided by CFD No. 2017-1 at prices determined pursuant to and in accordance with the provisions of this Agreement.

L. The City and Developers further agree that payment by the City for the acquisition of the Improvements shall be funded solely from (i) Special Taxes available for such purpose levied prior to the issuance of the first series of the Bonds and (ii) the proceeds of the Bonds which shall be issued by CFD No. 2017-1 and which shall be secured by the levy of Special Taxes within CFD No. 2017-1.

M. It is the intent of this Agreement that Pardee shall be entitled pursuant to the provisions of this Agreement to be paid for each of the Improvements constructed by Pardee at the prices as determined by the City pursuant to this Agreement from Special Taxes and upon the sale and delivery of bonds by CFD No. 2017-1 the proceeds of which shall be authorized and designated to make the payments to acquire such Improvements and the completion of the

construction of each such Improvement and submission by Pardee to and acceptance by the City of all information required hereunder for the City to determine the Acquisition Price(s); and

N. The City intends to have CFD No. 2017-1 finance the acquisition of the Improvements to be constructed by Pardee, subject to the requirements of the Act, the City of Santee Amended and Restated Statement of Goals and Policies Regarding the Establishment of Community Facilities Districts adopted by the City Council (the "Goals and Policies"), the Reimbursement Agreement and this Agreement and Developers desire that CFD No. 2017-1 finance the acquisition of such Improvements.

NOW, THEREFORE, in consideration of the preceding recitals and the mutual promises and covenants hereinafter contained, the parties agree as follows:

Section 1. Definitions and References.

(a) **Definitions.** For purposes of this Agreement, the following terms have the following meanings:

"Acquisition Price" means, as to each Improvement, the acquisition price as determined by the Development Services Director pursuant to the provisions of this Agreement to be paid by the City to Pardee for the acquisition of such Improvement.

"Act" means the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code, as amended.

"Actual Cost" means the total cost of an Improvement, as documented by Pardee to the satisfaction of the City and as certified by the Development Services Director in a Payment Request including, without limitation, (a) Pardee's cost of constructing such Improvement including grading, erosion control, landscaping, labor, associated demolition, material and equipment costs, (b) Pardee's cost of designing and engineering the Improvement, preparing the plans and specifications and bid documents for such Improvement, (c) Pardee's cost of any performance, payment and maintenance bonds, (d) the amount of any fees actually paid by Pardee to governmental agencies in order to obtain permits, licenses or other necessary governmental approvals and reviews for such Improvement, (e) Pardee's cost for construction and project management, administration and supervision services for such Improvement to be calculated at five percent (5%) of the applicable Hard Construction Costs (as defined below), (f) Pardee's Professional Services Costs (as defined below), and (g) such other costs as the City may determine appropriate.

"Agreement" means this Acquisition, Construction and Funding Agreement by and among the City, Pardee and TRI Pointe.

"Annexation Agreement" means the agreement entered into among City, San Diego, Pardee and the Padre Dam Municipal Water District dated August 26, 2013 for the purpose of the detaching the Property from San Diego and to annex the Property to City.

"Base Increment" shall have the meaning given such term in Section 4(c).

“Bonds” means the bonds of CFD No. 2017-1 in an aggregate principal amount not to exceed \$10,300,000 that will be issued in one or more series to finance the acquisition of the Improvements.

“CFD No. 2017-1” means Community Facilities District No. 2017-1 (Weston Infrastructure) of the City of Santee.

“CFD No. 2017-2” means Community Facilities District No. 2017-2 (Weston Municipal Services) of the City of Santee.

“City” means the City of Santee.

“City Attorney” means the City Attorney of the City.

“Conditions of Approval” mean the conditions of approval of the development of the Project as contained in applicable ordinances, resolutions, policies and procedures of San Diego granting the entitlements for the development of the Project.

“Development Assignee” means a corporation, limited partnership or limited liability company that may be created for the purpose of developing the Project and that is under common control with Pardee, i.e., the same person or entity has controlling majority ownership interest in both Pardee and the Development Assignee, including Tri Pointe.

“Director of Development Services” means the Director of Development Services of the City or his or her designee.

“Director of Finance” means the Director of Finance/Treasurer of the City or his or her designee.

“Fiscal Agent” means the Fiscal Agent appointed by the Fiscal Agent Agreement to administer the Bonds and the various funds and accounts therein pursuant to the Fiscal Agent Agreement.

“Fiscal Agent Agreement” means the fiscal agent agreement providing for the issuance of the Bonds.

“Hard Construction Costs” means Actual Costs excluding Pardee’s cost for construction project management, administration and supervision services for the Improvements and Professional Services Costs.

“Improvement Fund” means (i) prior to the initial issuance of Bonds, the fund or account established by the City, howsoever denominated, into which Special Taxes available to directly fund the payment of the Acquisition Prices for the Improvements are to be deposited and (ii) from and after the initial issuance of Bonds, the fund by that name that will be established pursuant to the Fiscal Agent Agreement.

“Improvements” means the public improvements described in Exhibit “B” hereto, including the Initial Improvements.

“Initial Improvements” means the Improvements identified in Exhibit A to the Reimbursement Agreement that may be constructed prior to (i) the formation of CFD No. 2017-1 or (ii) the entry by Developers and the City into this Agreement and, if constructed pursuant to the requirements set forth in Exhibit B to the Reimbursement Agreement, which may be eligible to be acquired pursuant to this Agreement.

“Neighborhood Park” shall have the meaning given such term in the Park Development Agreement.

“Pardee” means Pardee Homes, Inc., a California corporation. If Pardee assigns its rights and obligations under this Agreement to a Development Assignee, pursuant to Section 12, from the effective date of such assignment, “Pardee” shall mean such Development Assignee.

“Park Development Agreement” means that “Park Development Agreement by and between the City of Santee and Pardee Homes, Inc. for Weston Park,” the Effective Date (as defined in such agreement) of which is September 19, 2017.

“Payment Request” means any of the documents specified in Exhibits “F,” “G” or “H” submitted by Pardee requesting payment of the Base Increment, Retained Increment or Professional Services Cost, as applicable, in order to enable the Development Services Director to determine the portion of the Acquisition Price of the Improvements which are the subject of such Base Increment Payment Request, Retained Increment Payment Request or Professional Services Costs Payment Request.

“Plans and Specifications” means the plans and specifications for the construction of the Improvements, as prepared or caused to be prepared by Pardee and approved by San Diego and/or, where applicable, the City.

“Professional Services Costs” means Pardee’s costs for professional services related to the Improvements or any Improvement, including accounting, legal, financial, [appraisal], architectural and similar professional services.

“Project” means the development of the Property pursuant to the land use entitlements approved by San Diego for the construction of 273 single-family detached homes and 142 detached condominium units and a public park.

“Property” means the property that will be included in CFD No. 2017-1 as described and shown on Exhibit “A.”

“Post Formation Improvements” means the Improvements identified in Exhibit “B” hereto as Post Formation Improvements.

“Retained Increment” shall have the meaning given such term in Section 4(c).

“Residential Development Project Entitlements” is defined in the Annexation Agreement to mean the discretionary approvals issued by San Diego as part of the approval of the Project. The Annexation Agreement states that the Residential Development Project Entitlements include, but are not limited to the certification of the EIR and related approvals required pursuant

to CEQA, Planned Development Permit, Site Development Permit for Environmentally Sensitive Lands, the Rezone, General Plan Amendment, Community Plan Amendment, Vesting Tentative Subdivision Map, MSCP Boundary Line Adjustment and any facilities financing mechanisms.

“Resolution of Formation” means Resolution No. 102-2017 adopted by the City Council on September 27, 2017 pursuant to Section 53325.1 of the California Government Code establishing CFD No. 2017-1.

“Right of Way Improvement Agreement” means that City of Santee Public Right-of-Way Improvement Agreement, dated as of July 13, 2016, by and between the City and Pardee pertaining to the Initial Improvements.

“San Diego” means the City of San Diego, California.

“Special Taxes” means special taxes that will be levied by the City on parcels of taxable property in CFD No. 2017-1 to pay debt service on the outstanding Bonds and that may be levied by CFD No. 2017-1 on parcels of taxable property in CFD No. 2017-1 prior to the sale of the Bonds to pay portions of the Acquisition Prices for the Improvements.

“State” means the State of California, acting by and through its Department of Transportation.

“Subdivision Improvement Agreements” means collectively, the Subdivision Improvement Agreement dated as of June 7, 2016 by and between San Diego and Pardee pertaining to Castlerock South Phase 1 (Unit 1, 2, 3 and 4) of the Project and the Subdivision Improvement Agreement dated as of August 22, 2016 by and between San Diego and Pardee pertaining to Castlerock Phase 2, Unit 5 of the Project and any subsequent Subdivision Improvement Agreement entered into by and between San Diego and Pardee pertaining to any other portion of the Project.

“TRI Pointe” means TRI Pointe Homes, Inc., a Delaware corporation.

(b) References and Incorporation. References in this Agreement to Sections, sub-sections, paragraphs, and sub-paragraphs are to Sections, sub-sections, paragraphs, and sub-paragraphs of this Agreement. References to exhibits are to the exhibits attached to this Agreement. All recitals and exhibits are incorporated herein to this Agreement.

Section 2. Design and Construction of the Post Formation Improvements.

(a) Plans and Specifications and Construction of the Post Construction Improvements. Pardee shall complete the design of the Improvements and prepare the Plans and Specifications in a form and substance which is satisfactory to San Diego or the City, as indicated in Exhibit “B.” Upon approval of the Plans and Specifications by San Diego, Pardee may proceed with the construction of the Improvements in accordance with the approved Plans and Specifications and the provisions of Section 3.

(b) Public Works Requirements Applicable to Post Formation Improvements. In order to insure that the Post Formation Improvements will be constructed as if they had been

constructed under the direction and supervision, or under the authority of, the City, so that they may be acquired by the City pursuant to Section 53313.5 of the California Government Code, Pardee shall comply with all of the following requirements with respect to the construction of the Post Formation Improvements:

(1) Pardee shall receive bids for the construction of the Post Formation Improvements from at least three qualified bidders. Pardee may solicit bids based on the Plans and Specifications that have received second plan check review from San Diego. However, if Pardee elects to proceed in this manner, it may not award a contract for the construction of such Post Formation Improvements unless and until it shall have delivered Plans and Specifications that have been finally approved by San Diego sufficiently in advance of the scheduled bid opening so that the bidders will have an adequate opportunity to base their bids on such finally approved Plans and Specifications.

(2) The contract or contracts for the construction of the Post Formation Improvements shall be awarded to the qualified bidder(s) submitting the lowest responsive bid(s) for the construction of such Post Formation Improvements.

(3) Pardee shall require, and the Plans and Specifications and bid and contract documents shall require all such contractors to pay prevailing wages and to otherwise comply with applicable provisions of the Labor Code and the Public Contract Code relating to public works projects of cities and as required by the procedures and standards of City with respect to the construction of its public works projects.

(4) Pardee and all such contractors shall comply with such other requirements relating to the construction of the Post Formation Improvements that San Diego may impose by written notification delivered to Pardee and each such contractor at any time either prior to the receipt of bids by Pardee for the construction of the Post Formation Improvements or, to the extent required as a result of changes in applicable laws or as necessitated to protect the public health and safety, during the progress of construction thereof.

Pardee and Pardee's contractors shall comply with all requirements of the applicable Subdivision Improvement Agreements in the construction of all Post Formation Improvements.

Pardee shall provide proof to the City, at reasonable intervals and in such form as the City may require, that the foregoing requirements have been satisfied as to all of the Post Formation Improvements.

The provisions of this section shall not be applicable to any portions of the Initial Improvements.

(c) Inspection of Post Formation Improvements; Completion of Construction. San Diego shall have primary responsibility for providing inspection of the work of construction of the Improvements as specified in Exhibit "B" to insure that the work of construction is accomplished in accordance with the approved Plans and Specifications. San Diego personnel shall have access to the site of the work of construction at all reasonable times for the purpose of accomplishing such inspection. Upon the completion of the construction of an Improvement to

the satisfaction of the San Diego inspectors, Pardee shall notify the City in writing that the construction of the Improvement has been completed in accordance with the Plans and Specifications. Upon receiving such written notification from Pardee, and upon receipt of written confirmation from San Diego that construction of the Improvement has been completed in accordance with the Plans and Specifications and San Diego's standard requirements, the City shall in a timely manner notify Pardee in writing that the construction of the Improvement has been satisfactorily completed. Upon receiving such notification, Pardee shall file with the County Recorder of the County of San Diego a Notice of Completion with respect to such Improvement pursuant to the provisions of Section 3093 of the Civil Code and the requirements of San Diego. Pardee shall furnish to the City a duplicate copy of each such Notice of Completion showing thereon the date of filing with the County Recorder.

Pursuant to the terms of the Right-of-Way Improvement Agreement, City shall have primary responsibility for providing inspection of the work of construction of the Initial Improvements as specified in Exhibit "B." Upon confirmation from the City that the construction of such an Improvement has been completed in accordance with the Plans and Specifications and the City's standard requirements, the City shall in a timely manner notify Pardee in writing that the construction of the Improvement has been satisfactorily completed. Upon receiving such notification, Pardee shall file with the County Recorder of the County of San Diego a Notice of Completion with respect to such Improvement pursuant to the provisions of Section 3093 of the Civil Code and the requirements of the City. Pardee shall furnish to the City a duplicate copy of each such Notice of Completion showing thereon the date of filing with the County Recorder.

(d) Neighborhood Park. The design, bidding, construction, inspection and acceptance of that Improvement identified as the Neighborhood Park shall be governed by the provisions of the Park Development Agreement.

Section 3. Liens with Respect to an Improvement. Upon the expiration of the time for the recording of claims of liens as prescribed by Sections 3115 and 3116 of the Civil Code with respect to each Improvement, Pardee shall provide to the City such evidence or proof as the City shall require that all persons, firms, and corporations supplying work, labor materials, supplies, and equipment to the construction of such Improvement have been paid, and that no claims of liens have been recorded by or on behalf of any such person, firm or corporation. Rather than await the expiration of the time for the recording of claims of liens, Pardee may elect to provide to the City unconditional lien releases in a form and substance satisfactory to the City Attorney, a title insurance policy or other security acceptable to the City guaranteeing that no such claims of liens will be recorded or become a lien upon the Property.

Section 4. Acquisition Price of Improvements; Payment Thereof.

(a) Acquisition Price. Provided Pardee has complied with the requirements of this Agreement and when Pardee has completed the construction of an Improvement, the City agrees to pay the Acquisition Price for such Improvement as provided for in this Section 4, with the (i) proceeds of the Special Taxes identified in Section 5 below that are set aside for the payment of the Acquisition Price of the Improvements pursuant to Section 5 and (ii) the proceeds of the sale of the Bonds that will be deposited in the Improvement Fund. The Acquisition Price to be paid

by the City for an Improvement shall be the value of such Improvement or the total of the Actual Costs incurred and paid by Pardee to design, engineer, and construct such Improvement.

Certain soft costs for the Improvements, such as designing and engineering the Improvements and Professional Services Costs related to the Improvements, may have been incurred pursuant to single contracts that include work relating also to the private portions of the Project. In those instances, the total costs under such contracts will be allocated to each Improvement as approved by the Development Services Director. Where a specific contract has been awarded for design or engineering work or professional services relating solely to an Improvement, one hundred percent (100%) of such costs under the contract will be allocated to that Improvement. Costs will be allocated to each Improvement as approved by the Director of Developmental Services.

At all times, the payment of the Acquisition Price of an Improvement that is to be financed with the proceeds of the Bonds is made with the expectation that the Acquisition Price for any such Improvement is to be paid by CFD No. 2017-1 (but solely from the proceeds of such Bonds and/or those Special Taxes specified in Section 5), and that the conveyance of such Improvement to the City prior to the receipt of the Acquisition Price, or any portion thereof, for such Improvement shall not be construed as a dedication, gift, or waiver of the payment of the Acquisition Price or any unpaid balance thereof.

Notwithstanding any other provision of this Agreement, the fact that there may not be sufficient funds available in the Improvement Fund or from the proceeds of Special Taxes specified in Section 5 to pay the full amount of the Acquisition Price as calculated pursuant (b) below for one or more Improvements will not relieve Pardee from its obligations consistent with the applicable Conditions of Approval to construct such Improvement.

(b) Determination of the Acquisition Price(s). For purposes of determining the Acquisition Price to be paid by the City for the acquisition of an Improvement, the value of such Improvement shall be the amount determined by the Development Services Director to be the value of the Improvement based on the Actual Costs incurred by Pardee, as specified in Section 4(a).

Upon completion of the construction of an Improvement, Pardee shall deliver to the Development Services Director all of the documents specified in Exhibit "D" to enable the Development Services Director to determine the value of such Improvement. If the Development Services Director determines that such costs, or any of them, are excessive and that the actual value of such Improvement is less than the total amount of such Actual Costs, the Development Services Director shall advise Pardee that the determination of the Acquisition Price (or the ineligible portion thereof) has been disallowed and shall request further documentation from Pardee. If the further documentation is still reasonably determined not to be adequate, the Development Services Director will revise the Acquisition Price to be paid by the City for the acquisition of such Improvement to be the value as reasonably determined by the Development Services Director. The City shall require the Development Services Director to complete its determination of the value of such Improvement as promptly as is reasonably possible.

Within twenty (20) business days of receipt of any Payment Request, the Development Services Director shall notify Pardee whether such Payment Request is complete, and, if not, what additional documentation must be provided. If such Payment Request is complete, the Development Services Director shall provide written approval or denial of the request within thirty (30) days of its submittal. If the Development Services Director disapproves any Payment Request, the Development Services Director shall provide written notice of disapproval to Pardee within such thirty (30) day period stating in reasonable detail the reasons for such disapproval and changes to the Payment Request necessary to obtain the Development Services Director's approval. If the Development Services Director disputes the Acquisition Price of any Improvement covered by the Payment Request, the Development Services Director shall approve for payment an amount equal to the Acquisition Price thereof the Development Services Director determines is appropriate and shall deliver notice of disapproval of the remaining amount. If the Development Services Director disapproves any revised Payment Request, the Development Services Director shall provide a written notice of approval or disapproval to Pardee within ten (10) business days after receipt of the revised Payment Request, which notice shall describe in reasonable detail the reason for denial, if applicable.

The City retains the right to require receipt of all documents specified in Exhibit "D" for each of the Improvements the construction of which has been completed prior to the issuance of Bonds.

(c) Incremental Payment of Acquisition Price of an Improvement. The Acquisition Price for any Improvement shall be payable in not to exceed three increments: (i) the "Base Increment" which shall be an amount equal to seventy-five percent (75%) of the audited, eligible Actual Costs (excluding, however, the applicable Professional Services Costs") as reflected in the Payment Request for payment of the Base Increment submitted by Pardee and as approved by the Development Services Director, (ii) the "Retained Increment" which shall be an amount not to exceed the remaining, unpaid portion of the Acquisition Price (excluding, however, the applicable Professional Services Costs) for such Improvement as reflected in the Payment Request for payment of the Retained Increment submitted by Pardee and as approved by the Development Services Director determined pursuant to the provisions of (b) above and (iii), if after payment of the Base Increment and Retained Increment of the Acquisition Price for all Improvements excluding the Professional Services Costs, the Professional Service Costs from any funds remaining available in the Improvement Fund.

(d) Requisition for Incremental Payment of Acquisition Price of an Improvement.

(i) Base Increment. Pardee may submit only one (1) Payment Request to the Development Services Director for the payment of the Base Increment for an Improvement upon the substantial completion of the construction of such Improvement in accordance with the approved Plans and Specifications. The criteria for determining "substantial completion" of each such Improvement shall mean that construction, or work with respect to such Improvement has progressed to the point where it is sufficiently complete so that such Improvement can be utilized for the purpose for which it was intended. Substantial completion of such an Improvement shall also mean that all components of such Improvement are substantially complete. Each Base Increment payment request must be in the form attached hereto as Exhibit "F," which is incorporated herein by this reference, and conform to the requirements of (f) below. The request

for payment of the Base Increment for an Improvement shall be accompanied by a copy of all of the documents related to the construction of such Improvement set forth in Exhibit "D" with the exception of item 9 but including written conditional lien releases executed by each applicable contractor, subcontractor and materialman in a form satisfactory to the City Attorney of the City (the "City Attorney") for such Improvement.

(ii) Retained Increment. Pardee may submit only one (1) Payment Request to the Development Services Director for the payment of the Retained Increment for an Improvement in the form attached hereto as Exhibit "G," which is incorporated herein by this reference, upon the submission to the Development Services Director of (1) as-built drawings or other equivalent plans and specifications for such Improvement in a form reasonably acceptable to the Development Services Director and (2) written unconditional lien releases from all contractors, subcontractors and materialmen satisfactory to the City Attorney for such Improvement. For any costs not included in Pardee's Payment Request for payment of the Base Increment but requested for payment in the Retained Increment the request shall be accompanied by the documents specified in Exhibit "D" for such Improvement related to such additional costs of the construction of such Improvement if not done so with the Payment Request for payment of the Base Increment.

(iii) Professional Services Costs. If, following the payment of the Base Increment and Retained Increment of the Acquisition Price for all Improvements excluding the Professional Services Costs, funds remain on deposit in the Improvement Fund, Pardee may submit only one (1) Payment Request to the Development Services Director for the payment of Professional Services Costs in the form attached hereto as Exhibit "H," which is incorporated herein by this reference, upon the submission to the Development Services Director of invoices from the provider of such Professional Services Costs clearly describing the services provided by such provider and the Improvement or Improvements for which such services were provided.

(e) Payment. Upon approval of any Payment Request (or any portion thereof) for the Base Increment, the Retained Increment or the Professional Services Costs by the Development Services Director, the Development Services Director shall sign such Payment Request, and forward the same to the Director of Finance who shall, in turn, forward same to the Fiscal Agent for the Improvement Fund unless the Director of Finance withholds such payment pursuant to Section 6 below. Upon receipt of such Payment Request, the Fiscal Agent for the Improvement Fund shall, within five (5) business days of receipt, cause the same to be paid by the Fiscal Agent, to the extent of funds then on deposit in the Improvement Fund. Any such approved Payment Request not paid in whole or in part due to an insufficiency of funds in the Improvement Fund shall be paid promptly following the deposit, if any, into the Improvement Fund of additional proceeds of Bonds or Special Taxes.

(f) Ownership of Improvements. The payment of the Acquisition Price to Pardee for an Improvement shall not transfer ownership of such Improvement or the responsibility for the maintenance of such Improvement to the City. The City shall take ownership of any Improvement only upon the acceptance of such Improvement by the City Council.

(g) Dedications. Further notwithstanding the preceding provisions of this section, the City will not accept any Improvement, unless and until the street rights-of-way and/or easements

where they are located have been dedicated, or offered for dedication, to the City by the recordation of a subdivision or parcel map in the Official Records of the County of San Diego.

(h) Property and Easements. In addition to the dedications required by (f) above, Developers shall, as a condition precedent to the acceptance of any Improvement by the City, grant by appropriate instrument, dedicated to San Diego or the City, prescribed by the Development Services Director and approved by the City Attorney, all parcels of and easements on private property which may be necessary for the proper operation and maintenance of such Improvement.

(i) Maintenance of Improvements. At all times prior to the City's acceptance of any Improvement, Pardee shall be responsible for maintaining such Improvement at Pardee's expense and shall maintain and transfer each such Improvement to the City in as good condition as such Improvement was at the time the City notified Pardee that construction of same had been satisfactorily completed in accordance with the Plans and Specifications minus normal wear.

(j) Warranty of Improvements Constructed by Pardee. Pardee shall be obligated for the period of twelve (12) months immediately following the City's acceptance of such an Improvement to repair or replace, at Pardee's expense, any defects or failures resulting from the work of Pardee, its contractors or agents. Upon the expiration of such twelve (12) month period, Pardee shall assign to City and CFD No. 2017-1 its rights in and to any warranties, guarantees or other evidence of contingent obligations of third persons with respect to such Improvement. [As a condition precedent to the payment of the Retained Increment of the Acquisition Price for such Improvement and the acceptance of such Improvement by the City, Pardee shall, upon the request of the City, consent, agree and request that San Diego assign to the City the rights of San Diego under the improvement security furnished and delivered to San Diego pursuant to the Subdivision Improvement Agreement or Subdivision Improvement Agreements related to such Improvement.]

(k) Ownership of Improvements. Notwithstanding the fact that some or all of the Improvements may be constructed in dedicated street rights-of-way or easements on property which has been or will be dedicated to the City, the Improvements shall be and remain the property of Pardee, and will not be open to the public, until accepted by the City as provided for herein.

(l) Neighborhood Park. In the event that any provisions of (d) through (l) above shall conflict with the provisions of the Park Development Agreement related to that Improvement identified as the Neighborhood Park, the provisions of the Park Development Agreement shall prevail.

Section 5. Source of Funds. Prior to the issuance of the first series of Bonds, the "Assigned Annual Special Tax" (herein referred to as "Special Taxes") shall be levied each fiscal year on parcels classified as "Developed Property" pursuant to and defined in the Rate and Method of Apportionment for CFD No. 2017-1 (the "Rate and Method"), attached hereto as Exhibit "E". The proceeds of such Special Taxes received after the payment or setting aside of, or provision for, administrative expenses of CFD No. 2017-1 shall be made available to directly fund the payment of the Acquisition Price for the Improvements and such amount(s) shall be deposited in

the Improvement Fund for such purposes. Further notwithstanding the preceding provisions of Section 2 of this Agreement, the sole source of funds for the payments by the City to Pardee for the foregoing purposes shall be the proceeds of the sale of the Bonds and Special Taxes collected prior to the issuance of Bonds that are deposited in the Improvement Fund for the payment of the Acquisition Price for the Improvements earned thereon. Neither the City or CFD No. 2017-1 makes any warranty, either expressed or implied, that the amount on deposit in the Improvement Fund, together with the interest thereon, will be sufficient to pay the full amount of the Acquisition Price of the Improvements.

It is understood by Developers that the net proceeds of the Bonds that will be deposited into the Improvement Fund and proceeds of Special Taxes identified in the preceding paragraph, pursuant to the terms of this Agreement and the Fiscal Agent Agreement, and any investment earnings thereon, may not be sufficient to pay the full amount of the costs payable from such fund. If the amount of such proceeds of the Bonds and such Special Taxes are not sufficient to pay the Acquisition Price for any Improvement or Improvements, the timing of the payment of such Acquisition Price or Acquisition Prices and the proportionate amount of such Acquisition Price or Acquisition Prices to be paid will be determined consistent with the terms hereof.

Section 6. Withholding of Payment to Pardee. The City shall have the right to withhold any payment hereunder to Pardee only if Pardee is delinquent in the payment of any assessment installments or special taxes levied by the City, CFD No. 2017-1 or CFD No. 2017-2 on properties then owned by Pardee within CFD No. 2017-1. The Director of Finance shall provide written notice to Pardee of the decision to withhold any such payment and shall specify the reason for such decision. The notice shall identify the delinquent parcels and the amount of such delinquency. Upon receipt by the Director of Finance of evidence reasonably satisfactory to the Director of Finance of the payment of the delinquent special taxes or assessments, the City shall promptly make any payment which has been withheld pursuant to the provisions of this section.

Section 7. Inspection of Records. The City or its agents shall have the right to review all books and records of Pardee pertaining to costs and expenses incurred by Pardee for the design and construction of the Improvements during normal business hours by making arrangements with Pardee. Developers shall have the right to review all books and records of the City pertaining to costs and expenses incurred by the City for the services of the special tax consultant, the appraiser employed by the City to determine the fair market value of the taxable property in CFD No. 2017-1, the market absorption consultant, if any, employed by the City to estimate the absorption period for the dwelling units to be constructed in CFD No. 2017-1 and the financial advisor employed by the City to assist with the issuance and sale of the Bonds, the bond counsel employed by the City to assist with the formation of CFD No. 2017-1 and the issuance and sale of the Bonds, the disclosure counsel employed by the City to assist with the disclosure required for the issuance and sale of the Bonds, the underwriter engaged by the City to purchase the Bonds and its counsel and all other costs and expenses of the City in connection with proceedings for the formation of CFD No. 2017-1, the issuance and sale of the Bonds and the inspection and approval of the construction of the Improvements during normal business hours by making arrangements with the City. Reasonable notice shall be given to both parties prior to the inspection of the records referenced herein. The rights provided under this Section 7 shall survive the termination of this Agreement.

Section 8. Relationship to Public Works; Independent Contractor. This Agreement is for the construction and acquisition of the Improvements and the sale of the Bonds for the payment of construction and acquisition costs for such Improvements and such other amounts as are herein provided, and is not intended to be a public works contract. In performing its obligations under this Agreement, Pardee is an independent contractor and not the agent of City. City shall have no responsibility for payment to any contractor or supplier of Pardee. Notwithstanding the foregoing, Pardee may be subject to certain public contract requirements as provided in Section 2 of this Agreement. It is not intended by the parties that this Agreement create a partnership or joint venture among them, and this Agreement shall not otherwise be construed.

Section 9. Indemnification; Insurance. Pardee shall indemnify and hold harmless the City, its elected and appointed officers, agents and employees (the "Indemnified Parties"), and each and every one of them, from and against any and all claims, losses, liabilities, damages, including court costs and reasonable attorneys' fees by reason of, or resulting from, or arising out of the design, engineering, solicitation of bids, award of contracts, administration of contracts and construction of the Improvements by Pardee, its employees, agents, independent contractors and/or representatives; provided that any claims for personal injury or property damage which relate to the Improvements shall be limited to those arising out of personal injury or property damage caused by actions or omissions by Pardee or Pardee's employees, agents, independent contractors or representatives which occurred during the period prior to the transfer of title to the Improvements by City, whether or not a claim is filed prior to the date of acceptance of the Improvements. Nothing in this Section 9 shall limit in any manner the rights of the City and/or CFD No. 2017-1 against any of the architects, engineers, contractors or other consultants employed by Pardee which has performed work in connection with construction of the Improvements or financing of such construction by Pardee. Notwithstanding the foregoing, Pardee shall have no obligation to defend, indemnify or hold harmless the Indemnified Parties from and against any claims, liabilities, losses or damages (including court costs and attorneys' fees) which result from or arise out of (i) the active negligence or willful misconduct of an Indemnified Party or (ii) a breach of this Agreement by City.

Pardee shall defend with counsel mutually acceptable to the City, at its expense, including attorneys' fees, the Indemnified Parties in any legal or equitable action based upon such alleged acts or omissions, save and except liability or claims arising through (i) the active negligence or willful misconduct of an Indemnified Party or (ii) a breach of this Agreement by City. City's acceptance of such counsel shall not be unreasonably withheld.

Except as set forth in this Section 9, no provision of this Agreement shall in any way limit the extent of the responsibility of Pardee for payment of damages resulting from the operations of Pardee, its agents, employees or contractors.

Pardee shall, within thirty (30) calendar days after the Effective Date, furnish to the City a certificate or certificates of insurance substantiating that it has obtained, as to each Improvement the construction of which commenced prior to the Effective Date, for the entire period of construction of such Improvements a policy of comprehensive general liability insurance with coverage broad enough to include Pardee's contractual obligations under this section and having a combined single limit of liability in the amount of \$2,000,000. Pardee

shall, prior to the commencement of construction of any other Improvement after the Effective Date, furnish to the City a certificate or certificates of insurance substantiating that it has obtained, as to each such Improvement, for the entire period of construction of such Improvements a policy of comprehensive general liability insurance with coverage broad enough to include Developers' contractual obligations under this section and having a combined single limit of liability in the amount of \$2,000,000. Said certificate of insurance shall include an endorsement naming the City, its officers, employees, and agents as additional insureds.

Pardee's obligations pursuant to this Section 9 shall cease upon the acquisition of the Improvements by the City as provided in Section 4.

Section 10. Issuance of Bonds. The City, on behalf of CFD No. 2017-1, shall initiate proceedings to issue and sell the Bonds to be issued by CFD No. 2017-1 pursuant to the Act only upon the receipt of a written request from Developers that the City initiate proceedings to issue and sell such Bonds. The Bonds shall be sized so that as of the date of issuance of the Bonds the aggregate appraised value of all taxable properties within CFD No. 2017-1 shall comply with the value-to-lien standards set forth in the Goals and Policies. The appraised value of taxable property for purposes of this paragraph shall be determined by an independent appraisal undertaken for CFD No. 2017-1 and the City utilizing appraisal assumptions consistent with the Goals and Policies.

The aggregate principal amount of the Bonds which shall be issued and sold shall be in a total amount which is estimated by the City to be sufficient to provide for:

- (a) funding a reserve fund for the payment of principal and interest with respect to the Bonds;
- (b) funding capitalized interest on the Bonds in an amount equal to the amount required to pay interest on the Bonds until sufficient special taxes may be placed on the tax roll to pay the scheduled debt service on the Bonds or for such longer period of time as may be approved by the City Council pursuant to the Goals and Policies;
- (c) paying for costs of issuance of the Bonds including, without limitation, underwriter's discount, bond counsel fees, printing, and paying agent fees;
- (d) paying for the costs of forming CFD No. 2017-1, including reimbursement of advances of funds to the City by Developers and issuance of the Bonds;
- (e) paying for the costs incurred by the City in the administration of this Agreement, including but not limited to, the reimbursement of City staff time, the payment of the fees and expenses of any consultant retained by the City to assist in such administration;
- (f) paying for the costs of administering the Bonds and CFD No. 2017-1 for the first fiscal year following the issuance of the Bonds;
- (g) paying the Acquisition Price of the Improvements;

Notwithstanding the foregoing, the maximum principal amount of the Bonds shall not exceed \$10,300,000.

Subject to the receipt of a written request from Developers, as delineated in the first paragraph of this Section 10, the timing of the issuance and sale of the Bonds, the terms and conditions upon which the Bonds shall be issued and sold, the method of sale of the Bonds and the pricing thereof, following consultation with Developers and consideration of Developers' financing needs and the timing thereof, shall be determined by the City, on behalf of CFD No. 2017-1, in its sole discretion and shall conform to the Goals and Policies, this Agreement and sound municipal finance practice. The sale of the Bonds shall be subject to receipt by the City, on behalf of CFD No. 2017-1, of a competitively bid or negotiated bond purchase agreement which is acceptable to the City. The sale of the Bonds shall also be conditional upon the preparation of an official statement that is, in the sole judgment of CFD No. 2017-1 and the City, "deemed final" as such term is used in Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The City shall determine Developers' credit enhancement obligations, if any, pursuant to the Goals and Policies, following the completion of the appraisal and absorption study for the Project and after submission and review of all required Developers disclosure information and initial drafting of Developers and Project disclosure to be included in the official statement.

The principal amount of the Bonds to be issued shall be determined by CFD No. 2017-1 and the City and shall comply with the Goals and Policies, including but not limited to, the minimum value-to-lien ration and such that the maximum projected annual special tax revenues securing the Bonds equals at least (a) 110% of the projected annual gross debt service on all of the outstanding Bonds plus (b) priority Administrative Expenses (as such term shall be defined in the Fiscal Agent Agreement) in the amount of \$30,000 per year.

Developers shall cooperate with CFD No. 2017-1 and the City in complying with the requirements of the Rule in connection with the issuance and sale of the Bonds. Developers shall provide information to CFD No. 2017-1 and the City regarding their respective operations and financial condition, including a financial pro forma for the Project owned by Developers, acceptable to CFD No. 2017-1 and the City and the disclosure counsel to CFD No. 2017-1 and the City and financial statements for its most recently completed fiscal year prepared or reviewed by the certified public accountant for Developers. Such financial statements need not be audited if Developers would not normally have its financial statements audited. CFD No. 2017-1 and the City, in consultation with disclosure counsel and the underwriter of the Bonds, may determine that some or all of such information will be included in the preliminary official statement and the final official statement for the Bonds. Dependent upon the timing of the sale of the Bonds, each Developer acknowledges that, due to the extent of its property ownership in CFD No. 2017-1, it may be an "obligated person" for purposes of compliance with Rule 15c2-12(b)(5) of the Securities and Exchange Commission and that if such Developer is an "obligated person" at such time, it will therefore be necessary that such Developer enter into a continuing disclosure undertaking, at the time of and in connection with the issuance and sale of the Bonds, that so long as it remains an obligated person it will semi-annually, at the time specified in such undertaking, provide information regarding its financial condition, including, at the City's discretion, financial statements prepared by such Developer's certified public accountant and the status of development and residential and land sale activity within CFD No. 2017-1 to be

included in the semiannual reports which Developer, or a dissemination agent designated in such undertaking, will file with the Nationally Recognized Municipal Securities Information Repositories which are identified by the Securities and Exchange Commission and any state information depository that may be designated for the State of California, as required by that rule. Copies of all such reports shall also be provided to the City and the underwriter of the Bonds. Each Developer further acknowledges that it will be an obligated person pursuant to the Rule with respect to the Bonds as long as it owns property within CFD No. 2017-1 that is responsible for the payment of annual Special Taxes that represent twenty percent (20%) or more of the annual debt service on the Bonds.

Developers shall comply with all applicable requirements of any purchase agreement for the sale of the Bonds, including, but not limited to, the provision of certificate(s) of Developers and opinion of Developers' counsel as may be required pursuant to the terms of such purchase agreement.

If either Developer sells any portion of the property in CFD No. 2017-1 to an entity and if such entity will own property within CFD No. 2017-1 that will be responsible for the payment of Special Taxes that represent twenty percent (20%) or more of the annual debt service on the Bonds, such Developer shall notify such entity that it will be an "obligated person" for purposes of the Rule and that it will be required to enter into a continuing disclosure undertaking as provided in this section. If any such sale occurs prior to the sale of the Bonds, such Developer shall also notify such entity that such entity will be an "obligated person" for purposes of the Rule and will be required to provide the information described hereinabove to be provided by such Developer and to comply with the applicable requirements of any purchase agreement for the sale of the Bonds as set forth in the preceding paragraph applicable to such Developer. TRI Pointe acknowledges that such requirements will apply to TRI Pointe if TRI Pointe becomes an "obligated person" either prior to or following the sale of the Bonds.

Section 11. Notice of Special Tax. Developers, any Development Assignee, or the successor or assigns of Pardee or TRI Pointe shall provide written notice to all potential purchasers of lots in the form required pursuant to Government Code Section 53341.5 and/or such additional requirements as may be established by the City so advising the potential owner of the fact of CFD No. 2017-1, with said document being executed by the potential purchaser. Such notice shall be provided to the potential purchaser a reasonable time before the potential purchaser becomes contractually committed to purchase the lot so that the potential purchaser may knowingly consider the impact of the special tax in the decision to purchase the lot. A copy of all such notices executed by actual purchasers shall be sent to the Director of Finance.

Section 12. Assignment. Developers may assign this Agreement and each of their respective rights and obligations hereunder to a corporation, limited partnership or limited liability company that may be created for the purpose of developing all or any portion of the Property owned by Developers (the "Development Assignee") and under common control with Pardee or TRI Pointe, as applicable, (*i.e.*, the same person or entity has controlling majority ownership interest in both Pardee or TRI Pointe, as applicable, and the Development Assignee). Pardee may also assign its right to receive payment of the Acquisition Price for the completed Improvements to a financial institution or financial participant to secure the repayment of a loan or advance of funds for the development of the Property. Except as previously provided in this

section, Developers may not assign each of their respective rights or obligations pursuant to this Agreement without the prior express written consent of the City that shall not be unreasonably withheld.

Section 13. Notices. Except as otherwise specified herein, all notices or other communication provided for in this Agreement shall be in writing, and shall be (a) delivered personally, (b) sent by reputable overnight mail equivalent carrier, (c) sent by registered or certified mail, return receipt requested, postage prepaid, or (d) transmitted by confirmed e-mail (which shall be immediately confirmed by one of the other notice methods described in this Section 15), in each case addressed to the person to receive such notice or communication at the following addresses, and shall be effective upon receipt or refusal to accept delivery:

If to the City:	City of Santee 10601 Magnolia Avenue Santee, CA 92071 Attention: City Manager
If to Pardee:	Pardee Homes, Inc. 13400 Sabre Springs Parkway, Suite 200 San Diego, CA 92128 Attention: Allen Kashani
If to TRI Pointe:	TRI Point Homes, Inc. 19520 Jamboree Road, Suite 200 Irvine, CA 92612 Attention: Rick Wood

Notice of change of address shall be given by written notice in the manner set forth in this section.

Section 14. Required Actions of the City, Pardee and TRI Pointe. The City and Developers agree to execute all instruments and documents and to take all actions as may be required in order to consummate the transactions contemplated by this Agreement.

Section 15. Entire Agreement; Conflict. This Agreement, together with the Reimbursement Agreement, contains the entire agreement between the parties concerning the subject matter of this Agreement, together with the Reimbursement Agreement, and supersedes all other prior agreements, understandings, or negotiations (whether oral or written). No addition or modification of any term or provision shall be effective unless set forth in writing and signed by the City and Pardee and/or TRI Pointe, as applicable.

Section 16. Conflict with Other Agreements. To the extent that the provisions of this Agreement conflict with the provisions of the Annexation Agreement, the provisions of the Annexation Agreement shall control. City and Developers agree that by entering into the Park Development Agreement and the Right of Way Improvement Agreement City and Developers acknowledge and agree that the terms and conditions of such agreements do not conflict with the Annexation Agreement.

Subject to the provisions of the preceding paragraph, nothing contained herein shall be construed as affecting or intending to affect, impairing the rights and obligations or releasing the Developers or the City from any condition of development or requirement imposed by any other agreement between the City and the Developers, and, in the event of a conflicting provision, the agreement containing the more specific provision shall prevail unless the conflicting provision is specifically waived or modified in writing by the City and the Developers.

Section 17. Agreement Contingent. Any party may, at its individual option, suspend the performance of its obligations under this Agreement if any legal challenge is filed relating to the validity or enforceability of this Agreement, CFD No. 2017-1 proceedings or the issuance of the Bonds. The obligations of the City, Pardee, TRI Pointe and CFD No. 2017-1 hereunder shall be reinstated upon the entry of a final judgment in any such proceedings upholding the validity and enforceability of the Agreement, CFD No. 2017-1 proceedings or the issuance of the Bonds, as applicable. In the event that a final judgment or other final and non-appealable resolution is entered invalidating or declaring unenforceable this Agreement, CFD No. 2017-1 proceedings or the issuance of the Bonds, the City, Pardee or CFD No. 2017-1 may, at their option, terminate this Agreement.

Section 18. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

Section 19. Severability. If any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal, or unenforceable, such portion shall be deemed severed from this Agreement, and the remaining parts of this Agreement shall remain in full force and effect, as fully as though such invalid, illegal, or unenforceable portion had never been part of this Agreement.

Section 20. Headings. Headings at the beginning of each section and subsection are solely for convenience of reference and are not a part of this Agreement.

Section 21. Construction. Whenever the context of this Agreement requires the same, the singular shall include the plural, and the masculine, feminine and neuter shall include the others. Without limitation, unless the context indicates otherwise, any defined term used in the plural shall refer to all members of the relevant class, and any defined term used in the singular shall refer to any member of the relevant class. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if all parties had prepared it. The term "Agreement" includes such exhibits (as exhibits and, if appropriate, as subsequently executed agreements and instruments). If the day on which any party is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day. Any reference in this Agreement to an agreement or other instrument shall mean such agreement or instrument as it may from time to time be supplemented, modified, amended, and extended in accordance with the terms of this Agreement. This Agreement is executed and delivered in the State of California and shall be construed and enforced in accordance with, and governed by, the laws of the State of California.

Section 22. No Waiver. No waiver by a party of any default by another party under this Agreement shall be implied from any omission or delay by the non-defaulting party to take action on account of the default if the default persists or is repeated. Any waiver of any covenant, term or condition contained in this Agreement must be in writing. Any such express written waiver shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition, nor shall it affect any default other than the default expressly made the subject of the waiver. Any such express waiver shall be operative only for the time and to the extent stated in the waiver. The consent or approval by a party to or of any act by the other party shall not be deemed to waive or render unnecessary consent or approval to or of any subsequent act.

Section 23. No Third Party Beneficiaries. This Agreement shall not be deemed to confer any rights upon any individual or entity which is not a party hereto, and the parties hereto expressly disclaim any such third-party benefit.

Section 24. Force Majeure. Whenever performance is required of a party hereunder, that party shall use all due diligence and take all necessary measures in good faith to perform, but if completion of performance is delayed by reasons of floods, earthquakes or other acts of God, war, terrorism, civil commotion, riots, strikes, picketing, or other labor disputes, damage to work in progress by casualty, or by other cause beyond the reasonable control of the party (financial inability excepted), then the specified time for performance shall be extended by the amount of the delay actually so caused.

Section 25. Authority of Signatories. Each signatory and party hereto hereby represents and warrants to the other party that it has legal authority and capacity and direction from its principal to enter into this Agreement, and that all resolutions and/or other actions have been taken so as to enable such party to enter into this Agreement.

Section 26. Attorneys' Fees. Notwithstanding any other provision in this Agreement, should any party to this Agreement commence a court action or proceeding to interpret or enforce any provision of this Agreement, against any other party with respect to this Agreement or with respect to the design, construction or acquisition of the Improvements or the issuance and sale of the Bonds, the party prevailing in such action or proceeding shall be entitled to receive from the losing party its reasonable attorneys' fees, expert witness' fees, court costs and other costs incurred in prosecuting or defending such action or proceeding, including costs and fees incurred on appeal and in enforcing any judgment which may be rendered on the underlying action, in addition to such other amounts as the court determines are appropriate.

Section 27. Termination and Dissolution. Prior to the issuance of Bonds, Developers may elect to terminate this Agreement and request that the Special Taxes be cancelled by providing written notice to the City. Within thirty (30) days of such written notice, the City shall request the City to record a notice of cancellation of the Special Taxes with respect to each parcel. Developers shall be responsible for reasonable City costs incurred relating to the cancellation of the Special Taxes and recordation of such notice; provided, however, that the City shall not terminate the Special Taxes for any lot for which a building permit has been issued, unless Developer pays all City fees or posts separate security therefore. Such termination of this Agreement and cancellation of Special Taxes shall have no effect on Developers' obligations to pay City fees when due or construct Improvements. Additionally, such termination shall not

affect the obligations of the Developers to pay special taxes levied by CFD No. 2017-2 on properties owned by the Developers in CFD No. 2017-2.

(Signatures are on the following page.)

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of the date first above written.

CITY OF SANTEE

By: Marilyn D. Best
City Manager

ATTEST:

[Signature]
City Clerk

APPROVED AS TO FORM:

By: [Signature]
Shawn Hagerty, City Attorney for
City of Santee

PARDEE HOMES, INC., a California corporation

By: _____
Jimmy Ayala

Title: Division President

TRI POINTE HOMES, INC., a Delaware corporation

By: _____
Tom Grable

Title: Division President

By: _____
Rick Wood

Title: Vice President of Project Management

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of the date first above written.

CITY OF SANTEE

By: _____
City Manager


ATTEST:

City Clerk

APPROVED AS TO FORM:

By: _____
Shawn Hagerty, City Attorney for
City of Santee

PARDEE HOMES, INC., a California corporation

By: 
Jimmy Ayala

Title: Division President

TRI POINTE HOMES, INC., a Delaware corporation

By: _____
Tom Grable

Title: Division President

By: _____
Rick Wood

Title: Vice President of Project Management

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of the date first above written.

CITY OF SANTEE

By: _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

By: _____
Shawn Hagerty, City Attorney for
City of Santee

PARDEE HOMES, INC., a California corporation

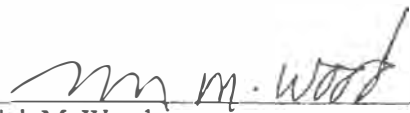
By: _____
Jimmy Ayala

Title: Division President

TRI POINTE HOMES, INC., a Delaware corporation

By: 
Thomas G. Grable

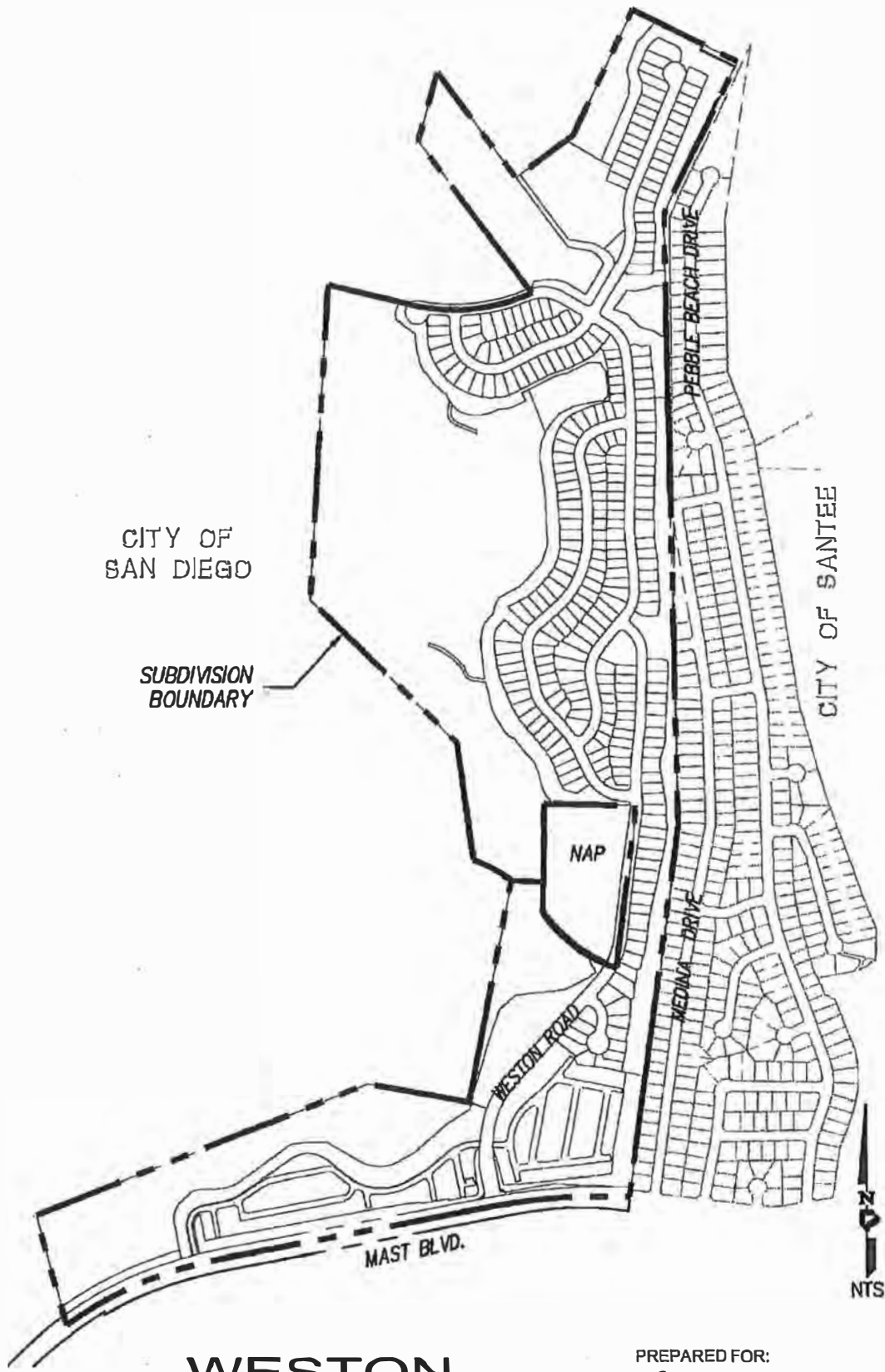
Title: Division President – Southern California
Senior Vice President

By: 
Rick M. Wood

Title: Vice President of Project Management

EXHIBIT "A"

MAP OF THE PROPERTY



PREPARED BY:



PROJECT DESIGN CONSULTANTS
 Planning | Landscape Architecture | Engineering | Survey
 701 B Street, Suite 800 San Diego, CA 92101
 619.238.0471 Tel 619.234.0348 Fax

WESTON
 EXHIBIT 'A'

PREPARED FOR:



Pardee Homes
 13400 Cabre Springs Parkway, Suite 200
 San Diego, CA 92128
 Tel. (606) 794-2531, Fax (606) 794-2600

EXHIBIT "B"

DESCRIPTION OF IMPROVEMENTS

Improvements:

A. Initial Improvements. (City)*

The Improvements as identified in Exhibit A to the Reimbursement Agreement. Mast Blvd improvements including but not limited to street and traffic signal improvements, median, curb, gutter, sidewalk, street lights, street signs, pedestrian ramps, trail and fencing, striping, signage, dry utilities**, and appurtenant facilities and expenses.

B. Post Formation Improvements.

(1) Weston Road (Street A) (San Diego)

Street improvements, including compact & finegrade, paving, curb, gutter, sidewalk, driveways, pedestrian ramps, striping & signage, and appurtenant facilities and expenses.

(2) Bridge (Vistamount Way) (San Diego)

Bridge improvements including construction, excavation, backfill, temporary crossing, and appurtenant facilities and expenses.

(3) Neighborhood Park (4.47-Acre) (San Diego and City)***

Park Improvements, including Earthwork/Grading, Civil Improvements, Utility Work, SWPPP/BMP, Site Furnishings, Paving & Surfaces, Irrigation, and Planting.

(4) Trail & Fencing (San Diego) **

DG Trail and PCC Gutter, Lodge Pole Fencing. **

(5) Dry Utilities (San Diego) **

*The entity set forth in parentheses following the description of each Improvement will be responsible for the inspection of such Improvement pursuant to Section 2(c) and (d).

**To the extent the Acquisition Price for Improvements consisting of (a) dry utilities to be owned by a public utility, (b) DG Trail, PCC Gutter, Lodge Pole Fencing or any other such Improvement or portion thereof to be owned by a private entity, including but not limited to, a homeowner's association, or (c) any combination of Improvements described in (a) and (b), is proposed to be paid from the proceeds of Bonds, the aggregate Acquisition Price of all such Improvements paid for with the proceeds of such Bonds may not exceed five percent (5%) of such proceeds that are eligible to pay for the Acquisition Price of all Improvements.

*** Pursuant to Section 6.1.2 of the Park Development Agreement, Pardee is required to complete the construction of all improvements as shown on the approved final grading, building and landscaping plans to the satisfaction of the Santee Director of Developmental Services.

EXHIBIT "C"

REIMBURSEMENT AGREEMENT

**COMMUNITY FACILITIES DISTRICT REIMBURSEMENT AGREEMENT
(Castlerock)**

THIS AGREEMENT is made and entered into this ²²27 day of April, 2016, by and between the CITY OF SANTEE, a municipal corporation ("City"), and Pardee Homes, Inc. a California corporation ("Applicant").

RECITALS

- A. The Applicant has made application with the City to request that the City initiate proceedings under the provisions of the "Mello-Roos Community Facilities Act of 1982," as amended (Government Code Section 53311 and following), to form a community facilities district (the "Community Facilities District") to finance the acquisition and/or construction of certain public improvements (the "Improvements"). The construction of such Improvements is required as a precondition to the development of properties owned and/or to be developed by the Applicant or affiliates of the Applicant within that development commonly known as Castlerock.
- B. Applicant agrees to advance funds to the City for the payment of all initial consulting and administration costs and expenses related to the proceedings to consider the formation of the Community Facilities District (the "Formation Proceedings") and the proceedings to subsequently authorize, issue and sell bonds for the Community Facilities District (the "Bond Issuance Proceedings"). Such monies shall be subject to reimbursement or credit pursuant to the provisions of this Agreement upon the successful sale of bonds for the Community Facilities District and the receipt by the City of the proceeds of such bonds.
- C. Applicant requested that prior to the formation of the Community Facilities District Applicant may, at its election, solicit bids for and contract for the construction of certain Improvements which are identified in Exhibit "A" hereto (the "Initial Improvements"). Applicant may request that the Initial Improvements be eligible to be acquired from the proceeds of special taxes authorized to be levied within Community Facilities District (the "Special Taxes") or bonds issued by the Community Facilities District (the "Bonds") to be secured by such Special Taxes notwithstanding the fact that construction of some or all of such Initial Improvements be may be completed and such Initial Improvements may be accepted by the City prior to (i) the City and the Applicant entering into an agreement to establish the terms and conditions pursuant to which the acquisition or construction of specified Improvements may be financed by the Community Facilities District (an "Acquisition and Funding Agreement") or (ii) the completion of the Formation Proceedings and the formation of the Community Facilities District.
- D. The parties hereto wish to enter into an Agreement to memorialize the terms and conditions pursuant to which Applicant shall advance monies and the monies so advanced may, subject to certain conditions contained herein, be reimbursed or credited against future special tax obligations and to preserve the ability for the Community Facilities District to finance the acquisition of the Initial Improvements and for the City to acquire such Initial Improvements.

AGREEMENT

The parties hereto, for mutual consideration, agree as follows:

SECTION 1. Advances.

A. Applicant shall advance monies to the City in such amounts and at such times as specified below to pay all reasonable and necessary costs and expenses incurred by the City in undertaking the Proceedings (except those costs and expenses which are contingent upon the issuance of bonds for the Community Facilities District and payable solely from the proceeds of such bonds), including without limitation, the following:

1. Special tax consultant services;
2. Bond counsel services provided as a part of the Formation Proceedings;
3. Bond counsel services provided as a part of the Bond Issuance Proceedings (the initial deposit for such services shall be required to be made following the formation of the Community Facilities District);
4. Financial advisory services;
5. Disclosure counsel services (the initial deposit for such services shall be required to be made following the formation of the Community Facilities District);
6. Appraisal and market absorption services (the initial deposit for such services shall be required to be made following the formation of the Community Facilities District); and
7. City staff and City Attorney time.

All such costs and expenses are collectively referred to as the "Formation and Issuance Costs."

B. Advances shall be made to the City pursuant to the following schedule:

1. Applicant shall advance the amount of \$43,500, receipt of which is hereby acknowledged by the City.
2. If monies in addition to the initial advance are necessary to pay for the Formation and Issuance Costs, the City shall as necessary and from time to time make written demand upon Applicant and Applicant shall immediately thereafter, within seven (7) working days of the date of such notice, deposit said monies with the City to pay for the balance of the Formation and Issuance Costs. If such additional monies are not timely received, all Proceedings shall, at the option of the City, be suspended until such monies are received. City will provide written notice to Applicant when the remaining initial advance is reduced to \$5,000.
3. The City may, following the completion of the Formation Proceedings and the formation of the Community Facilities District, make written demand upon Applicant for an initial

deposit for the services identified in A.3, 5 and 6 and Applicant shall be required to such monies with the City. If such monies are not timely received, all Bond Issuance Proceedings shall, at the option of the City, be suspended until such monies are received

SECTION 2. Records. The City agrees to keep records consistent with its regular accounting practices of the amount of monies advanced and the expenditure of such monies. Additionally, the City shall enter into and maintain contracts with all consultants that shall specify the scope of services and compensation to be paid to all such consultants. Such records and contracts shall be available for review by the Applicant during normal business hours upon reasonable notice to the City. City will provide Applicant, within fifteen (15) days of request, a summary that itemizes how the monies advanced have been spent.

SECTION 3. Reimbursement. If the Community Facilities District is formed and bonds are issued for the Community Facilities District, all monies advanced which have been expended and/or committed by the City prior to the issuance of such bonds to pay outstanding Formation and Issuance Costs incurred by the City shall be reimbursed to the Applicant in cash solely from the proceeds of such bonds and any remaining monies advanced shall be returned to the Applicant.

If the Proceedings to form the Community Facilities District are not completed and are abandoned for any reason at any time prior to the successful sale of bonds or the Community Facilities District is unable for any reason to issue or sell the bonds, there will be no obligation on the part of the City or the Community Facilities District to reimburse Applicant for any monies previously advanced pursuant to this Agreement; provided, however, the City does agree to return to Applicant within fifteen (15) days any monies previously advanced which remain on deposit with the City and which the City determines are in excess of the amount necessary to pay for any outstanding Formation and Issuance Costs previously incurred by the City.

SECTION 4. Ownership of Documents. All appraisals, market absorption studies, special tax pro formas and other documentation as prepared as a part of the Proceedings shall become the property of the City, regardless as to whether the Community Facilities District is actually formed. Applicant shall have the right to timely receive all documents and other work product prepared by City consultants in connection with the Formation and Issuance Costs, except for documents and other work product subject to the attorney-client work product privileges.

SECTION 5. No Obligation to Form Community Facilities District. Applicant and City acknowledge that the obligation of the City is limited to initiating and diligently pursuing, subject to the provisions herein, proceedings to form the Community Facilities District and subsequently issue bonds to finance the acquisition and/or construction of the designated public facilities. However, Applicant further acknowledges that the decision of the City Council to form the Community Facilities District is an exercise of the legislative authority of the City Council and that the City may not enter into a contract to obligate the City Council to exercise its legislative discretion in a particular way. This Agreement does not, therefore, in any way create a contractual, legal or equitable obligation of or commitment by the City to approve the formation of the Community Facilities District. The City expressly reserves the right to abandon the Proceedings for any reason at any time prior to the completion thereof. Should Applicant desire to abandon the Formation Proceedings and/or the Bond Issuance Proceedings, Applicant shall provide written notification of such desire to the City and request the City to immediately terminate all consulting agreements and use all efforts to minimize any and all Formation and Issuance Costs.

SECTION 6. Eligibility of the Initial Improvements to be Financed Through the Community Facilities District. Applicant, in order to proceed in a timely way with development of the Property, may elect to initiate construction of the Initial Improvements, or any part thereof, prior to (i) the City and the Applicant entering into an Acquisition and Funding Agreement to establish the terms and conditions pursuant to which the acquisition or construction of Improvements may be financed by the Community Facilities District or (ii) the completion of the Formation Proceedings and the formation of the Community Facilities District. Such Initial Improvements may be accepted by the City, following the completion of the construction thereof, and, notwithstanding such acceptance, such Initial Improvements will be eligible to be acquired by the City from the proceeds of Special Taxes authorized to be levied within the Community Facilities District, bonds issued by the Community Facilities District, or a combination thereof if the Applicant shall have constructed or caused the construction thereof in accordance with the requirements set forth in Exhibit B hereto.

Notwithstanding that the Applicant may construct the Initial Improvements pursuant to the requirements set forth in Exhibit B hereto so as to preserve the eligibility of such improvements to be acquired by the City from the proceeds of Special Taxes or bonds issued by the Community Facilities District, City and Applicant acknowledge that the terms and conditions pertaining to the determination of the acquisition price for the Initial Improvements, the conditions precedent to the payment of such acquisition price and the timing of such payment shall be subject to the mutual agreement of the City and Applicant and shall be incorporated into the Acquisition and Funding Agreement.

SECTION 7. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SECTION 8. Authority to Execute Agreement. The City and the Applicant represent that the individuals signing this Agreement have full right and authority to bind their respective parties to this Agreement.

SECTION 9 Best Efforts. The parties promise to use their best efforts to satisfy all conditions to this Agreement and to take all further steps and execute all further documents reasonably necessary to put this Agreement into effect.

SECTION 10. Successor and Assigns. This Agreement shall be binding on and inure to the benefit of the respective parties and their respective heirs, legal representatives, successors and assigns. Applicant may not assign its rights or obligations hereunder except upon written notice to City within ten (10) days of the date of such assignment indicating the name and address of the assignee. Upon such notice and the assumption by the assignee in writing delivered to the City of the rights, duties and obligations of the Applicant arising under or from this Agreement, Applicant shall be released for all future duties or obligations arising under or from this Agreement.

SECTION 11. Singular and Plural; Gender. Whenever used herein, the singular number shall include the plural, the plural number shall include the singular, and the masculine feminine or neuter gender shall include the others whenever the context of the Agreement so indicates.

SECTION 12. Entire Agreement. This Agreement contains the entire Agreement between the parties hereto with respect to the subject matter hereof. This Agreement may not be altered, modified or amended except by an instrument in writing executed by all of the parties.

SECTION 13. Governing Law. This Agreement has been executed in and shall be governed by the laws of the State of California.

SECTION 14. Construction. This Agreement shall be construed as a whole and in accordance with its fair meaning. Captions and organizations are for convenience and shall not be used in construing meaning.

SECTION 15. Severability. In the event that any one or more of the provisions of this Agreement that is or are material to the entering into this Agreement by either Applicant or the City shall for any reason be held to be unenforceable in any material respect by a court of competent jurisdiction, Applicant and the City may mutually agree that such unenforceability shall not affect any other provision of this Agreement, and that this Agreement shall be construed as if such unenforceable provision or provisions had never been contained herein. If Applicant and the City fail to so mutually agree, this Agreement shall terminate, without penalty to either party, after the giving by one party of thirty (30) days' prior written notice to the other party. In such event, the City shall use all efforts to minimize any and all Formation and Issuance Costs and shall return to Applicant any monies previously advanced which remain on deposit with the City and which the City determines are in excess of the amount necessary to pay for any outstanding Formation and Issuance Costs previously incurred by the City.

SECTION 16. Notices. All notices and demands shall be given in writing by personal delivery or first-class mail, postage prepaid. Notices shall be addressed as appears below for the respective party; provided that, if any party gives notice of a change of name of address, notices to the giver of that notice shall thereafter be given as demanded in that notice. Notices shall be deemed received seventy-two (72) hours after deposit in the United States mail.

CITY: CITY OF SANTEE
10601 Magnolia Avenue
Santee, CA 92071
Attention: City Manager

APPLICANT: PARDEE HOMES
13400 Sabre Springs Parkway, Suite 200
San Diego, CA 92128
Attention: Jimmy Ayala

WITH A COPY TO: SHEPPARD MULLIN RICHTER & HAMPTON LLP
501 West Broadway, 19th Floor
San Diego, CA 92101
Attention: John E. Ponder

SECTION 17. Time of the Essence. Time is of the essence in the performance of the parties respective obligations herein contained.

SECTION 18. Waiver. The waiver by one party of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be considered a waiver by him of any other covenant, condition or promise. The waiver by either or both parties of the time for performing any act shall not constitute a waiver of the time for performing any other act or an identical act required to be performed at a later time. The exercise of any remedy provided in this Agreement shall not be a waiver of any consistent remedy provided by law, and any provision of this Agreement for any remedy shall not exclude other consistent remedies unless they are expressly excluded.

SECTION 19. Amendment. No provision of this Agreement may be modified, waived, amended or added to except by a writing signed by the party against which the enforcement of such modification, waiver, amendment or addition is or may be sought.

[Remainder of this page intentionally left blank.]

Signature Page
to
Community Facilities District Reimbursement Agreement
between
the City of Santee
and
Pardee Homes, Inc.

IN WITNESS WHEREOF, City and Applicant have executed this Agreement thereby indicating that they have read and understood same, and indicate their full and complete consent to its terms.

CITY OF SANTEE

By: Markus D. Best
City Manager

Attest:

Patsy Ball 5/2/16
City Clerk

Approved as to Form:

MA
City Attorney
City of Santee

Pardee Homes, Inc., a California corporation

By: Jimmy Ayala
Name: Jimmy Ayala
Title: Division President

EXHIBIT A

DESCRIPTION OF THE INITIAL IMPROVEMENTS

Mast Blvd improvements including but not limited to street and traffic signal improvements, median, curb, gutter, sidewalk, street lights, street signs, pedestrian ramps, trail and fencing, striping, signage, dry utilities, and appurtenant facilities and expenses.

EXHIBIT B

DESIGN, BIDDING AND CONSTRUCTION
OF THE INITIAL IMPROVEMENTS

A. Plans and Specifications of the Initial Improvements.

Applicant shall complete or cause the completion of the design of the Initial Improvements and prepare the plans and specifications of the Initial Improvements (the "Plans and Specifications") in a form and substance which is satisfactory to the City Engineer of the City (the "City Engineer"). Upon approval of the Plans and Specifications by the City Engineer, Applicant may proceed with the construction of the Initial Improvements in accordance with the provisions of B. below.

B. Bidding and Construction of the Initial Improvements.

In order to insure that the Initial Improvements will be constructed as if they had been constructed under the direction and supervision, or under the authority of, the City, so that they may be acquired by the City pursuant to Section 53313.5 of the California Government Code, Applicant shall comply with all of the following requirements with respect to the construction of the Initial Improvements:

(1) Applicant shall receive bids for the construction of the Initial Improvements from at least three qualified bidders. Applicant may solicit bids based on Plans and Specifications that have received second plan check review from the City Engineer. However, if Applicant elects to proceed in this manner, it may not award a contract for the construction of the Initial Improvements unless and until it shall have delivered Plans and Specifications that have been finally approved by the City Engineer sufficiently in advance of the scheduled bid opening so that the bidders will have an adequate opportunity to base their bids on such finally approved Plans and Specifications.

(2) The contract or contracts for the construction of the Initial Improvements shall be awarded to the qualified bidder(s) submitting the lowest responsive bid(s) for the construction of the Initial Improvements.

(3) Applicant shall require, and the Plans and Specifications and bid and contract documents shall require, all such contractors to pay prevailing wages and to otherwise comply with applicable provisions of the California Labor Code and the California Public Contract Code relating to public works projects of cities and as required by the procedures and standards of the City with respect to the construction of its public works projects.

(4) Applicant and all such contractors shall comply with such other requirements relating to the construction of the Initial Improvements that the City may impose by written notification delivered to Applicant and each such contractor at any time either prior to the receipt of bids by Applicant for the construction of the Initial Improvements or, to the extent required as a result of changes in applicable laws or as necessitated to protect the public health and safety, during the progress of construction thereof.

(5) Applicant and Applicant's contractors shall comply with all requirements of the applicable subdivision improvement agreement, if any, in the construction of all Initial Improvements.

(6) Applicant shall provide proof to the City, at such intervals and in such form as the City may require, that the foregoing requirements have been satisfied as to all of the Initial Improvements.

C. Inspection of Initial Improvements; Completion of Construction. The City shall have responsibility for providing inspection of the work of construction of the Initial Improvements to insure that the work of construction is accomplished in accordance with the Plans and Specifications. The City's personnel shall have access to the site of the work of construction at all reasonable times for the purpose of accomplishing such inspection. Upon the completion of the construction of the Initial Improvements to the satisfaction of the City's inspectors, Applicant shall notify the City in writing that the construction of the Initial Improvements has been completed in accordance with the Plans and Specifications. Upon receiving such written notification from Applicant, and upon receipt of written notification from its inspectors that construction of the Initial Improvements has been completed in accordance with the Plans and Specifications and the City's standard requirements, the City shall in a timely manner notify Applicant in writing that the construction of the Initial Improvements has been satisfactorily completed. Upon receiving such notification, Applicant shall forthwith file with the County Recorder of the County of San Diego (the "County Recorder") a Notice of Completion with respect to the Initial Improvements pursuant to the provisions of Section 3093 of the Civil Code. Applicant shall furnish to the City a duplicate copy of each such Notice of Completion showing thereon the date of filing with the County Recorder.

EXHIBIT "D"

DOCUMENTATION TO BE PROVIDED TO CITY BY OWNER REGARDING DETERMINATION OF ACQUISITION PRICE OF THE IMPROVEMENTS

To assist the City in determining the Acquisition Price for completed Improvements, Pardee shall provide the following documents to the City:

1. Plans, specifications and engineer's cost estimate;
2. List of bidders from whom bids were requested;
3. Bids received for the construction of the Improvements;
4. Construction schedules and progress reports;
5. Contracts, insurance certificates and change orders with each contractor or vendor;
6. Invoices received from all vendors;
7. Canceled checks for payments made to contractors and vendors, copy both front and back of canceled checks;
8. Microsoft Excel spreadsheet showing total costs incurred in the construction of each Improvement and the check number for each item of cost and invoice;
9. Final lien releases from each contractor and vendor;
10. Written confirmation from San Diego for any Improvement that San Diego is responsible to inspect that the construction of such Improvement has been completed in accordance with the Plans and Specifications and San Diego's standard requirements applicable to the construction of such Improvement.
11. Such further documentation as may be reasonably required by the City to evidence the completion of construction and the payment of each item of cost and invoice.
12. With respect to Professional Service Costs, invoices received from the providers of such Professional Services Costs describing (a) the professional services provided and (b) the Improvement or Improvements for which such professional services were provided, together with canceled checks, or other documents satisfactory to the Development Services Director, evidencing payments made to such providers for such professional services.

EXHIBIT E

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

DOC# 2017-0472215



Oct 12, 2017 11:16 AM

OFFICIAL RECORDS
Ernest J. Dronenburg, Jr.,
SAN DIEGO COUNTY RECORDER
FEES: \$63.00

PAGES: 17

170
RECORDING REQUESTED BY AND

WHEN RECORDED MAIL TO

City of Santee
10601 Magnolia Avenue
Santee, California 92071

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

**NOTICE OF SPECIAL TAX LIEN
FOR COMMUNITY FACILITIES DISTRICT NO. 2017-2
(WESTON MUNICIPAL SERVICES)
OF THE CITY OF SANTEE**

Pursuant to the requirements of Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Government Code, the undersigned City Clerk of the City of Santee, County of San Diego, State of California, hereby gives notice that a lien to secure payment of a special tax is hereby imposed by the City Council of the City of Santee, County of San Diego, State of California. The special tax secured by this lien is authorized to be levied for the purpose of paying for the provision of municipal services described in Exhibit "A" attached hereto and by this reference made a part hereof.

The special tax is authorized to be levied within Community Facilities District No. 2017-2 (Weston Municipal Services) of the City of Santee, County of San Diego, State of California (the "Community Facilities District"), which has now been officially formed and the lien of the special tax is a continuing lien that shall secure each annual levy of the special tax and shall continue in force and effect until the special tax ceases to be levied and a notice of cessation of special tax is recorded in accordance with Section 53330.5 of the Government Code.

The rates, method of apportionment, and manner of collection of the authorized special tax are as set forth in Exhibit "B" attached hereto and by this reference made a part hereof. The special tax may not be prepaid.

Notice is further given that upon the recording of this notice in the office of the County Recorder, the obligation to pay the special tax levy shall become a lien upon all nonexempt real property within the Community Facilities District in accordance with Section 3115.5 of the Streets and Highways Code.

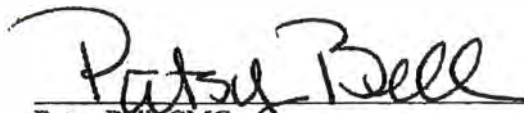
The names of the owners and the assessor's tax parcel numbers of the real property included within the Community Facilities District and not exempt from the special tax are set forth in Exhibit "C" attached hereto and by this reference made a part hereof.

Reference is made to the boundary map of the Community Facilities District recorded on September 1, 2017, in Book 46 of Maps of Assessment and Community Facilities Districts, at Page 94, and as Instrument No. 2017-7000339, in the office of the County Recorder for the County of San Diego, State of California, which map is now the final boundary map of the Community Facilities District.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact City of Santee Finance Department, 10601 Magnolia Avenue, Santee, California 92071, (619) 258-4100, ext. 144.

Dated: October 11, 2017





Patsy Bell, CMC
City Clerk of the City of Santee

EXHIBIT "A"

**COMMUNITY FACILITIES DISTRICT NO. 2017-2
(WESTON MUNICIPAL SERVICES)
OF THE CITY OF SANTEE**

DESCRIPTION OF THE SERVICES

The services which may be funded with proceeds of Special Tax A of CFD No. 2017-2, as provided by Section 53313 of the Act, include the following:

Public safety services, including police protection, law enforcement and code enforcement services, fire protection services and ambulance and paramedic services, and community development services, maintenance and lighting of parks, parkways, streets and open space, which maintenance and lighting services may include, without limitation, furnishing of electrical power to street lights; repair and replacement of damaged or inoperative light bulbs, fixtures and standards; maintenance (including irrigation and replacement) of landscaping vegetation situated on or adjacent to parks, parkways, streets and open space; maintenance and repair of irrigation facilities; maintenance of public signage; graffiti removal from and maintenance and repair of public structures situated on parks, parkways, streets and open space; and maintenance and repair of recreation program equipment or facilities situated on any park, storm water and drainage facilities in the public right of way required to be maintained by the City and costs including the salaries of City staff related to the foregoing and a proportionate share of City overhead costs related to the foregoing.

The services which may be funded with the proceeds of Special Tax B (Contingent) of CFD No. 2017-2, as provided by Section 53313 of the Act, include the following:

All costs attributable to maintaining, servicing, cleaning, repairing and/or replacing the storm water and drainage facilities required to be constructed as a condition of approval of the development of the property within CFD No. 2017-2, and costs including the salaries of City staff related to the foregoing and a proportionate share of City overhead costs related to the foregoing.

EXHIBIT "B"

**RATE AND METHOD OF APPORTIONMENT FOR
COMMUNITY FACILITIES DISTRICT NO. 2017-2
(WESTON MUNICIPAL SERVICES)
OF THE CITY OF SANTEE**

The following sets forth the Rate and Method of Apportionment for the levy and collection of an Annual Special Tax A and an Annual Special Tax B (Contingent) in Community Facilities District No. 2017-2 (Weston Municipal Services) of the City of Santee ("CFD No. 2017-2"). An Annual Special Tax A shall be levied on and collected in CFD No. 2017-2 each Fiscal Year, in an amount determined through the application of the Rate and Method of Apportionment described below. An Annual Special Tax B (Contingent) shall be levied on and collected in CFD No. 2017-2 in any Fiscal Year as determined by the City through the application of the Rate and Method of Apportionment described below. All of the real property within CFD No. 2017-2, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

**SECTION A
DEFINITIONS**

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on the Assessor's Parcel Map, the land area as shown on the applicable Final Map, or if the land area is not shown on the applicable Final Map, the land area as calculated by the CFD Administrator or City engineer.

"Act" means the Mello-Roos Community Facilities Act of 1982 as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of CFD No. 2017-2, including but not limited to the following: (i) the costs of computing Special Tax A and Special Tax B (Contingent) and of preparing the annual Special Tax collection schedules (whether by the CFD Administrator or designee thereof, or both); (ii) the costs of collecting Special Tax A and Special Tax B (Contingent) (whether by the County, City, or otherwise); (iii) the costs of responding to property owner inquiries regarding Special Tax A or Special Tax B (Contingent); (iv) the costs of the City or designee related to any appeal of Special Tax A or Special Tax B (Contingent); and (v) an allocable share of the salaries of the City staff and City overhead expense directly relating to the foregoing. Administrative Expenses shall also include amounts advanced by the City for any administrative purposes of CFD No. 2017-2.

"Association" means the nonprofit corporation or unincorporated association created for the purpose of managing the common interest development within CFD No. 2017-2.

"Annual Special Tax A" means for each Assessor's Parcel, the Special Tax A actually levied in a given Fiscal Year on any Assessor's Parcel of Taxable Property.

"Annual Special Tax B (Contingent)" means for each Assessor's Parcel, the Special Tax B (Contingent) actually levied in a given Fiscal Year on any Assessor's Parcel of Taxable Property.

"Approved Property" means all Assessor's Parcels of Taxable Property: (i) that are included in a Final Map that was recorded prior to the January 1st immediately preceding the Fiscal Year in which Special Tax A or Special Tax B (Contingent) is being levied, and (ii) that have not been issued a Building Permit on or before the May 1st immediately preceding the Fiscal Year in which Special Tax A or Special Tax B (Contingent) is being levied.

"Assessor" means the County Assessor.

"Assessor's Parcel" means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number within the boundaries of CFD No. 2017-2.

"Assessor's Parcel Map" means an official map of the Assessor designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means that number assigned to a lot or parcel of land by the Assessor for purposes of identification.

"Boundary Map" means a recorded map of the CFD No. 2017-2 which indicates the boundaries of CFD No. 2017-2.

"Building Permit" means the first legal document issued by the city of San Diego granting official permission for new construction. For purposes of this definition, "Building Permit" shall also include any subsequent legal document issued by the city of San Diego or the City that revises the Building Square Footage reflected in the application for any prior Building Permit, as verified by the CFD Administrator.

"Building Square Footage" or "BSF" means the square footage of assessable internal living space, exclusive of garages or other structures not used as living space, as determined by reference to the Building Permit for such Assessor's Parcel and subject to verification by the CFD Administrator.

"Calendar Year" means the period commencing January 1 of any year and ending the following December 31.

"CFD No. 2017-01 Special Tax Requirement" means the Special Tax Requirement applicable to Community Facilities District No. 2017-01 (Weston Infrastructure) of the City of Santee as defined in the rate and method of apportionment of the special taxes thereof.

"CFD No. 2017-2" or "CFD" means Community Facilities District No. 2017-2 (Weston Municipal Services) of the City of Santee established by the City under the Act.

"CFD Administrator" means the Finance Director of the City, or designee thereof, responsible for, among other things, determining the Special Tax A Requirement for Special Tax A and the Special Tax B (Contingent) Requirement for Special Tax B (Contingent) and providing for the levy and collection of said Special Tax A and Special Tax B (Contingent).

"City" means the City of Santee, California.

"City Council" means the City Council of the City of Santee, acting as the legislative body of CFD No. 2017-2.

"County" means the County of San Diego.

"Developed Property" means all Assessor's Parcels of Taxable Property that: (i) are included in a Final Map that was recorded prior to January 1st preceding the Fiscal Year in which Special Tax A or Special Tax B (Contingent) is being levied, and (ii) a building permit was issued on or before May 1st preceding the Fiscal Year in which Special Tax A or Special Tax B (Contingent) is being levied.

"Drainage Facilities" means those storm water and drainage facilities required to be constructed as a condition of approval of the development of the property within CFD No. 2017-2 and over which the City has been granted an easement to maintain and replace such facilities in the event of a Failure to Perform as defined in Section E below.

"Exempt Property" means all Assessor's Parcels designated as being exempt from Annual Special Tax A and Annual Special Tax B (Contingent) provided for in Section H.

"Final Map" means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 4285 that creates individual lots that do not need, and are not expected, to be further subdivided prior to the issue of a Building Permit.

"Fiscal Year" means the period commencing July 1 of any year and ending the following June 30.

"Land Use Type" means Residential Property, Multifamily Residential Property, or Non-Residential Property.

"Lot(s)" means an individual legal lot created by a Final Map for which a Building Permit for residential construction has been or could be issued. Notwithstanding the foregoing, in the case of an individual legal lot created by such a Final Map upon which condominiums are entitled to be developed, the number of Lots allocable to such legal lot shall equal the number of condominiums which are permitted to be constructed on such legal lot as shown on such Final Map.

"Maximum Special Tax A" means for each Assessor's Parcel of Taxable Property, the maximum Special Tax A, determined in accordance with Section C that can be levied in any Fiscal Year on such Assessor's Parcel.

"Maximum Special Tax B (Contingent)" means for each Assessor's Parcel of Taxable Property, the maximum Special Tax B, determined in accordance with Section E that can be levied in any Fiscal Year on such Assessor's Parcel.

"Multifamily Residential Property" means all Assessor's Parcels of Developed Property for which a Building Permit has been issued for the purpose of constructing a building or buildings comprised of attached Units available for rental by the general public, not for sale to an end user, and under common management, as determined by the CFD Administrator.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a Building Permit was issued for any type of non-residential use.

"Proportionately" means for Taxable Property that is: (i) Developed Property, that the ratio of the Annual Special Tax A and Annual Special Tax B (Contingent) levy to the Maximum Special Tax A and Maximum Special Tax B (Contingent), respectively, is the same for all Assessor's Parcels of Developed Property, (ii) Approved Property, that the ratio of the Annual Special Tax A levy and Annual Special Tax B (Contingent) levy to the Maximum Special Tax A and Maximum Special Tax B (Contingent), respectively, is the same for all Assessor's Parcels of Approved Property, and (iii) Undeveloped Property, that the ratio of the Annual Special Tax A levy and Annual Special Tax B (Contingent) levy per acre to the Maximum Special Tax A and Maximum Special Tax B (Contingent) per acre, respectively, is the same for all Assessor's Parcels of Undeveloped Property.

"Residential Property" means all Assessor's Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one or more residential dwelling units, which are not Multifamily Residential Property.

"Resolution of Formation" means the resolution of the City Council establishing CFD No. 2017-2 adopted pursuant to the Act.

"Services" means services permitted under the Act including, without limitation, those services authorized to be funded by the CFD as set forth in the Resolution of Formation, as such services may subsequently be modified pursuant to the Act

"Special Tax A" means the special tax authorized to be levied on Taxable Property within and by CFD No. 2017-2 pursuant to the Act to fund the Special Tax A Requirement.

"Special Tax B (Contingent)" means the special tax authorized to be levied on Taxable Property within and by CFD No. 2017-2 pursuant to the Act to fund the Special Tax B (Contingent) Requirement.

"Special Taxes" means any of the Special Taxes authorized to be levied on Taxable Property within and by CFD No. 2017-2 pursuant to the Act to fund the Special Tax A Requirement and the Special Tax B (Contingent) Requirement.

"Special Tax A Requirement" means, subject to the Maximum Special Tax A, that amount to be collected in any Fiscal Year to pay for certain municipal Services as required to meet the needs of CFD No. 2017-2 excluding the Drainage Facilities. The costs of municipal Services to be covered shall be the direct costs for (i) municipal Services, and (ii) Administrative Expenses (apportioned between Special Tax A and Special Tax B (Contingent)); less (iii) a credit for funds available to reduce the Annual Special Tax A levy, if any, as determined by the CFD Administrator. Under no circumstances shall the Special Tax A Requirement include funding for any portion of the CFD No. 2017-01 Special Tax Requirement.

"Special Tax B (Contingent) Requirement" means, subject to the Maximum Special Tax B (Contingent), that amount to be collected in any Fiscal Year to pay the estimated costs of replacement and providing Services, including the salaries of City staff related to and a proportionate share of City overhead costs, for the maintenance and replacement of the Drainage Facilities. Under no circumstances shall the Special Tax B (Contingent) Requirement include funding for any portion of the CFD No. 2017-01 Special Tax Requirement.

"Taxable Property" means all Assessor's Parcels within CFD No. 2017-2, which are not Exempt Property.

"Undeveloped Property" means all Assessor's Parcels of Taxable Property which are not Developed Property or Approved Property.

"Unit" means any residential structure.

**SECTION B
CLASSIFICATION OF ASSESSOR'S PARCELS**

Each Fiscal Year, beginning with Fiscal Year 2017-18, each Assessor's Parcel within CFD No. 2017-2 shall be classified as Taxable Property or Exempt Property. In addition, each Assessor's Parcel of Taxable Property shall be further classified as Developed Property, Approved Property, or Undeveloped Property. In addition, each Assessor's Parcel of Developed Property shall further be classified as Residential Property, Multifamily Residential Property or Non-Residential Property.

**SECTION C
MAXIMUM SPECIAL TAX A**

1. Developed Property

Maximum Special Tax A

Each Fiscal Year, each Assessor's Parcel of Residential Property, Multifamily Residential Property, and Non-Residential Property shall be subject to a Maximum Annual Special Tax A.

The Maximum Annual Special Tax A applicable to an Assessor's Parcel of Developed Property shall be determined using Table 1 below.

TABLE 1
MAXIMUM SPECIAL TAX A RATES
FOR DEVELOPED PROPERTY

Land Use Type	Rate
Residential Property	\$272 per Unit
Multifamily Residential Property	\$2,208 per Acre
Non-Residential Property	\$2,208 per Acre

2. Approved Property

Each Fiscal Year, each Assessor's Parcel of Approved Property shall be subject to a Maximum Annual Special Tax A.

The Maximum Annual Special Tax A applicable to an Assessor's Parcel of Approved Property shall be determined using Table 2 below.

TABLE 2
MAXIMUM SPECIAL TAX A RATES
FOR APPROVED PROPERTY

Land Use Type	Rate
Approved Property	\$166 per Lot

3. Undeveloped Property

Each Fiscal Year, each Assessor's Parcel of Undeveloped Property shall be subject to a Maximum Annual Special Tax A.

The Maximum Annual Special Tax A applicable to an Assessor's Parcel of Undeveloped Property shall be determined using Table 3 below.

TABLE 3
MAXIMUM SPECIAL TAX A RATES
FOR UNDEVELOPED PROPERTY

Land Use Type	Rate
Undeveloped Property	\$1,348 per Acre

4. Increase in the Maximum Special Tax A

On each July 1, commencing July 1, 2018, the Maximum Special Tax A for all Taxable Property shall be increased by an amount equal to (i) the annual percentage increase in the San Diego Consumer Price Index, All Items for all Urban Consumers (CPI-U), 2nd Half Semi-Annual Average, or (ii) by three and one-half (3.5%), whichever is greater, of the amount in effect for the previous Fiscal Year.

**SECTION D
METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX A**

Commencing Fiscal Year 2018-19 and for each subsequent Fiscal Year, the City Council shall determine the Special Tax A Requirement and shall levy Special Tax A on all Assessor's Parcels of Taxable Property until the aggregate amount of Special Tax A equals the Special Tax A Requirement. Special Tax A shall be levied for each Fiscal Year as follows:

First: Special Tax A shall be levied Proportionately on each Assessor's Parcel of Developed Property up to 100% of the applicable Maximum Special Tax A to satisfy the Special Tax A Requirement;

Second: If additional moneys are needed to satisfy the Special Tax A Requirement after the first step has been completed, Special Tax A shall be levied Proportionately on each Assessor's Parcel of Approved Property at up to 100% of the Maximum Special Tax A for Approved Property;

Third: If additional monies are needed to satisfy the Special Tax A Requirement after the first two steps have been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax A for Undeveloped Property.

SECTION E
AUTHORITY TO LEVY SPECIAL TAX B (CONTINGENT)

The City Council shall levy Special Tax B (Contingent) commencing in the first Fiscal Year following the occurrence of any of the following events (each such event, a "Failure to Perform"):

- a. the Association files a voluntary petition in bankruptcy or the approval by a court of competent jurisdiction of a petition applicable to the Association of any proceedings instituted under the Federal Bankruptcy Code, as amended;
- b. the Association is dissolved;
- c. the Association fails to levy annual assessments sufficient to fund the maintenance or replacement of the Drainage Facilities; or (ii) the replacement of such Drainage Facilities in accordance with (A) the requirements of the then current reserve funding plan of the Association performed pursuant to California Civil Code section 5550 or (B) if California Civil Code 5550 is no longer applicable, the requirement of the then applicable law and/or regulations governing the Association's requirements to budget for and finance such replacement; or
- d. the Association fails to maintain the Drainage Improvements as the same level as the City maintains similar improvements throughout the City.

In the event of the occurrence of a Failure to Perform described in c or d. above, the City shall give the Association written notice of such event. If such Failure to Perform is reasonably capable of being cured within sixty (60) days from the date of such notice, the Association shall have such period to cure such Failure to Perform prior to the levy by the City Council of Special Tax B (Contingent). If such Failure to Perform is such that it is reasonably capable of being cured, but not within such sixty (60) day period and the Association (i) initiates corrective action within such sixty (60) day period, and (ii) diligently, continually, and in good faith works to effect a cure of such Failure to Perform as soon as possible, then the Association shall have such additional time, as is reasonably necessary, to cure such Failure to Perform prior to the levy by the City Council of Special Tax B (Contingent). However, in no event shall the City Council be precluded from levying Special Tax B (Contingent) if the public safety is imminently threatened by the Association's Failure to Perform.

The City Council may suspend the levy of Special Tax B (Contingent) if the Association has cured the Failure to Perform to the satisfaction of the City Council and the Association has agreed to such conditions as the City Council may find necessary to minimize the occurrence of such Failure to Perform in the future.

MAXIMUM SPECIAL TAX B (CONTINGENT)

1. Developed Property

Maximum Special Tax B (Contingent)

In any Fiscal Year in which the Series B (Contingent) is levied, each Assessor's Parcel of Residential Property, Multifamily Residential Property, and Non-Residential Property shall be subject to a Maximum Annual Special Tax B (Contingent).

The Maximum Annual Special Tax B (Contingent) applicable to an Assessor's Parcel of Developed Property shall be determined using Table 4 below.

**TABLE 4
MAXIMUM SPECIAL TAX B (CONTINGENT) RATES
FOR DEVELOPED PROPERTY**

Land Use Type	Rate
Residential Property	\$468 per Unit
Multifamily Residential Property	\$3,799 per Acre
Non-Residential Property	\$3,799 per Acre

2. Approved Property

In any Fiscal Year in which the Series B (Contingent) Special Tax is levied, each Assessor's Parcel of Approved Property shall be subject to a Maximum Annual Special Tax B (Contingent).

The Maximum Annual Special Tax B (Contingent) applicable to an Assessor's Parcel of Approved Property shall be determined using Table 5 below.

**TABLE 5
MAXIMUM SPECIAL TAX B (CONTINGENT) RATES
FOR APPROVED PROPERTY**

Land Use Type	Rate
Approved Property	\$468 per Lot

3. Undeveloped Property

In any Fiscal Year in which the Series B (Contingent) Special Tax is levied, each Assessor's Parcel of Undeveloped Property shall be subject to a Maximum Annual Special Tax B (Contingent).

The Maximum Annual Special Tax B (Contingent) applicable to an Assessor's Parcel of Undeveloped Property shall be determined using Table 6 below.

**TABLE 6
MAXIMUM SPECIAL TAX B (CONTINGENT) RATES
FOR UNDEVELOPED PROPERTY**

Land Use Type	Rate
Undeveloped Property	\$3,799 per Acre

4. Increase in the Maximum Special Tax B (Contingent)

On each July 1, commencing July 1, 2018, the Maximum Special Tax B (Contingent) for all Taxable Property shall be increased by an amount equal to (i) the annual percentage increase in the San Diego Consumer Price Index, All Items for all Urban Consumers (CPI-U), 2nd Half Semi-Annual Average, or (ii) by three and one-half percent (3.5%), whichever is greater, of the amount in effect for the previous Fiscal Year.

SECTION F
METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX B (CONTINGENT)

In the first Fiscal Year that the Special Tax B (Contingent) is levied and in any subsequent Fiscal Year, the City Council shall determine the Special Tax B (Contingent) Requirement and shall levy Special Tax B (Contingent) on all Assessor's Parcels of Taxable Property until the aggregate amount of Special Tax B (Contingent) equals the Special Tax B (Contingent) Requirement. Special Tax B (Contingent) shall be levied in any Fiscal Year as follows:

First: Special Tax B (Contingent) shall be levied Proportionately on each Assessor's Parcel of Developed Property up to 100% of the applicable Maximum Special Tax B (Contingent) to satisfy the Special Tax B (Contingent) Requirement;

Second: If additional moneys are needed to satisfy the Special Tax B (Contingent) Requirement after the first step has been completed, Special Tax B (Contingent) shall be levied Proportionately on each Assessor's Parcel of Approved Property at up to 100% of the Maximum Special Tax B (Contingent) for Approved Property;

Third: If additional monies are needed to satisfy the Special Tax B (Contingent) Requirement after the first two steps have been completed, the Special Tax B (Contingent) shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax B (Contingent) for Undeveloped Property.

SECTION G
TERM OF SPECIAL TAX A AND SPECIAL TAX B (CONTINGENT)

For each Fiscal Year, Special Tax A shall be levied in perpetuity as long as the municipal Services are being provided.

Special Tax B (Contingent) shall be levied in any Fiscal Year as deemed necessary by the City to satisfy the Special Tax B (Contingent) Requirement.

SECTION H
EXEMPT PROPERTY

The CFD Administrator shall classify as Exempt Property, (i) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by the State of California, federal or other local governments, including school districts, (ii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iii) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by a homeowners' association, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Assessor's Parcels which are privately owned and are encumbered by or restricted solely for public uses, or (vi) other types of public uses determined by the CFD Administrator. The CFD Administrator shall classify such Assessor's Parcels as Exempt Property in the chronological order in which property becomes Exempt.

Notwithstanding the foregoing, the CFD Administrator for purposes of levying the Special Taxes shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property to less than the Acreage amount listed in Table 7 below.

**TABLE 7
MINIMUM TAXABLE ACRES**

Acres
51.13

**SECTION I
APPEALS AND INTERPRETATIONS**

Any property owner claiming that the amount or application of the Annual Special Tax A or the Annual Special Tax B (Contingent) is not correct may file a written notice of appeal with the CFD Administrator not later than twelve months after having paid the first installment of the Special Tax that is disputed. The CFD Administrator of CFD No. 2017-2 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Annual Special Tax A or Annual Special Tax B (Contingent) and rule on the appeal. If the CFD Administrator's decision requires that the Annual Special Tax A or Annual Special Tax B (Contingent) for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made, but an adjustment shall be made to the Annual Special Tax A or Annual Special Tax B (Contingent) on that Assessor's Parcel in the subsequent Fiscal Year(s).

The City Council may interpret this Rate and Method of Apportionment of Annual Special Tax A and Annual Special Tax B (Contingent) for purposes of clarifying any ambiguity and make determinations relative to the amount of Administrative Expenses.

**SECTION J
MANNER OF COLLECTION**

The Annual Special Tax A and Annual Special Tax B (Contingent) shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD 2017-2 may collect the Annual Special Tax A or Annual Special Tax B (Contingent) at a different time or in a different manner if necessary to meet its financial obligations.

EXHIBIT "C"

**COMMUNITY FACILITIES DISTRICT NO. 2017-1
(WESTON MUNICIPAL SERVICES)
OF THE CITY OF SANTEE**

ASSESSOR'S PARCEL LIST/OWNERS

<u>APN</u>	<u>Owner</u>	<u>APN</u>	<u>Owner</u>
366-051-01-00	Pardee Homes	366-051-37-00	Pardee Homes
366-051-02-00	Pardee Homes	366-051-38-00	Pardee Homes
366-051-03-00	Pardee Homes	366-051-39-00	Pardee Homes
366-051-04-00	Pardee Homes	366-051-40-00	Pardee Homes
366-051-05-00	Pardee Homes	366-051-41-00	Pardee Homes
366-051-06-00	Pardee Homes	366-051-42-00	Pardee Homes
366-051-07-00	Pardee Homes	366-051-43-00	Pardee Homes
366-051-08-00	Pardee Homes	366-051-44-00	Pardee Homes
366-051-09-00	Pardee Homes	366-051-45-00	Pardee Homes
366-051-10-00	Pardee Homes	366-051-46-00	Pardee Homes
366-051-11-00	Pardee Homes	366-051-47-00	Pardee Homes
366-051-12-00	Pardee Homes	366-051-48-00	Pardee Homes
366-051-13-00	Pardee Homes	366-051-49-00	Pardee Homes
366-051-14-00	Pardee Homes	366-051-50-00	Pardee Homes
366-051-15-00	Pardee Homes	366-051-51-00	Pardee Homes
366-051-16-00	Pardee Homes	366-051-52-00	Pardee Homes
366-051-17-00	Pardee Homes	366-051-53-00	Pardee Homes
366-051-18-00	Pardee Homes	366-051-54-00	Pardee Homes
366-051-19-00	Pardee Homes	366-051-55-00	Pardee Homes
366-051-20-00	Pardee Homes	366-051-56-00	Pardee Homes
366-051-21-00	Pardee Homes	366-051-57-00	Pardee Homes
366-051-22-00	Pardee Homes	366-051-58-00	Pardee Homes
366-051-23-00	Pardee Homes	366-051-59-00	Pardee Homes
366-051-24-00	Pardee Homes	366-052-01-00	Pardee Homes
366-051-25-00	Pardee Homes	366-052-02-00	Pardee Homes
366-051-26-00	Pardee Homes	366-052-03-00	Pardee Homes
366-051-27-00	Pardee Homes	366-052-04-00	Pardee Homes
366-051-28-00	Pardee Homes	366-052-05-00	Pardee Homes
366-051-29-00	Pardee Homes	366-052-06-00	Pardee Homes
366-051-30-00	Pardee Homes	366-052-07-00	Pardee Homes
366-051-31-00	Pardee Homes	366-052-08-00	Pardee Homes
366-051-32-00	Pardee Homes	366-052-09-00	Pardee Homes
366-051-33-00	Pardee Homes	366-052-10-00	Pardee Homes
366-051-34-00	Pardee Homes	366-052-11-00	Pardee Homes
366-051-35-00	Pardee Homes	366-052-12-00	Pardee Homes
366-051-36-00	Pardee Homes	366-052-13-00	Pardee Homes

<u>APN</u>	<u>Owner</u>	<u>APN</u>	<u>Owner</u>
366-092-01-00	Pardee Homes	366-092-71-00	Pardee Homes
366-092-02-00	Pardee Homes	366-092-72-00	Pardee Homes
366-092-03-00	Pardee Homes	366-092-73-00	Pardee Homes
366-092-04-00	Pardee Homes	366-092-74-00	Pardee Homes
366-092-05-00	Pardee Homes	366-092-75-00	Pardee Homes
366-092-06-00	Pardee Homes	366-092-76-00	Pardee Homes
366-092-07-00	Pardee Homes	366-092-77-00	Pardee Homes
366-092-08-00	Pardee Homes	366-093-01-00	Pardee Homes
366-092-09-00	Pardee Homes	366-093-02-00	Pardee Homes
366-092-10-00	Pardee Homes	366-093-03-00	Pardee Homes
366-092-11-00	Pardee Homes	366-093-04-00	Pardee Homes
366-092-12-00	Pardee Homes	366-093-05-00	Pardee Homes
366-092-13-00	Pardee Homes	366-093-06-00	Pardee Homes
366-092-14-00	Pardee Homes	366-093-07-00	Pardee Homes
366-092-15-00	Pardee Homes	366-093-08-00	Pardee Homes
366-092-16-00	Pardee Homes	366-093-09-00	Pardee Homes
366-092-17-00	Pardee Homes	366-093-10-00	Pardee Homes
366-092-18-00	Pardee Homes	366-093-11-00	Pardee Homes
366-092-19-00	Pardee Homes	366-093-12-00	Pardee Homes
366-092-20-00	Pardee Homes	366-093-13-00	Pardee Homes
366-092-21-00	Pardee Homes	366-093-34-00	Pardee Homes
366-092-22-00	Pardee Homes	366-093-35-00	Pardee Homes
366-092-23-00	Pardee Homes	366-093-36-00	Pardee Homes
366-092-24-00	Pardee Homes	366-093-37-00	Pardee Homes
366-092-25-00	Pardee Homes	366-093-38-00	Pardee Homes
366-092-26-00	Pardee Homes	366-093-39-00	Pardee Homes
366-092-27-00	Pardee Homes	366-093-40-00	Pardee Homes
366-092-28-00	Pardee Homes	366-093-41-00	Pardee Homes
366-092-29-00	Pardee Homes	366-093-42-00	Pardee Homes
366-092-30-00	Pardee Homes	366-093-43-00	Pardee Homes
366-092-31-00	Pardee Homes	366-093-44-00	Pardee Homes
366-092-32-00	Pardee Homes	366-093-45-00	Pardee Homes
366-092-33-00	Pardee Homes	366-093-46-00	Pardee Homes
366-092-34-00	Pardee Homes	366-093-47-00	Pardee Homes
366-092-35-00	Pardee Homes	366-094-01-00	Pardee Homes
366-092-36-00	Pardee Homes	366-094-02-00	Pardee Homes
366-092-37-00	Pardee Homes	366-094-03-00	Pardee Homes
366-092-38-00	Pardee Homes	366-094-04-00	Pardee Homes
366-092-39-00	Pardee Homes	366-094-05-00	Pardee Homes
366-092-40-00	Pardee Homes	366-094-06-00	Pardee Homes
366-092-41-00	Pardee Homes	366-094-07-00	Pardee Homes
366-092-42-00	Pardee Homes	366-094-08-00	Pardee Homes
366-092-43-00	Pardee Homes	366-094-09-00	Pardee Homes
366-092-44-00	Pardee Homes	366-094-10-00	Pardee Homes
366-092-45-00	Pardee Homes	366-094-11-00	Pardee Homes

EXHIBIT "F"

**Community Facilities District No. 2017-1
(Weston Infrastructure)
of the City of Santee**

**Base Increment
Payment Request**

The undersigned (the "Pardee") hereby requests payment in the total amount of \$_____ for the Base Increment for the Improvements (as defined in the Acquisition, Construction and Funding Agreement (the "ACFA") by and among the City of Santee (the "City"), Pardee and TRI Pointe and described in Exhibit B to that Agreement), all as more fully described in Attachment 1 hereto. In connection with this Payment Request, the undersigned hereby certifies, represents and warrants to the City as follows:

A. He/she is a duly authorized representative or signatory of Pardee, qualified to execute this Payment Request for payment on behalf of Pardee and is knowledgeable as to the matters set forth herein.

B. The Improvements that are the subject of this Payment Request have been substantially completed in accordance with the requirements of the ACFA.

C. This request for payment of the Base Increment for the Improvements has been calculated in conformance with the terms of the ACFA. All costs for which payment is requested hereby are eligible costs (as permitted in the Agreement) and have not been inflated in any respect. The Base Increment for which payment is requested has not been the subject of any prior payment request paid by the City.

D. Supporting documentation as required pursuant to Exhibit D to the ACFA is attached with respect to each cost for which payment is requested.

E. The Improvements for which payment is requested were constructed in accordance with the requirements of the ACFA.

F. Pardee is in compliance with the terms and provisions of the ACFA.

G. No mechanics liens or other encumbrances have attached, or to the best knowledge of Pardee, after due inquiry, will attach to the Improvements.

H. A copy of a letter of conditional lien release for the Improvements for which payment is requested together with a letter from the contractor(s) stating that they have been paid in full by Pardee for the Improvements for which payment is requested is also included in this request.

I hereby declare under penalty of perjury that the above representations and warranties are true and correct.

PARDEE:

Dated: _____

CITY

Payment Request Approved for Submission to
Director of Finance

Development Services Director

Dated: _____

ATTACHMENT 1

SUMMARY OF IMPROVEMENTS
TO BE ACQUIRED AS PART OF PAYMENT REQUEST NO. _____

Improvement	Cost Estimate	Base Increment	Disbursement Requested

[List here all Improvements for which payment is requested,
and attach supporting documentation]

EXHIBIT "G"

**Community Facilities District No. 2017-1
(Weston Infrastructure)
of the City of Santee**

**Retained Increment
Payment Request No. _____**

The undersigned (the "Pardee") hereby requests payment in the total amount of \$_____ for the Retained Increment of the Acquisition Price of the Improvements (as defined in the Acquisition, Construction and Funding Agreement (the "ACFA") by and among the City, Pardee and TRI Pointe and described in Exhibit B to that ACFA), all as more fully described in Attachment 1 hereto. In connection with this Payment Request, the undersigned hereby certifies, represents and warrants to the City as follows:

A. He(she) is a duly authorized representative or signatory of Pardee, qualified to execute this Payment Request for payment on behalf of Pardee and is knowledgeable as to the matters set forth herein.

B. Pardee has submitted or submits herein to the City, if applicable, as-built drawings or similar plans and specifications for the Improvements and such drawings or plans and specifications, as applicable, are true, correct and complete.

C. The Purchase Price for the Improvements has been calculated in conformance with the terms of the ACFA. All costs for which payment is requested hereby are eligible costs (as permitted in the ACFA) and have not been inflated in any respect. The Retained Increment for which payment is requested has not been the subject of any prior payment request paid by the City.

D. Supporting documentation as required in Exhibit D to the ACFA is attached with respect to each cost for which payment is requested.

E. The Improvements for which payment is requested were constructed in accordance with the requirements of the Agreement.

F. Pardee is in compliance with the terms and provisions of the Agreement.

G. No mechanics liens or other encumbrances have attached, or to the best knowledge of Pardee, after one inquiry, will attach to the Improvements.

I hereby declare under penalty of perjury that the above representations and warranties are true and correct.

PARDEE:

Dated: _____

CITY

Payment Request Approved for Submission to
Director of Finance

Development Services Director

Dated: _____

ATTACHMENT 1

SUMMARY OF IMPROVEMENTS
TO BE ACQUIRED AS PART OF PAYMENT REQUEST NO. _____

Improvement	Cost Estimate	Base Increment	Retained Increment	Disbursement Requested

[List here all Improvements for which payment is requested,
and attach supporting documentation]

EXHIBIT "H"

**Community Facilities District No. 2017-1
(Weston Infrastructure)
of the City of Santee**

**Professional Services Costs
Payment Request**

The undersigned (the "Pardee") hereby requests payment in the total amount of \$_____ for the Professional Services Costs incurred by Pardee for the Improvements (as defined in the Acquisition, Construction and Funding Agreement (the "ACFA") by and among the City of Santee (the "City"), Pardee and TRI Pointe and described in Exhibit B to that Agreement), all as more fully described in Attachment 1 hereto. In connection with this Payment Request, the undersigned hereby certifies, represents and warrants to the City as follows:

A. He(she) is a duly authorized representative or signatory of Pardee, qualified to execute this Payment Request for payment on behalf of Pardee and is knowledgeable as to the matters set forth herein.

B. Pardee has received payment of the Acquisition Price for all Improvements for which Pardee is entitled to be paid pursuant to the ACFA with the exception of Professional Services Costs.

C. This request for payment of the Professional Services Costs for the Improvements has been calculated in conformance with the terms of the ACFA. All costs for which payment is requested hereby are eligible Professional Services Costs (as permitted in the Agreement) and have not been inflated in any respect. The Professional Services Costs for which payment is requested has not been the subject of any prior payment request paid by the City.

D. Supporting documentation as required pursuant paragraph 12 to Exhibit D to the ACFA is attached with respect to each cost for which payment is requested.

E. Pardee is in compliance with the terms and provisions of the ACFA.

F. No mechanics liens or other encumbrances related to such Professional Services Costs have attached, or to the best knowledge of Pardee, after due inquiry, will attach to the Improvements.

I hereby declare under penalty of perjury that the above representations and warranties are true and correct.

PARDEE:

Dated: _____

CITY

Payment Request Approved for Submission to
Director of Finance

Development Services Director

Dated: _____

ATTACHMENT 1

SUMMARY OF PROFESSIONAL SERVICES COSTS FOR THE IMPROVEMENTS
AS PART OF PAYMENT REQUEST NO. _____

Improvement*	Professional Services Costs	Disbursement Requested

* Identify the Improvement or Improvements for which the Professional Services Costs were incurred by Pardee.

MEETING DATE

April 26, 2023

ITEM TITLE RESOLUTION DECLARING THE CITY COUNCIL'S INTENTION TO VACATE A 35-FOOT-WIDE CORRIDOR OPEN SPACE EASEMENT (VAC 2023-01) EXCEPTING AND RESERVING EASEMENTS AND RIGHTS FOR EXISTING DRAINAGE FACILITIES; SETTING A TIME AND PLACE FOR PUBLIC HEARING; AND FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA") OR IS OTHERWISE EXEMPT PURSUANT TO STATE CEQA GUIDELINES SECTION 15301(b)(3).

DIRECTOR/DEPARTMENT

Carl Schmitz, Engineering



SUMMARY

This item requests the Council to adopt the attached resolution of intent to vacate the excess corridor open space easement as shown on Exhibit "A" of the Resolution, which will set a public hearing on the proposed vacation to take place on May 24th, 2023 and direct the publication and posting of all notices required by law. Certain City drainage facilities remain in a City drainage easement that overlaps the corridor open space easement proposed to be vacated, and rights and easements for these drainage facilities would be reserved from the vacation.

Dedication and improvement of a corridor open space easement was required for the Walmart site as a requirement of Conditional Use Permit (P91-05) approval in order to offer greater interconnectivity of the City's public trail system.

Staff has evaluated the City's corridor open space easement and determined the portion of the existing corridor open space easement depicted in Parcel Map 14764, at 170 Town Center Parkway, Exhibit "A" of the attached Resolution is no longer necessary for its intended trail purposes due to alternate trails nearby which offer interconnectivity to the City's public trail system and which grant sufficient locations to access nearby open space areas. Since the original dedication, the City has made adjustments to its plans related to trail circulation to provide better interconnectivity through alternative routes. The identified portion of the corridor open space easement requires maintenance and staff time that are unnecessary considering that portion of the corridor open space easement is no longer necessary for its intended purpose.

Streets and Highways Code Section 8300 et seq. establishes a procedure for vacating streets, highways, and public services easements that are no longer needed for present or future use. The first step in the procedure is to adopt a resolution of intent to vacate the street, highway, or public service easement, and set a public hearing on the vacation. The date for the public hearing must be at least 15 days after the City Council initiates vacation proceedings.

ENVIRONMENTAL REVIEW

This action is not subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15060(c)(3) (the activity is not a project as defined in Section 15378 of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly). Even if the vacation is considered a project under CEQA, it is exempt pursuant to State CEQA Guidelines Section 15061(b)(3) as it does not propose any development or changes in the easement area and it has no potential to result in a significant effect on the environment.





FINANCIAL STATEMENT *HA*

There is no financial impact from this action.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *AS. for MDD*

1. Adopt attached Resolution of the City Council of the City of Santee, California, Declaring Its Intention to Vacate a 35-Foot-Wide Corridor Open Space Easement (Vac 2023-01) Excepting and Reserving Easements and Rights for Existing Drainage Facilities; Setting a Time and Place For a Public Hearing; and Finding the Action is Not a Project Subject to the California Environmental Quality Act ("CEQA") or is Otherwise Exempt Pursuant to State CEQA Guidelines Section 15301(b)(3).
2. Set the time and place for the public hearing on vacation as stated in the attached resolution.

ATTACHMENT

Resolution (with Exhibit "A" attached thereto)



**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE,
CALIFORNIA, DECLARING ITS INTENTION TO VACATE A 35-FOOT-WIDE
CORRIDOR OPEN SPACE EASEMENT (VAC 2023-01) EXCEPTING AND
RESERVING EASEMENTS AND RIGHTS FOR EXISTING DRAINAGE FACILITIES;
SETTING A TIME AND PLACE FOR A PUBLIC HEARING; AND FINDING THE
ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL
QUALITY ACT (“CEQA”) OR IS OTHERWISE EXEMPT PURSUANT TO STATE
CEQA GUIDELINES SECTION 15061(B)(3).**

WHEREAS, a requirement of Conditional Use Permit P91-05 for the Walmart site was the dedication and improvement of a 35-foot-wide corridor open space easement in order to offer interconnectivity of the City’s public trail system (“Trail Easement”), and also the dedication of a drainage easement (“Drainage Easement”) for the placement and operation of City drainage facilities; and

WHEREAS, the location of City’s said Trail Easement and Drainage Easement was to be determined by the City and Walmart upon development; and

WHEREAS, Walmart dedicated the Trail Easement and Drainage Easement to the City, the City’s Trail Easement and Drainage Easement share the same boundaries, and the current location of the Trail Easement and Drainage Easement is identified on Parcel Map 14764, 170 Town Center Parkway and further depicted in Exhibit “A”, which is attached hereto and incorporated herein by reference; and

WHEREAS, the Trail Easement is no longer needed for its intended purpose of public trail system interconnectivity due to alternate trails nearby which offer interconnectivity to the City’s public trail system and which grant sufficient locations to access nearby open space areas; and

WHEREAS, although the Trail Easement is no longer necessary, certain existing City drainage facilities remain within the Drainage Easement and the City’s Drainage Easement and associated drainage facilities remain necessary for the City’s intended purposes; and

WHEREAS, the City has the authority to initiate street vacation proceedings pursuant to Streets and Highways Code section 8300 *et seq.*; and

WHEREAS, the City intends to initiate the process for vacating the excess Trail Easement and reserving and excepting from the vacation the Drainage Easement, including all drainage easements and rights necessary to maintain, operate, replace, remove, or renew the drainage facilities within the Drainage Easement, by setting a time and place for a public hearing on the vacation and directing the City Clerk to provide, publish and post all required notices.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Santee, California, as follows

Section 1. The foregoing recitals are true and correct and are incorporated herein and made an operative part of this Resolution.

Section 2. This action is not subject to the California Environmental Quality Act (“CEQA”) pursuant to Section 15060(c)(3) (the activity is not a project as defined in

Section 15378 of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly). Even if the vacation is considered a project under CEQA, it is exempt pursuant to State CEQA Guidelines Section 15061(b)(3) as it does not propose any development or changes in the easement area and it has no potential to result in a significant effect on the environment.

Section 3. It is the City's intention to initiate the process for vacating the Trail Easement as depicted and described on Parcel Map 14764 in Exhibit "A" of this Resolution, while reserving and excepting from the vacation the Drainage Easement as depicted and described in Exhibit "A" of this Resolution, including all drainage easements and rights necessary to maintain, operate, replace, remove, or renew the drainage facilities within the Drainage Easement.

Section 4. The City Council hereby sets a public hearing on the proposed vacation of the Trail Easement for May 24, 2023 at 6:30 p.m., or as soon thereafter as the matter may be heard, at the Council Chambers, City Hall, 10601 Magnolia Avenue, Santee, CA 92071. At the conclusion of the public hearing, the City Council shall determine, from all evidence submitted, whether or not the Trail Easement is necessary for present or prospective public use.

Section 5. The City Clerk is hereby directed to post this Resolution of Intention and publish notices of the public hearing, pursuant to the requirements of California Streets & Highway Code Section 8300 *et seq.* Notices of the proposed vacation shall additionally be posted along the line of the Trail Easement proposed to be vacated, pursuant to the requirements of Streets and Highways Code.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 26th day of April 2023, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

Attachment: Exhibit "A"

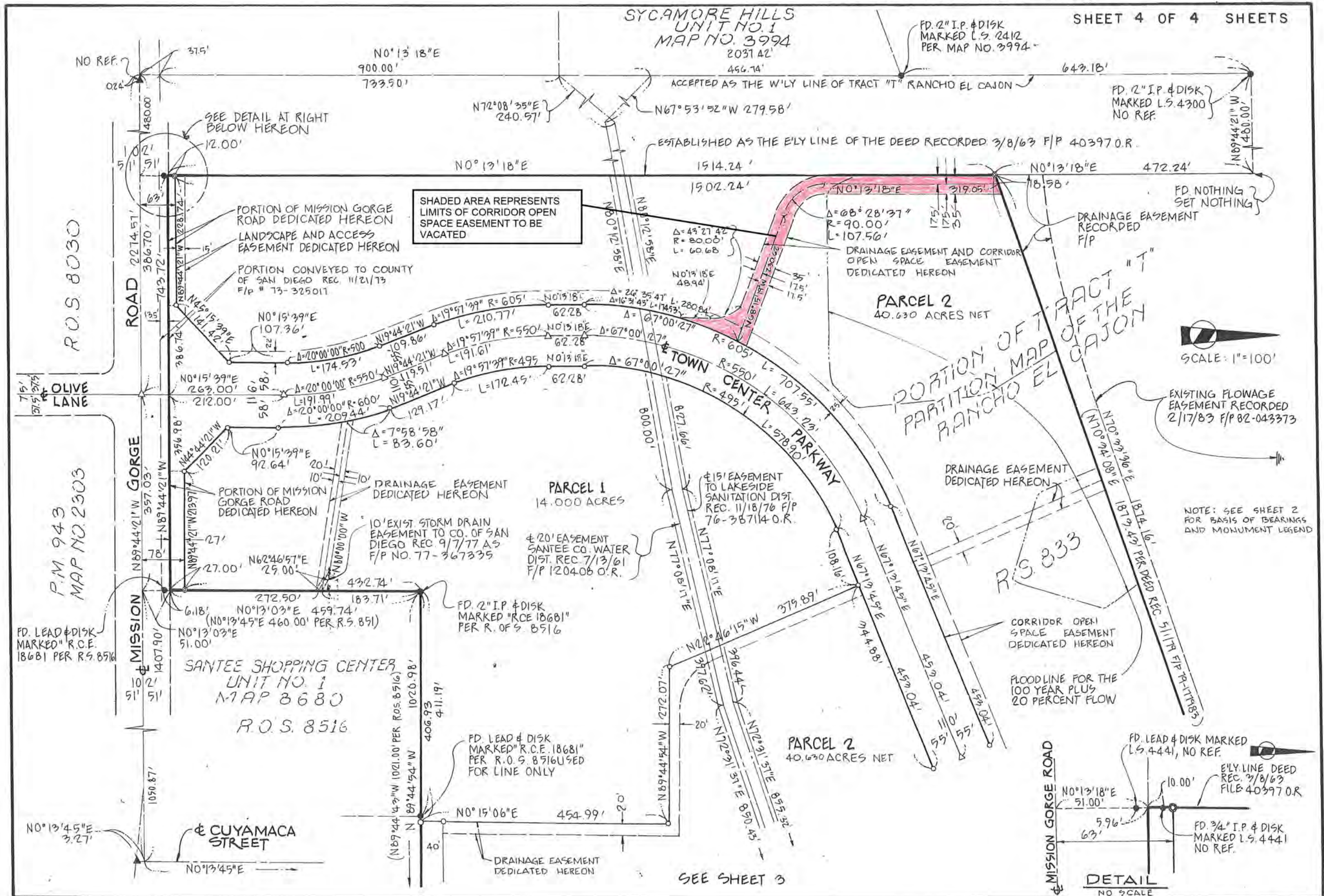
EXHIBIT "A"

Vacation Exhibit: Depiction of Trail Easement and Drainage Easement

VACATION EXHIBIT

PARCEL MAP NO. 14764

SHEET 4 OF 4 SHEETS



MEETING DATE April 26, 2023

ITEM TITLE RESOLUTION INITIATING PROCEEDINGS AND ORDERING THE PREPARATION OF AN ENGINEER'S REPORT FOR THE FY 2023-24 SANTEE ROADWAY LIGHTING DISTRICT ANNUAL LEVY OF ASSESSMENTS; FINDING THE ACTION IS STATUTORILY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA") PURSUANT TO STATE CEQA GUIDELINES SECTION 15262 (FEASIBILITY AND PLANNING STUDIES)

DIRECTOR/DEPARTMENT Heather Jennings, Finance *HJ*

SUMMARY

The Santee Roadway Lighting District ("SRLD") has two zones, each with separate funding sources. Zone A is contiguous with the City's boundaries; i.e., all properties in the City are within Zone A. Zone B comprises numerous areas throughout the City, and contains street lights defined as primarily having local benefit.

The funding of street light energy, maintenance and administrative costs for both Zone A and Zone B have been obtained from two sources: (1) an ad valorem property tax designated for street lighting purposes (Zone A), (2) and a special benefit assessment (Zone B). It is estimated that 50 new lights will be added within SRLD in FY 2023-24.

The City Council is required to take three distinct steps in order to proceed with the annual levy of assessments. First, the City Council must formally initiate the proceedings and direct the preparation of an engineer's report, analyzing existing and proposed improvements to the District. Second, the City Council must take formal action to either approve or modify and approve the proposed engineer's report, formally declare its intention to provide for the annual levy of assessments and provide notice of a public hearing. Finally, the City Council must hold the public hearing and provide for the annual levy of assessments.

This item takes the necessary first step in the process by initiating proceedings and ordering the preparation of an engineer's report. The second step of approving the proposed engineer's report, declaring the intention to levy assessments and providing notice of a public hearing is scheduled to occur at the May 24, 2023 City Council meeting. The final step of holding the public hearing and providing for the annual levy of assessments is scheduled to occur at the July 12, 2023 City Council meeting.

FINANCIAL STATEMENT

Funding for the preparation of the engineer's report is included in the FY 2022-23 Santee Roadway Lighting District Zone "B" adopted budget.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *W for MB*

Adopt the resolution to initiate proceedings and order the preparation of an engineer's report.

ATTACHMENT

Resolution (w/Exhibits – Assessment Diagram)



RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA,
INITIATING PROCEEDINGS AND ORDERING THE PREPARATION OF AN
ENGINEER'S REPORT FOR THE FY 2023-24 SANTEE ROADWAY LIGHTING
DISTRICT ANNUAL LEVY OF ASSESSMENTS; FINDING THE ACTION IS
STATUTORILY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY
ACT ("CEQA") PURSUANT TO STATE CEQA GUIDELINES SECTION 15262
(FEASIBILITY AND PLANNING STUDIES)**

WHEREAS, the City Council of the City of Santee desires to initiate proceedings for the annual levy of assessments for a lighting district pursuant to the terms and provisions of the "Landscaping and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California, Article XIII D of the California Constitution, and the Proposition 218 Omnibus Implementation Act (commencing with California Government Code Section 53750) (collectively the "Law"), in what is known and designated as: **SANTEE ROADWAY LIGHTING DISTRICT** ("District"); and

WHEREAS, these proceedings for the annual levy of assessments shall relate to the fiscal year commencing July 1, 2023; and

WHEREAS, there has been submitted to this City Council for its consideration at this time, a map showing the boundaries of the areas of assessment for the above referenced fiscal year, said map showing and further describing in general the areas of the improvements proposed to be maintained in said District, said description being sufficient to identify the areas proposed to be assessed for said maintenance thereof; and

WHEREAS, it is estimated that 50 new lights will be added within the District in FY 2023-24; and

WHEREAS, the Law requires a written report, consisting of: plans and specifications of the area of the improvements to be maintained; an estimate of the costs for maintaining the improvements, including incidental expenses in connection therewith; a diagram of the areas proposed to be assessed; and a parcel-by-parcel listing of the assessments of the estimated costs for maintaining the improvements in proportion to the special benefits to be conferred on such parcels; and

WHEREAS, the initiation of proceedings and preparation of the Report is not a project subject to CEQA pursuant to State CEQA Guidelines section 15378, as it involves an administrative and fiscal activity of government. Alternatively, even if preparation of the Report is considered a "project" under CEQA, it is statutorily exempt pursuant to State CEQA Guidelines section 15262 (feasibility and planning studies) as it involves a planning study for future action, will not result in adverse environmental impacts, and does not bind the City to future action.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, as follows:

RESOLUTION NO.

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That the map, entitled **SANTEE ROADWAY LIGHTING DISTRICT**, as submitted to this City Council, showing the boundaries of the proposed area to be assessed and the areas of the improvements to be maintained, is hereby approved, and a copy thereof shall be on file in the Office of the City Clerk and open to public inspection. The proposed parcels and properties within said areas are those to be assessed to pay certain costs and expenses for said maintenance.

SECTION 3. That the maintenance work within the areas proposed to be assessed shall be the maintenance or servicing, or both, of any facilities that are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof in accordance with the Law.

SECTION 4. That the Director of Finance is hereby ordered to cause to be prepared and to file with this City Council, the Report relating to said annual assessment and levy in accordance with the provisions of the Law.

SECTION 5. That upon completion, said Report shall be filed with the City Clerk, who shall then provide all notices required by law regarding the intent to approve assessments and hold a public hearing and submit the report to this City Council for its consideration pursuant to sections 22623 and 22624 of the Streets and Highways Code.

ADOPTED by the City Council of the City of Santee, California, at a Regular meeting thereof held this 26th day of April, 2023 by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

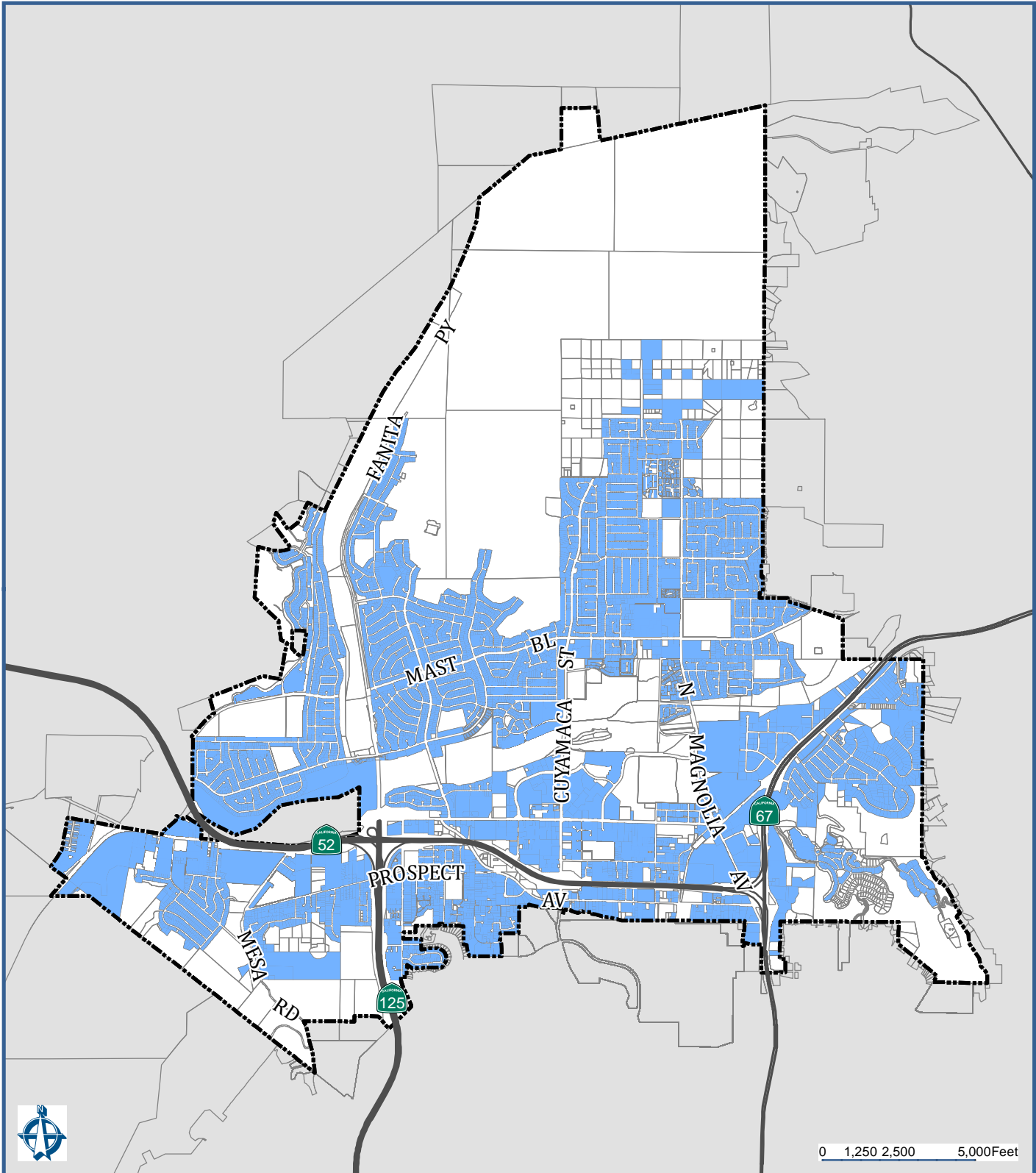
APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK



EXHIBIT A: Vicinity Map



CITY OF SANTEE ASSESSMENT DIAGRAM

SANTEE ROADWAY LIGHTING DISTRICT

EXHIBIT A

 SANTEE CITY BOUNDARY (ZONE A)
  LEVIED (ZONE B)

Zone B - Includes approximately 79% of all parcels throughout the City



MEETING DATE April 26, 2023

ITEM TITLE RESOLUTION INITIATING PROCEEDINGS AND ORDERING THE PREPARATION OF AN ENGINEER'S REPORT FOR THE FY 2023-24 SANTEE LANDSCAPE MAINTENANCE DISTRICT ANNUAL LEVY OF ASSESSMENTS; FINDING THE ACTION IS STATUTORILY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA") PURSUANT TO STATE CEQA GUIDELINES SECTION 15262 (FEASIBILITY AND PLANNING STUDIES)

DIRECTOR/DEPARTMENT Heather Jennings, Finance *HJ*

SUMMARY

Santee Landscape Maintenance District ("SLMD") is a City-wide district and is comprised of 18 zones, ten of which are assessed and maintained by the City. A combination of contract maintenance and City forces maintain the zones. Maps depicting each zone and the areas of maintenance are attached.

The City Council is required to take three distinct steps in order to proceed with the annual levy of assessments. First, the City Council must formally initiate the proceedings and direct the preparation of an engineer's report, analyzing existing and proposed improvement to the District. Second, the City Council must take formal action to either approve or modify and approve the proposed engineer's report, formally declare its intention to provide for the annual levy of assessments and provide notice of a public hearing. Finally, the City Council must hold the public hearing and provide for the annual levy of assessments.

This item takes the necessary first step in the process by initiating proceedings and ordering the preparation of an engineer's report. The second step of approving the proposed engineer's report, declaring the intention to levy assessments and providing notice of a public hearing is scheduled to occur at the May 24, 2023 City Council meeting. The final step of holding the public hearing and providing for the annual levy of assessments is scheduled to occur at the July 12, 2023 City Council meeting.

FINANCIAL STATEMENT

Funding for the preparation of the engineer's report is included in the FY 2022-23 adopted budget for each zone of the Santee Landscape Maintenance District.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *WLG/MB*

Adopt the resolution to initiate proceedings and order the preparation of an engineer's report.

ATTACHMENT

Resolution (w/Exhibits – Assessment Diagrams)

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA,
INITIATING PROCEEDINGS AND ORDERING THE PREPARATION OF AN
ENGINEER'S REPORT FOR THE FY 2023-24 SANTEE LANDSCAPE MAINTENANCE
DISTRICT ANNUAL LEVY OF ASSESSMENTS; FINDING THE ACTION IS
STATUTORILY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT
("CEQA") PURSUANT TO STATE CEQA GUIDELINES SECTION 15262**

WHEREAS, the City Council of the City of Santee desires to initiate proceedings for the annual levy of assessments for a landscape district pursuant to the terms and provisions of the "Landscaping and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California, Article XIII D of the California Constitution, and the Proposition 218 Omnibus Implementation Act (commencing with California Government Code Section 53750) (collectively the "Law"), in what is known and designated as: **SANTEE LANDSCAPE MAINTENANCE DISTRICT** ("District"); and

WHEREAS, these proceedings for the annual levy of assessments shall relate to the fiscal year commencing July 1, 2023; and

WHEREAS, there has been submitted to this City Council for its consideration at this time, diagrams, copies of which are attached hereto and by this reference incorporated herein, showing the boundaries of the areas of assessment for the above referenced fiscal year, said diagrams showing and further describing in general the improvements proposed to be maintained in said District, said description being sufficient to identify the areas proposed to be assessed for said maintenance thereof; and

WHEREAS, there are no proposed new improvements or any substantial changes in existing improvements; and

WHEREAS, the Law requires a written report, consisting of: plans and specifications of the area of the improvements to be maintained; an estimate of the costs for maintaining the improvements, including incidental expenses in connection therewith; a diagram of the areas proposed to be assessed; and a parcel-by-parcel listing of the assessments of the estimated costs for maintaining the improvements in proportion to the special benefits to be conferred on such parcels; and

WHEREAS, the initiation of proceedings and preparation of the Report is not a project subject to CEQA pursuant to State CEQA Guidelines section 15378, as it involves an administrative and fiscal activity of government. Alternatively, even if preparation of the Report is considered a "project" under CEQA, it is statutorily exempt pursuant to State CEQA Guidelines section 15262 (feasibility and planning studies) as it involves a planning study for future action, will not result in adverse environmental impacts, and does not bind the City to future action.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Santee, California, as follows:

RESOLUTION NO.

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That diagrams, entitled **SANTEE LANDSCAPE MAINTENANCE DISTRICT** as submitted to this City Council, showing the boundaries of the proposed areas to be assessed and showing the improvements to be maintained, are hereby approved, and copies thereof shall be on file in the City Clerk's Office and open to public inspection. The proposed parcels and properties within said areas are those to be assessed to pay certain costs and expenses for said maintenance.

SECTION 3. That the maintenance work within the area proposed to be assessed shall be the maintenance or servicing, or both, of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof in accordance with the Law.

SECTION 4. There are no proposed new improvements or any substantial changes to existing improvements.

SECTION 5. That the Director of Finance is hereby ordered to cause to be prepared and to file with this City Council, the Report relating to said annual assessment and levy in accordance with the Law.

SECTION 6. That upon completion, said Report shall be filed with the City Clerk, who shall then provide all notices required by law regarding the intent to approve assessments and hold a public hearing and submit the report to this City Council for its consideration pursuant to sections 22623 and 22624 of the Streets and Highways Code.

ADOPTED by the City Council of the City of Santee, California, at a regular meeting thereof held this 26th day of April, 2023, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

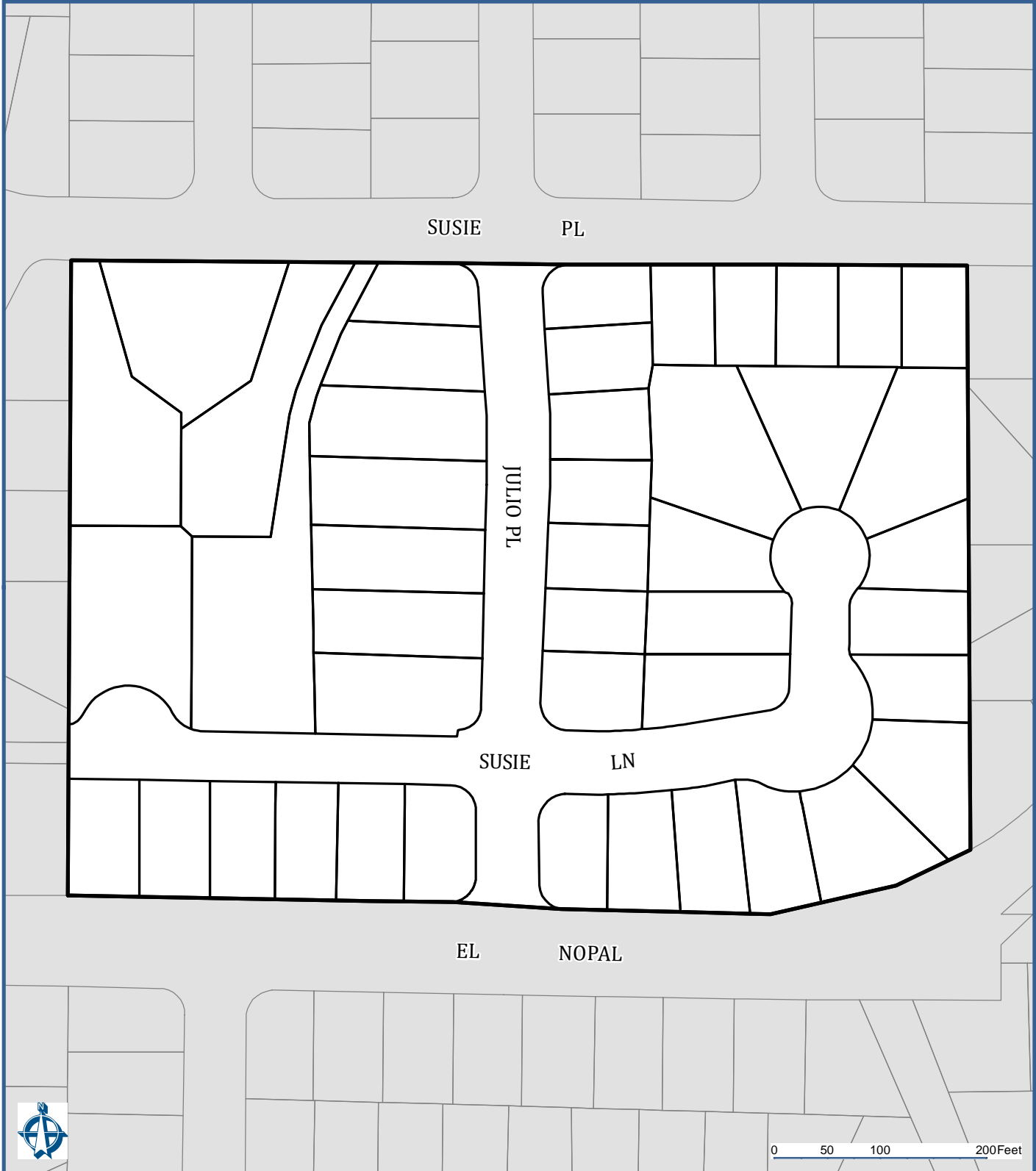
APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

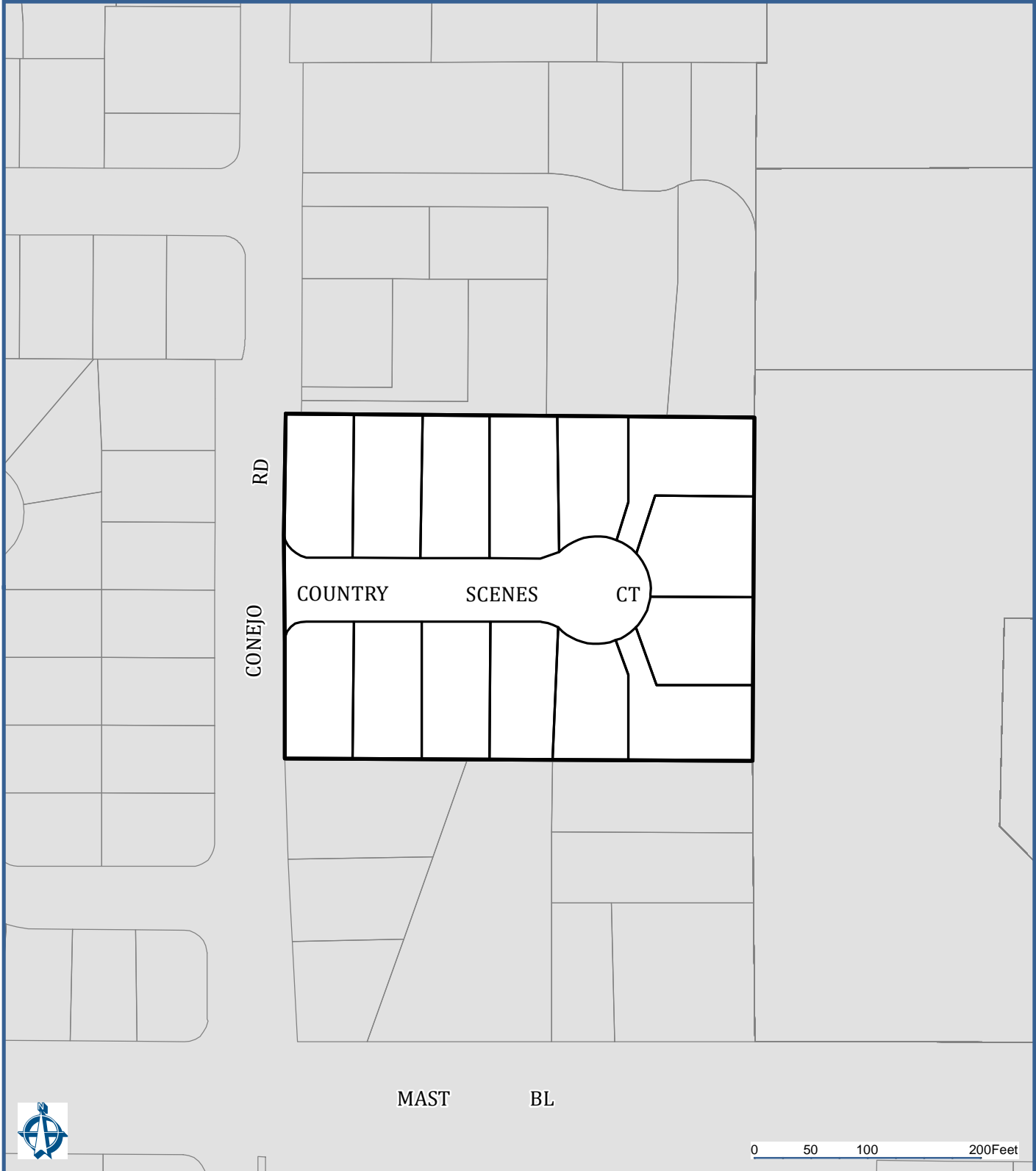
EXHIBITS A-J: Vicinity Map (Diagrams)



CITY OF SANTEE ASSESSMENT DIAGRAM

SANTEE LANDSCAPE MAINTENANCE DISTRICT
 ZONE 1
 (EL NOPAL ESTATES)
 EXHIBIT A

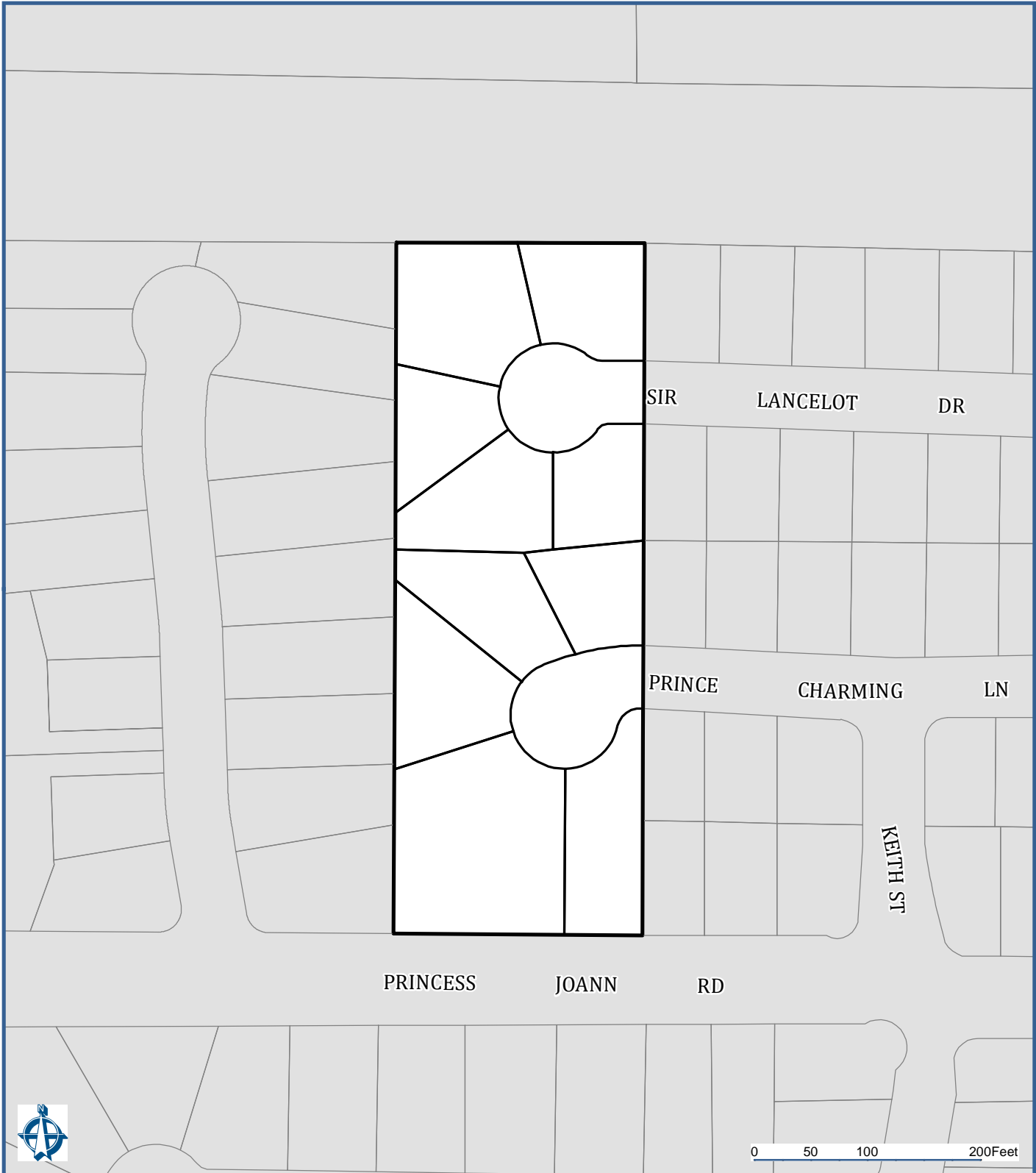




CITY OF SANTEE ASSESSMENT DIAGRAM

SANTEE LANDSCAPE MAINTENANCE DISTRICT
 ZONE 3
 (COUNTRY SCENES)
 EXHIBIT B





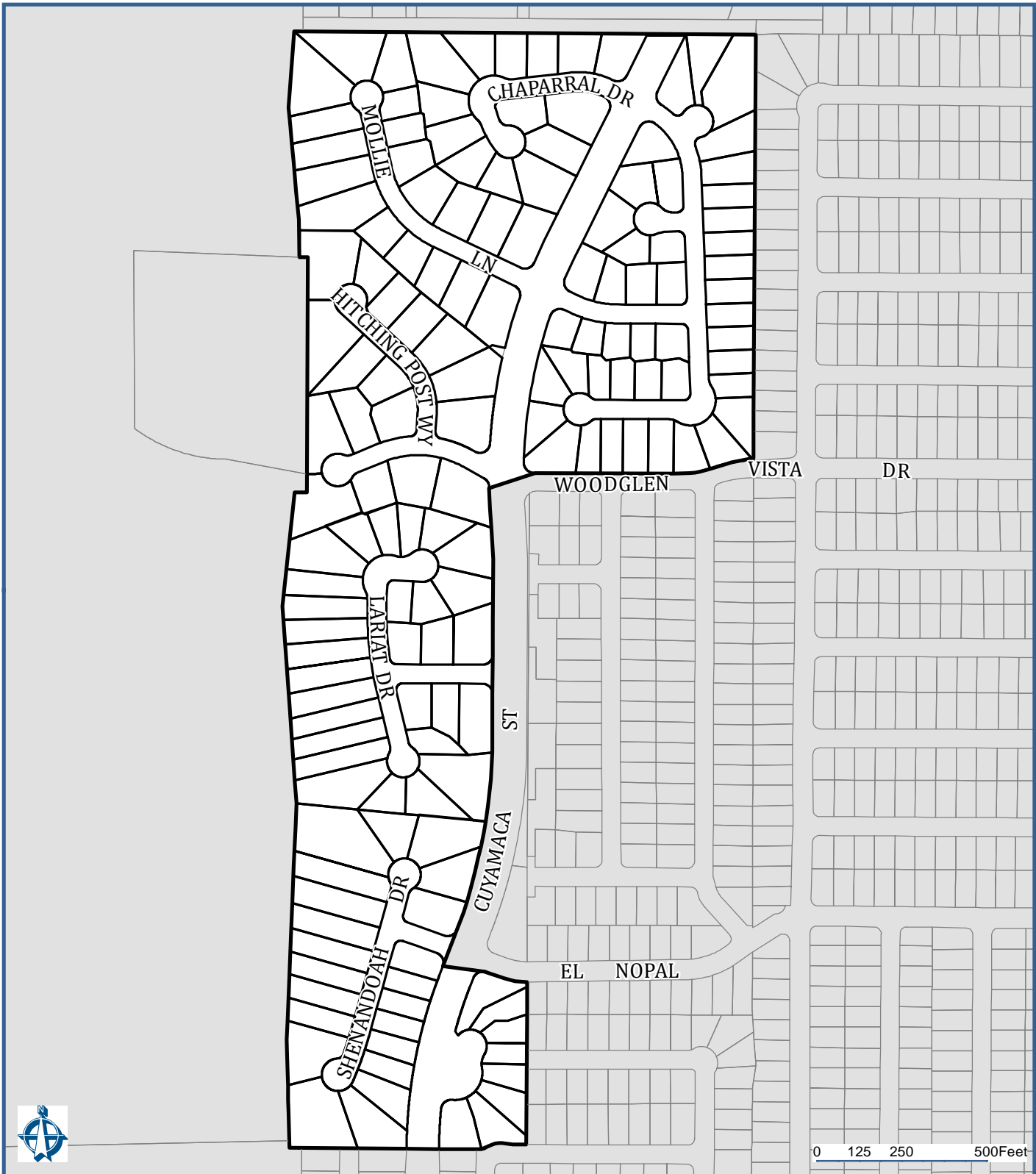
CITY OF SANTEE ASSESSMENT DIAGRAM

SANTEE LANDSCAPE MAINTENANCE DISTRICT
 ZONE 4
 (CAMELOT HEIGHTS)
 EXHIBIT C



0 50 100 200Feet

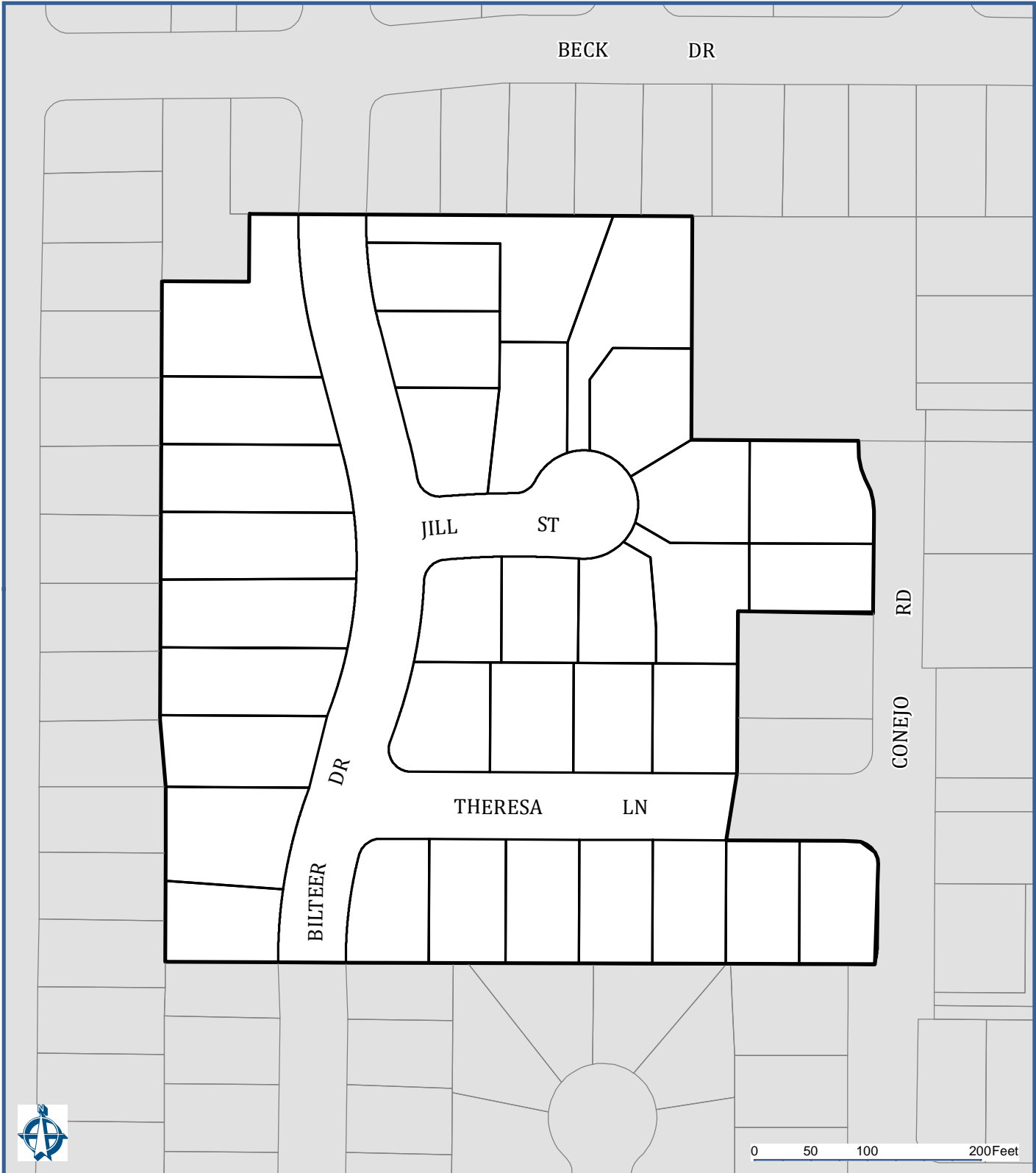




CITY OF SANTEE ASSESSMENT DIAGRAM

SANTEE LANDSCAPE MAINTENANCE DISTRICT
 ZONE 8
 (SILVER COUNTRY ESTATES)
 EXHIBIT D





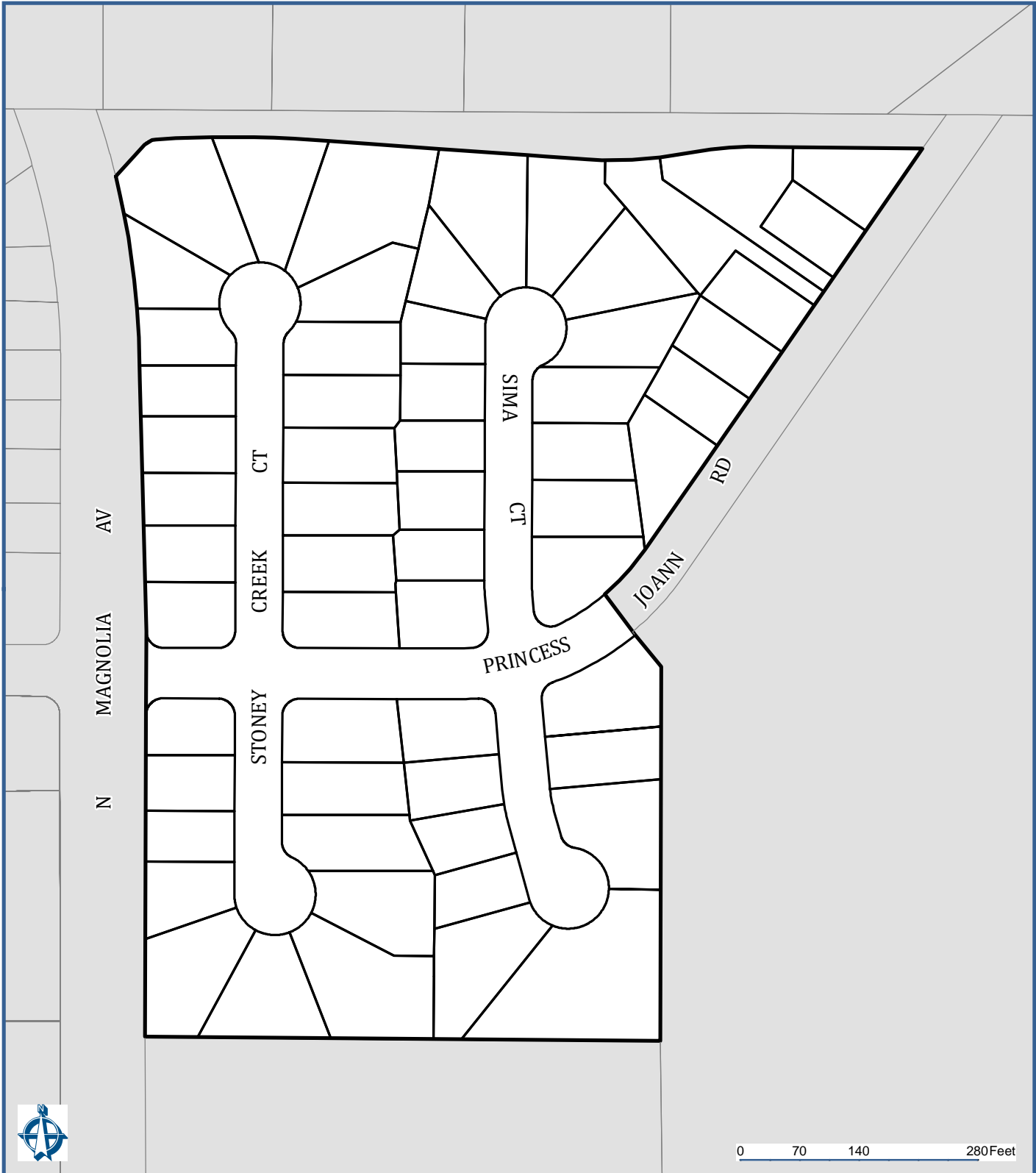
CITY OF SANTEE ASSESSMENT DIAGRAM

SANTEE LANDSCAPE MAINTENANCE DISTRICT
 ZONE 9
 (TIMBERLANE/MATTAZARO)
 EXHIBIT E



0 50 100 200Feet





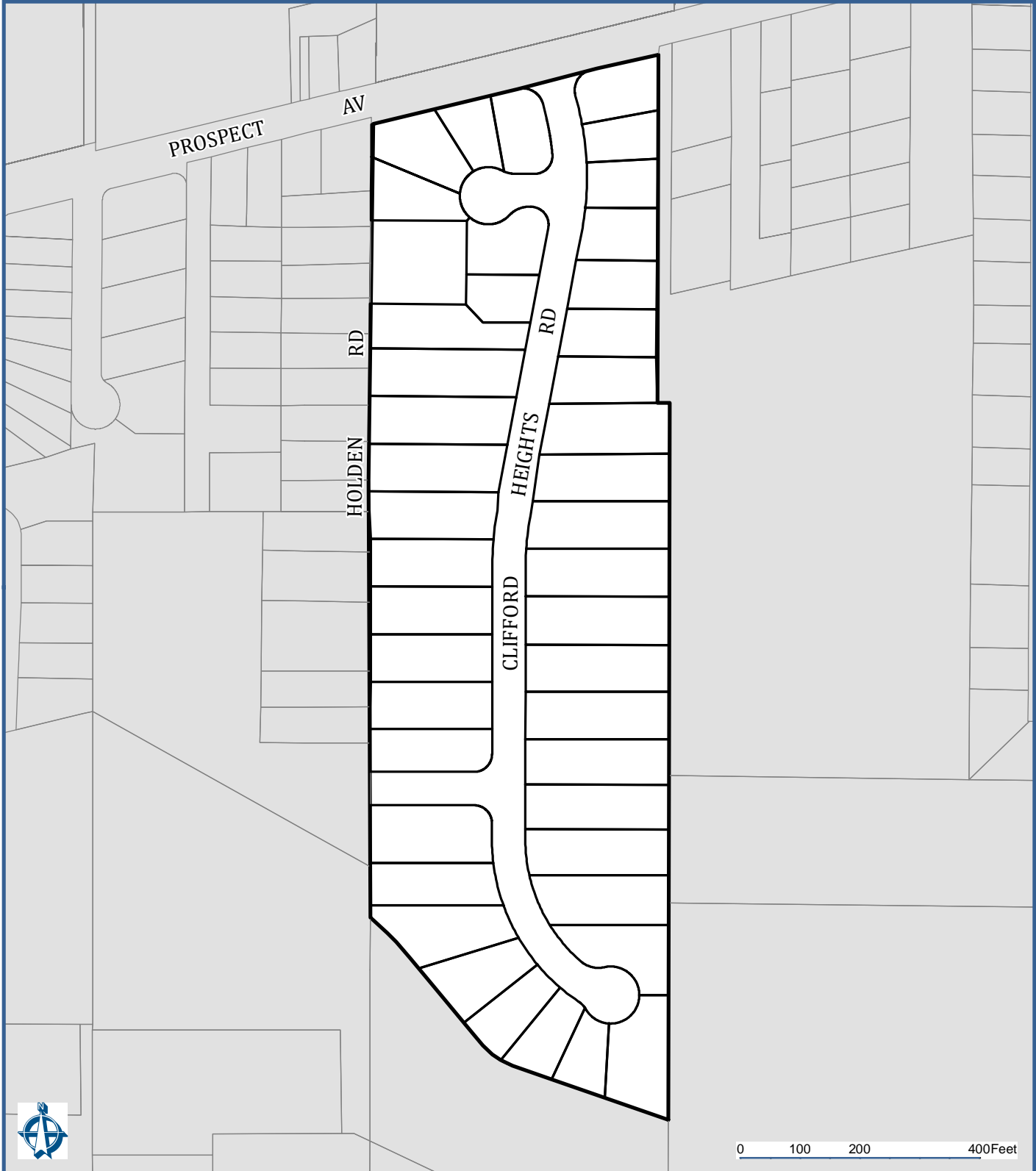
CITY OF SANTEE ASSESSMENT DIAGRAM

SANTEE LANDSCAPE MAINTENANCE DISTRICT

ZONE 12
(THE HEIGHTS)

EXHIBIT F





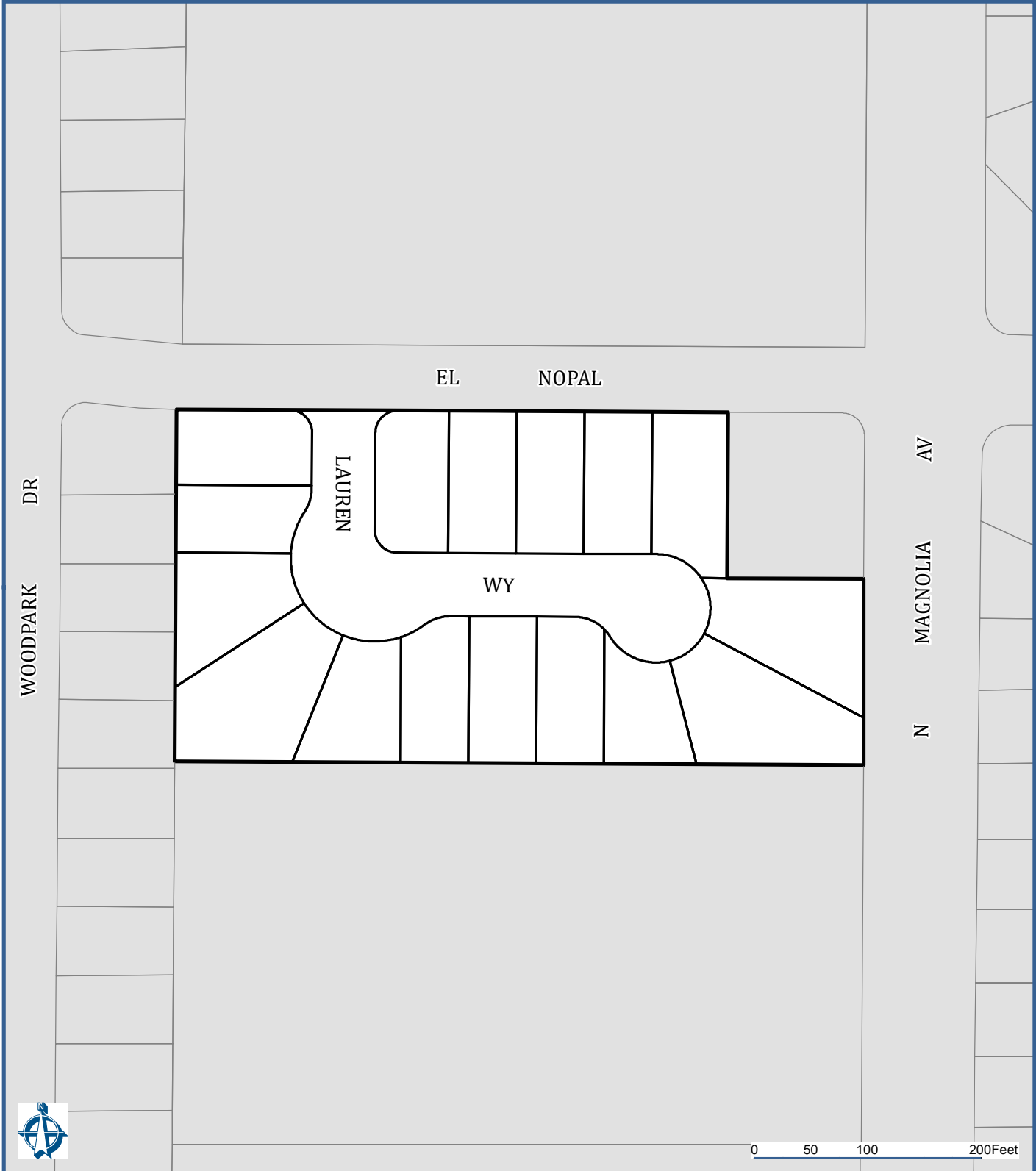
CITY OF SANTEE ASSESSMENT DIAGRAM

SANTEE LANDSCAPE MAINTENANCE DISTRICT

ZONE 13
(PROSPECT HILLS)

EXHIBIT G





CITY OF SANTEE ASSESSMENT DIAGRAM

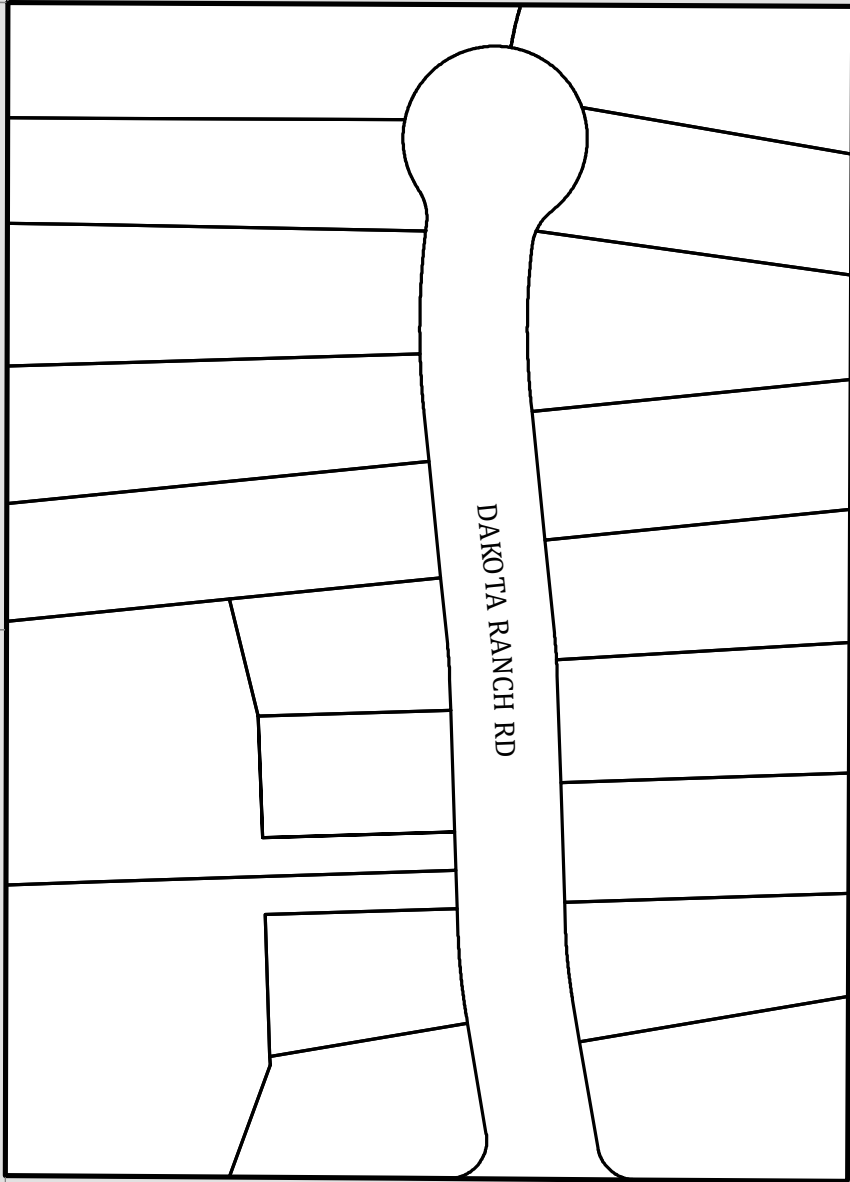
SANTEE LANDSCAPE MAINTENANCE DISTRICT

ZONE 14

(MITCHELL RANCH)

EXHIBIT H





PRINCESS JOANN RD

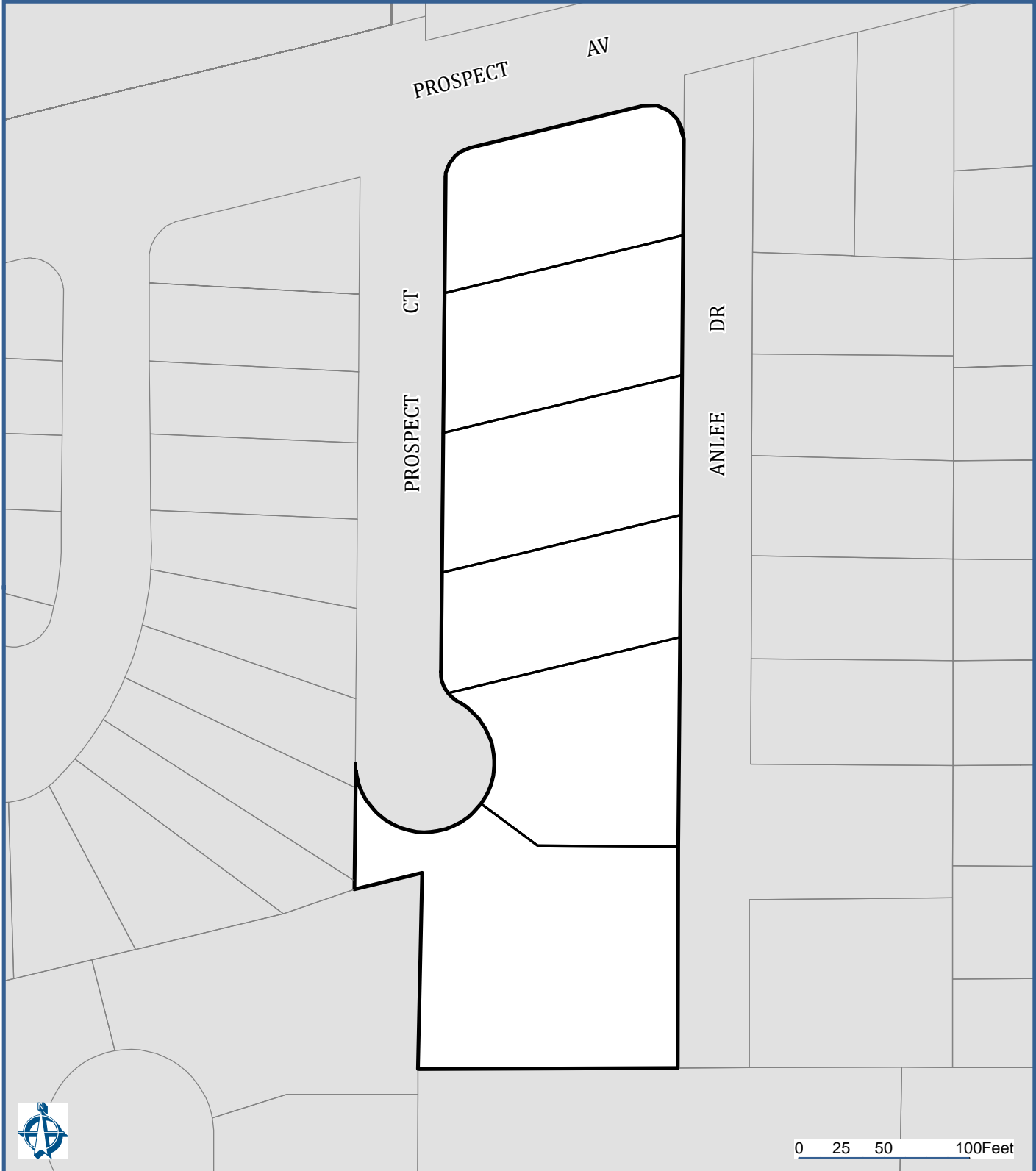


0 25 50 100Feet

CITY OF SANTEE ASSESSMENT DIAGRAM

SANTEE LANDSCAPE MAINTENANCE DISTRICT
ZONE 17
(DAKOTA RANCH)
EXHIBIT I





CITY OF SANTEE ASSESSMENT DIAGRAM

SANTEE LANDSCAPE MAINTENANCE DISTRICT

ZONE 18
(ALLOS)
EXHIBIT J



MEETING DATE April 26, 2023

ITEM TITLE RESOLUTION INITIATING PROCEEDINGS AND ORDERING THE PREPARATION OF AN ENGINEER'S REPORT FOR THE FY 2023-24 TOWN CENTER LANDSCAPE MAINTENANCE DISTRICT ANNUAL LEVY OF ASSESSMENTS; FINDING THE ACTION IS STATUTORILY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA") PURSUANT TO STATE CEQA GUIDELINES SECTION 15262 (FEASIBILITY AND PLANNING STUDIES)

DIRECTOR/DEPARTMENT Heather Jennings, Finance *HJ*

SUMMARY

Town Center Landscape Maintenance District ("TCLMD") was originally formed in 1987. It now comprises eight distinct zones, four of which are assessed: "Zone A – "Town Center Parkway," Zone B – "The Lakes," Zone C – "San Remo," and Zone D – the mixed use project known as "Mission Creek." Contractors provide landscape, fountain, and lighting maintenance services to these four assessed zones. Maps depicting each zone and the areas of maintenance are attached.

The City Council is required to take three distinct steps in order to proceed with the annual levy of assessments. First, the City Council must formally initiate the proceedings and direct the preparation of an engineer's report, analyzing existing and proposed improvements to the District. Second, the City Council must take formal action to either approve, or modify and approve the proposed engineer's report, formally declare its intention to provide for the annual levy of assessments and provide notice of a public hearing. Finally, the City Council must hold the public hearing and provide for the annual levy of assessments.

This item takes the necessary first step in the process by initiating proceedings and ordering the preparation of an engineer's report. The second step of approving the proposed engineer's report, declaring the intention to levy assessments and providing notice of a public hearing is scheduled to occur at the May 24, 2023 City Council meeting. The final step of holding the public hearing and providing for the annual levy of assessments is scheduled to occur at the July 12, 2023 City Council meeting.

FINANCIAL STATEMENT

Funding for the preparation of the engineer's report is included in the FY 2022-23 adopted budget for each zone of the Town Center Landscape Maintenance District.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *KV for MB*

Adopt the resolution to initiate proceedings and order the preparation of an engineer's report.

ATTACHMENT

Resolution (w/Exhibits – Assessment Diagrams)



RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA,
INITIATING PROCEEDINGS AND ORDERING THE PREPARATION OF AN
ENGINEER'S REPORT FOR THE FY 2023-24 TOWN CENTER LANDSCAPE
MAINTENANCE DISTRICT ANNUAL LEVY OF ASSESSMENTS; FINDING THE ACTION
IS STATUTORILY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY
ACT ("CEQA") PURSUANT TO STATE CEQA GUIDELINES SECTION 15262**

WHEREAS, the City Council of the City of Santee desires to initiate proceedings for the annual levy of assessments for a landscape district pursuant to the terms and provisions of the "Landscaping and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California, Article XIII D of the California Constitution, and the Proposition 218 Omnibus Implementation Act (commencing with California Government Code Section 53750) (collectively the "Law"), in what is known and designated as: **TOWN CENTER LANDSCAPE MAINTENANCE DISTRICT** ("District"); and

WHEREAS, these proceedings for the annual levy of assessments shall relate to the fiscal year commencing July 1, 2023; and

WHEREAS, there has been submitted to this City Council for its consideration at this time, diagrams, copies of which are attached hereto and by this reference incorporated herein, showing the boundaries of the areas of assessment for the above referenced fiscal year, said diagrams showing and further describing in general the improvements proposed to be maintained in said District, said description being sufficient to identify the areas proposed to be assessed for said maintenance thereof; and

WHEREAS, there are no proposed new improvements or any substantial changes in existing improvements; and

WHEREAS, the Law requires a written report, consisting of: plans and specifications of the area of the improvements to be maintained; an estimate of the costs for maintaining the improvements, including incidental expenses in connection therewith; a diagram of the areas proposed to be assessed; and a parcel-by-parcel listing of the assessments of the estimated costs for maintaining the improvements in proportion to the special benefits to be conferred on such parcels; and

WHEREAS, the initiation of proceedings and preparation of the Report is not a project subject to CEQA pursuant to State CEQA Guidelines section 15378, as it involves an administrative and fiscal activity of government. Alternatively, even if preparation of the Report is considered a "project" under CEQA, it is statutorily exempt pursuant to State CEQA Guidelines section 15262 (feasibility and planning studies) as it involves a planning study for future action, will not result in adverse environmental impacts, and does not bind the City to future action.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, as follows:

RESOLUTION NO.

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That diagrams, entitled **TOWN CENTER LANDSCAPE MAINTENANCE DISTRICT** as submitted to this City Council, showing the boundaries of the proposed areas to be assessed and showing the improvements to be maintained, are hereby approved, and copies thereof shall be on file in the City Clerk's Office and open to public inspection. The proposed parcels and properties within said areas are those to be assessed to pay certain costs and expenses for said maintenance.

SECTION 3. That the maintenance work within the area proposed to be assessed shall be the maintenance or servicing, or both, of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof in accordance with the Law.

SECTION 4. There are no proposed new improvements or any substantial changes to existing improvements.

SECTION 5. That the Director of Finance is hereby ordered to cause to be prepared and to file with this City Council, the Report relating to said annual assessment and levy in accordance with the provisions of the Law.

SECTION 6. That upon completion, said Report shall be filed with the City Clerk, who shall then provide all notices required by law regarding the intent to approve assessments and hold a public hearing and submit the report to this City Council for its consideration pursuant to sections 22623 and 22624 of the Streets and Highways Code.

ADOPTED by the City Council of the City of Santee, California, at a regular meeting thereof held this 26th day of April, 2023 by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

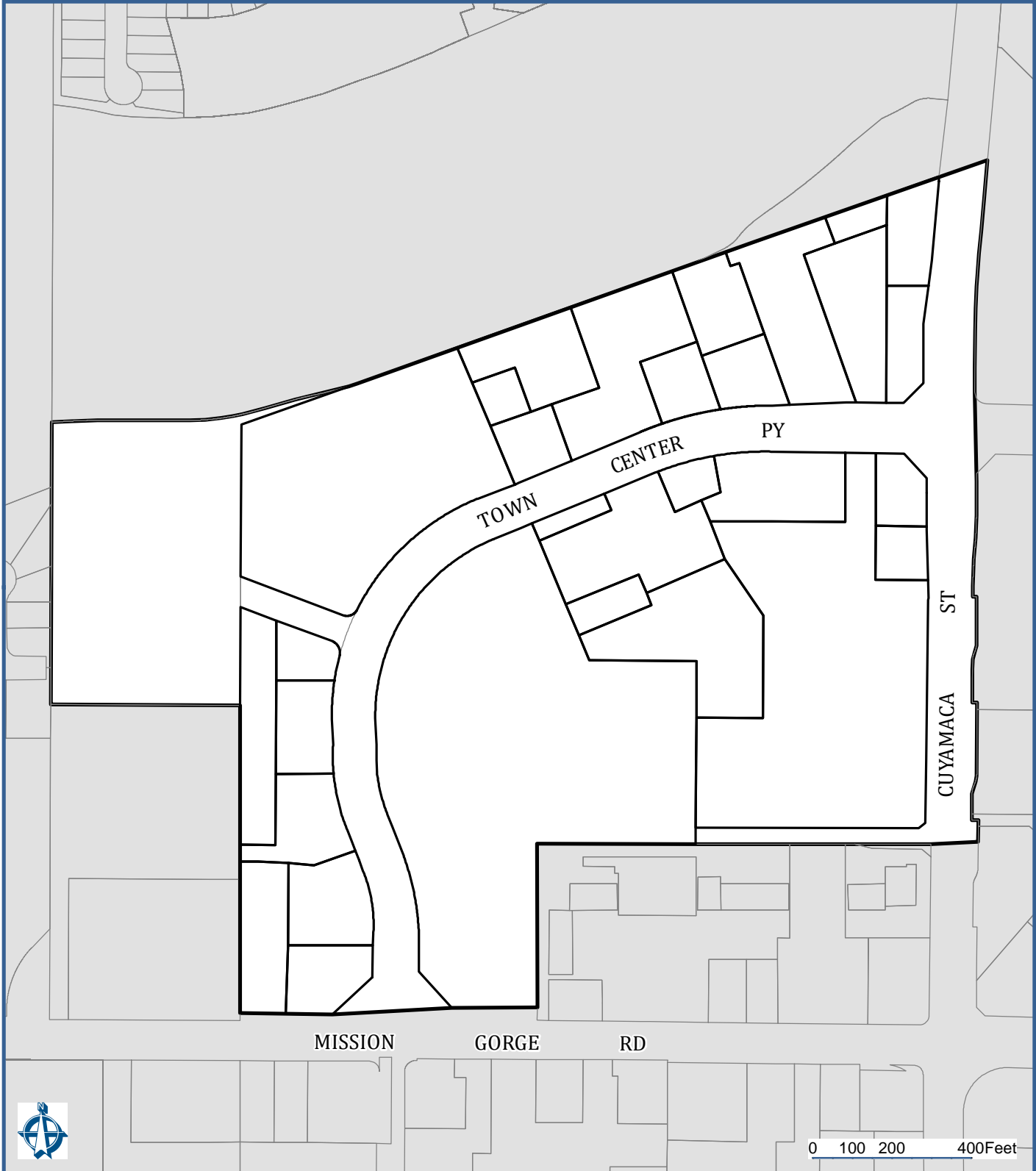
APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

EXHIBITS A-D: Vicinity Maps (Diagrams)

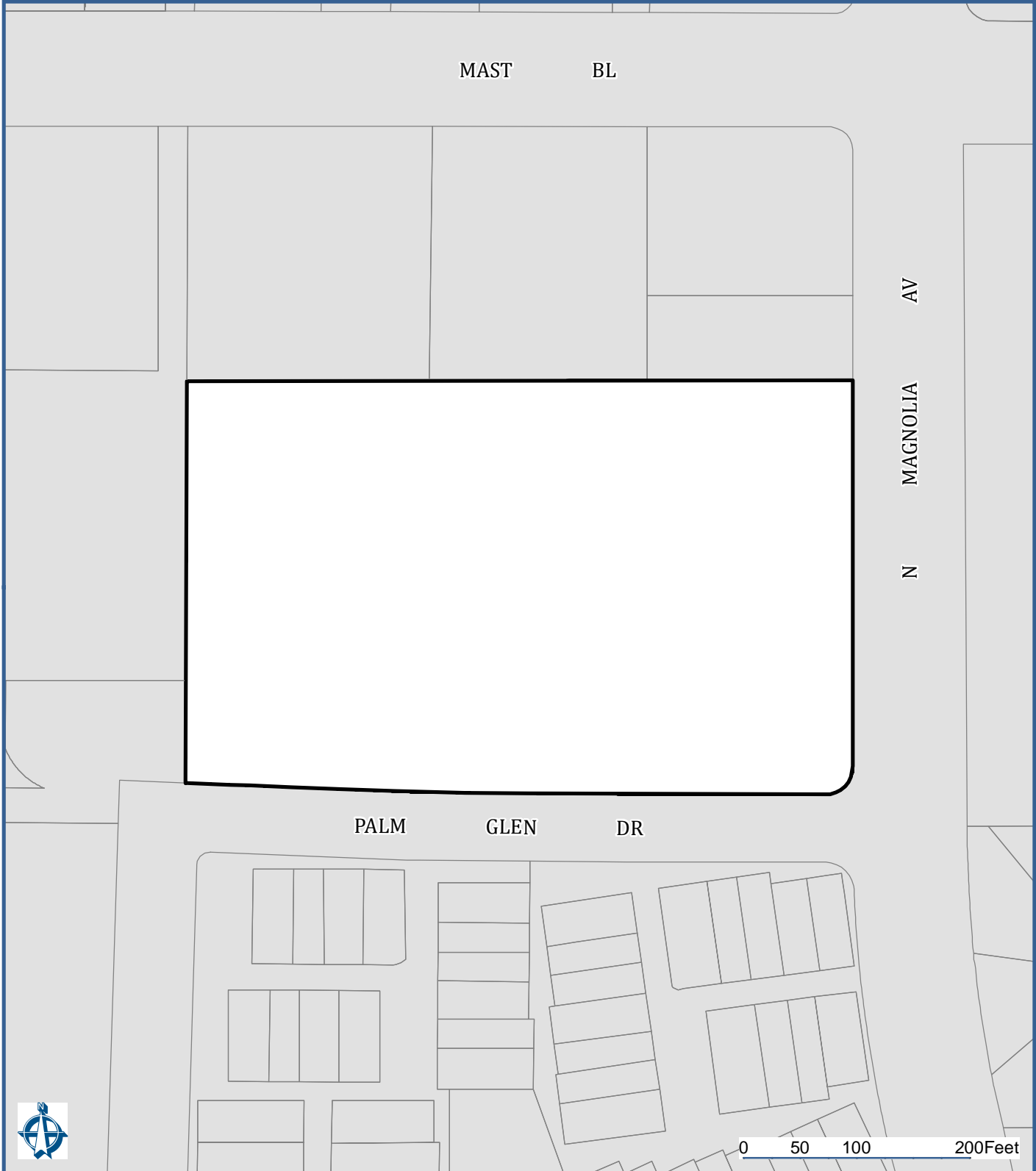


CITY OF SANTEE ASSESSMENT DIAGRAM

TOWN CENTER LANDSCAPE MAINTENANCE DISTRICT

ZONE A
(TOWN CENTER)
EXHIBIT A





CITY OF SANTEE ASSESSMENT DIAGRAM

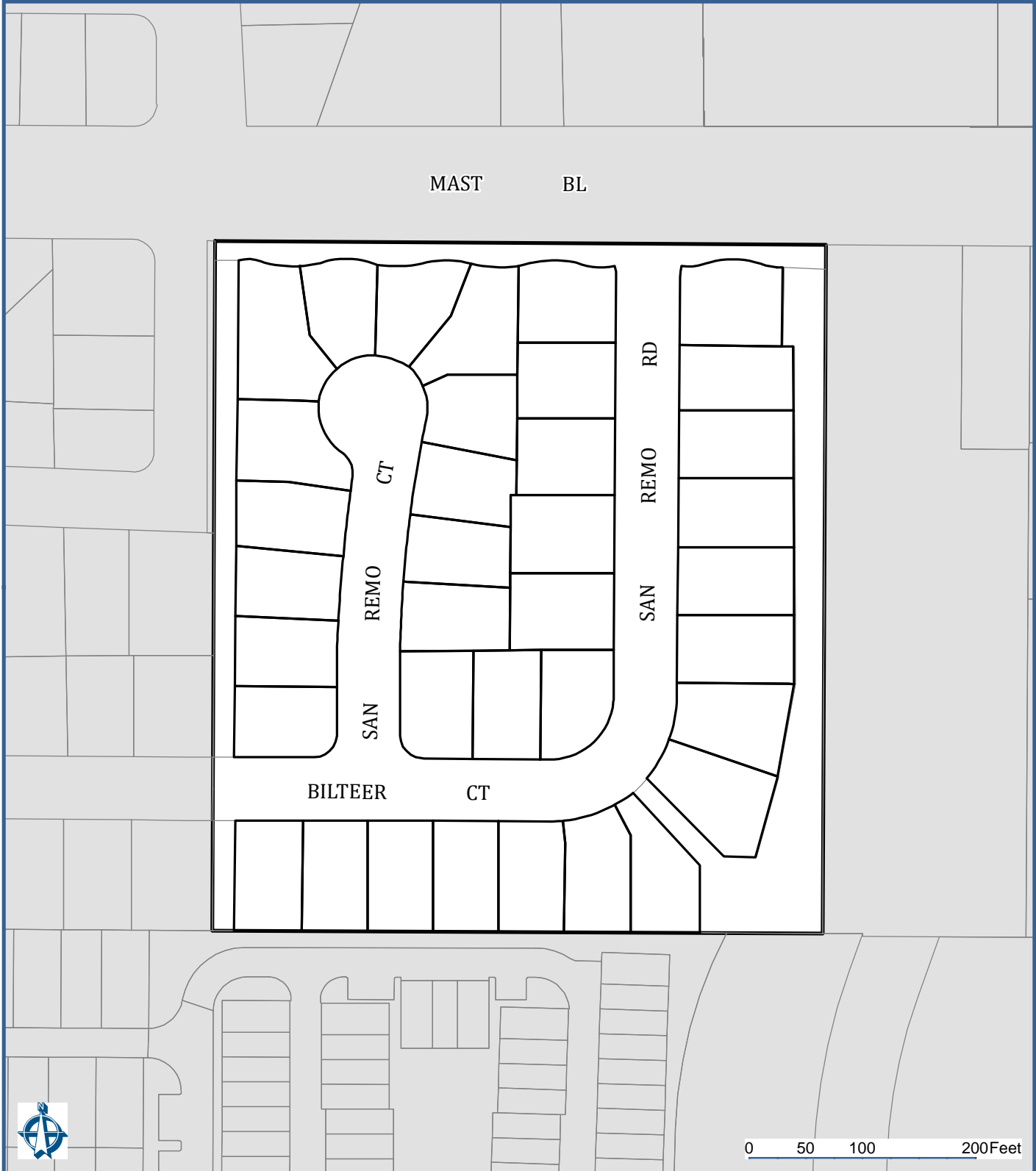
TOWN CENTER LANDSCAPE MAINTENANCE DISTRICT

ZONE B
(THE LAKES)
EXHIBIT B



0 50 100 200Feet



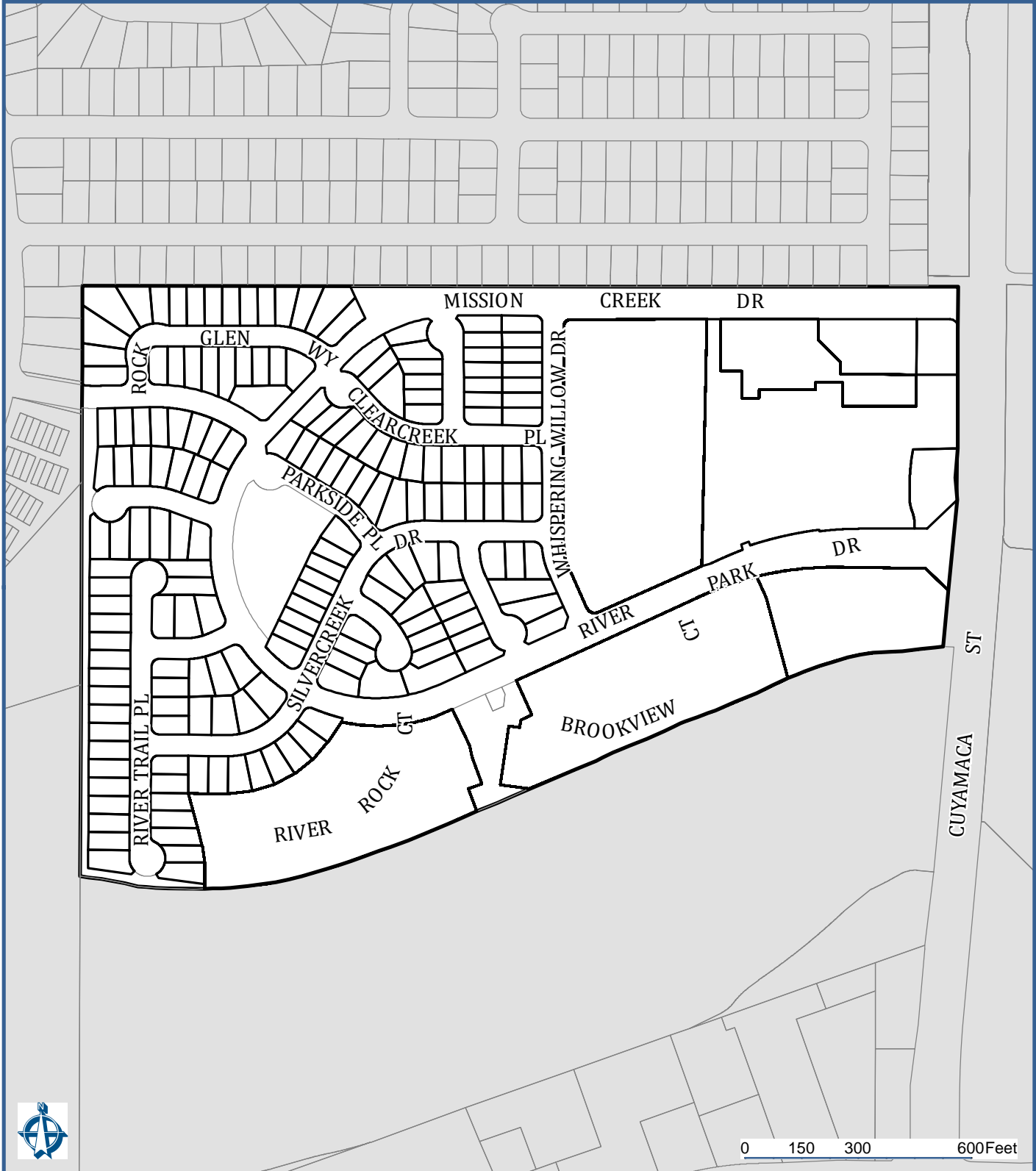


CITY OF SANTEE ASSESSMENT DIAGRAM

TOWN CENTER LANDSCAPE MAINTENANCE DISTRICT

ZONE C
(SAN REMO)
EXHIBIT C





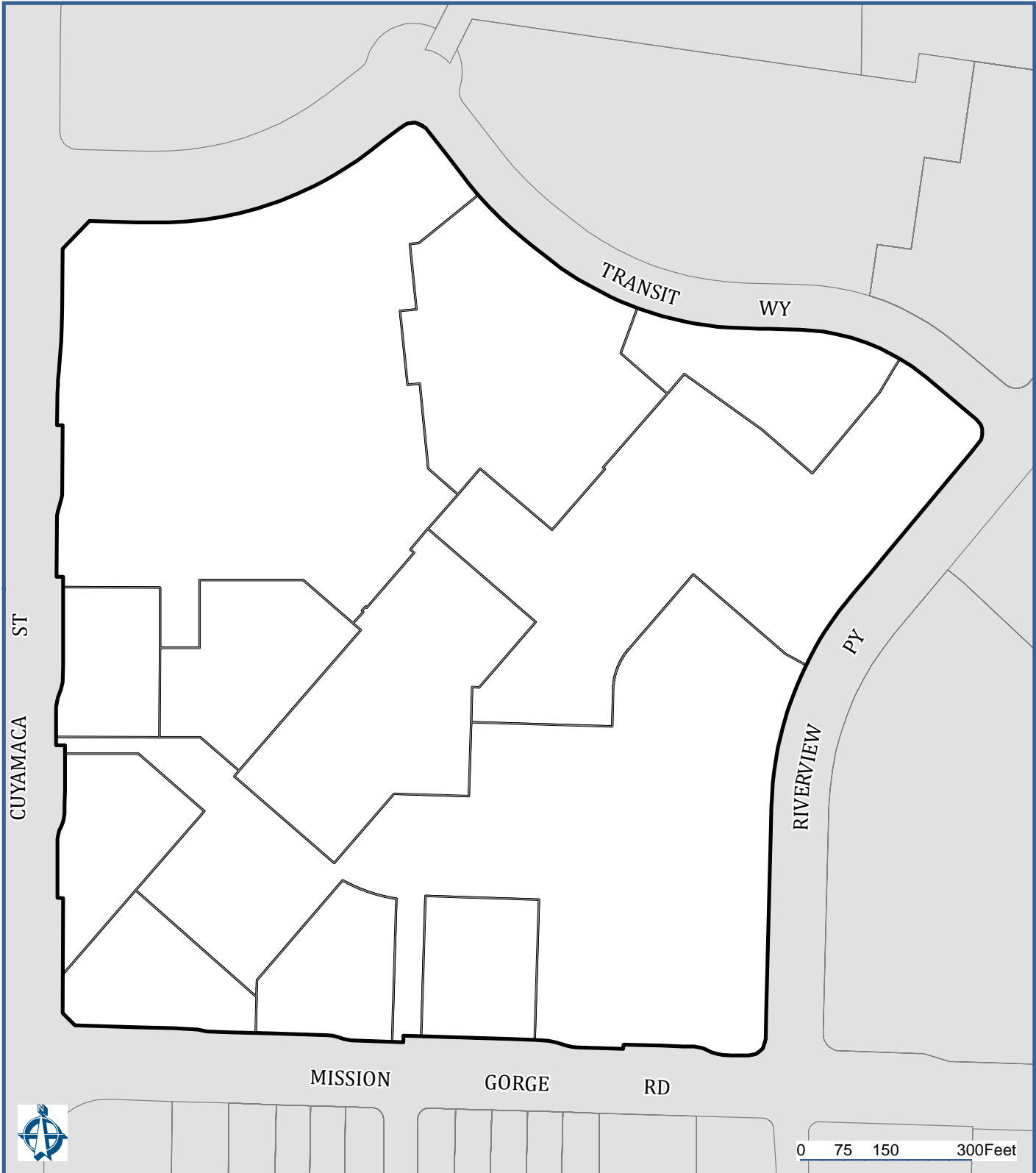
CITY OF SANTEE ASSESSMENT DIAGRAM

TOWN CENTER LANDSCAPE MAINTENANCE DISTRICT
 ZONE D
 (MISSION CREEK)
 EXHIBIT D



0 150 300 600 Feet

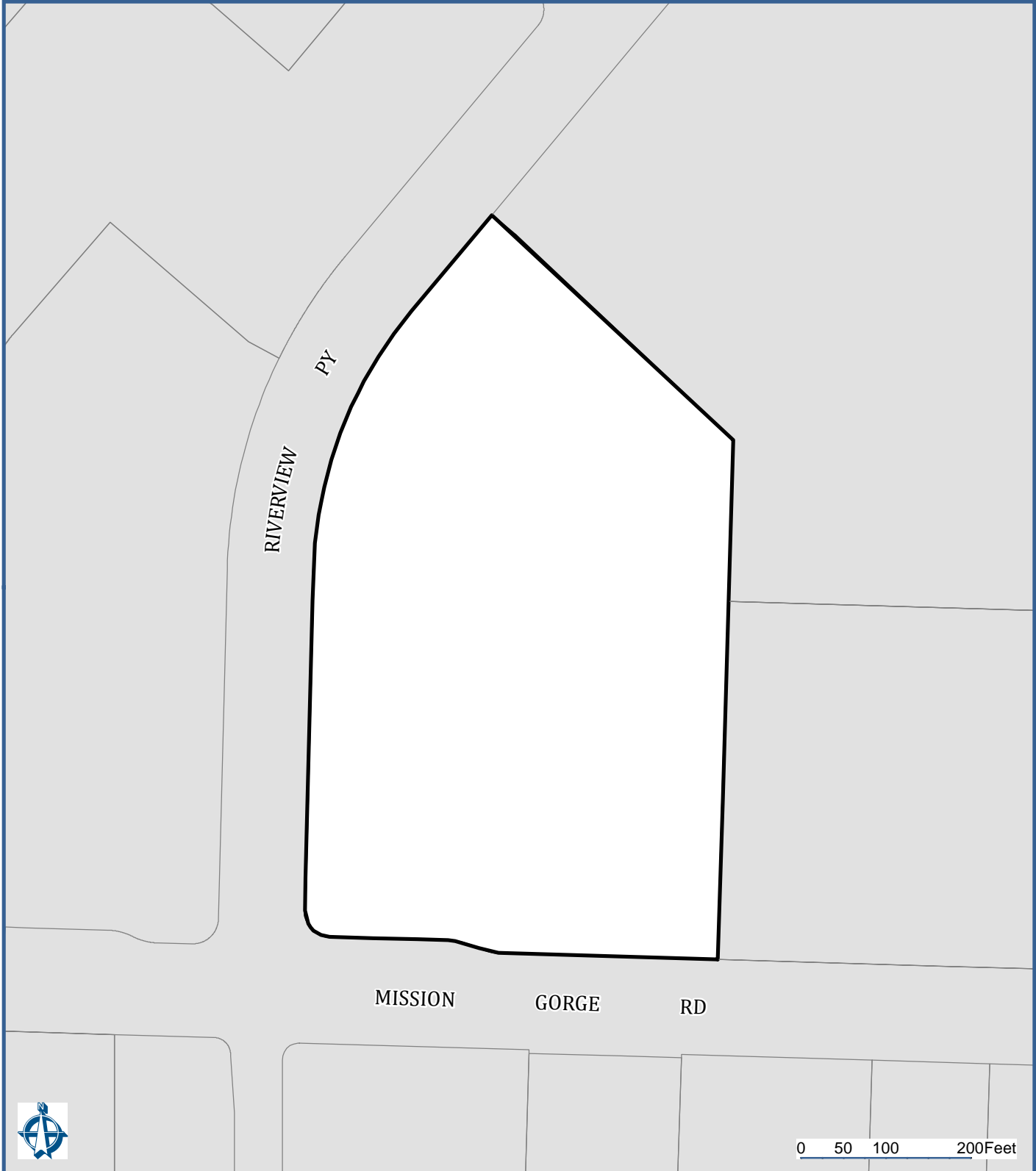




CITY OF SANTEE ASSESSMENT DIAGRAM

TOWN CENTER LANDSCAPE MAINTENANCE DISTRICT
ZONE E
(TROLLEY SQUARE)

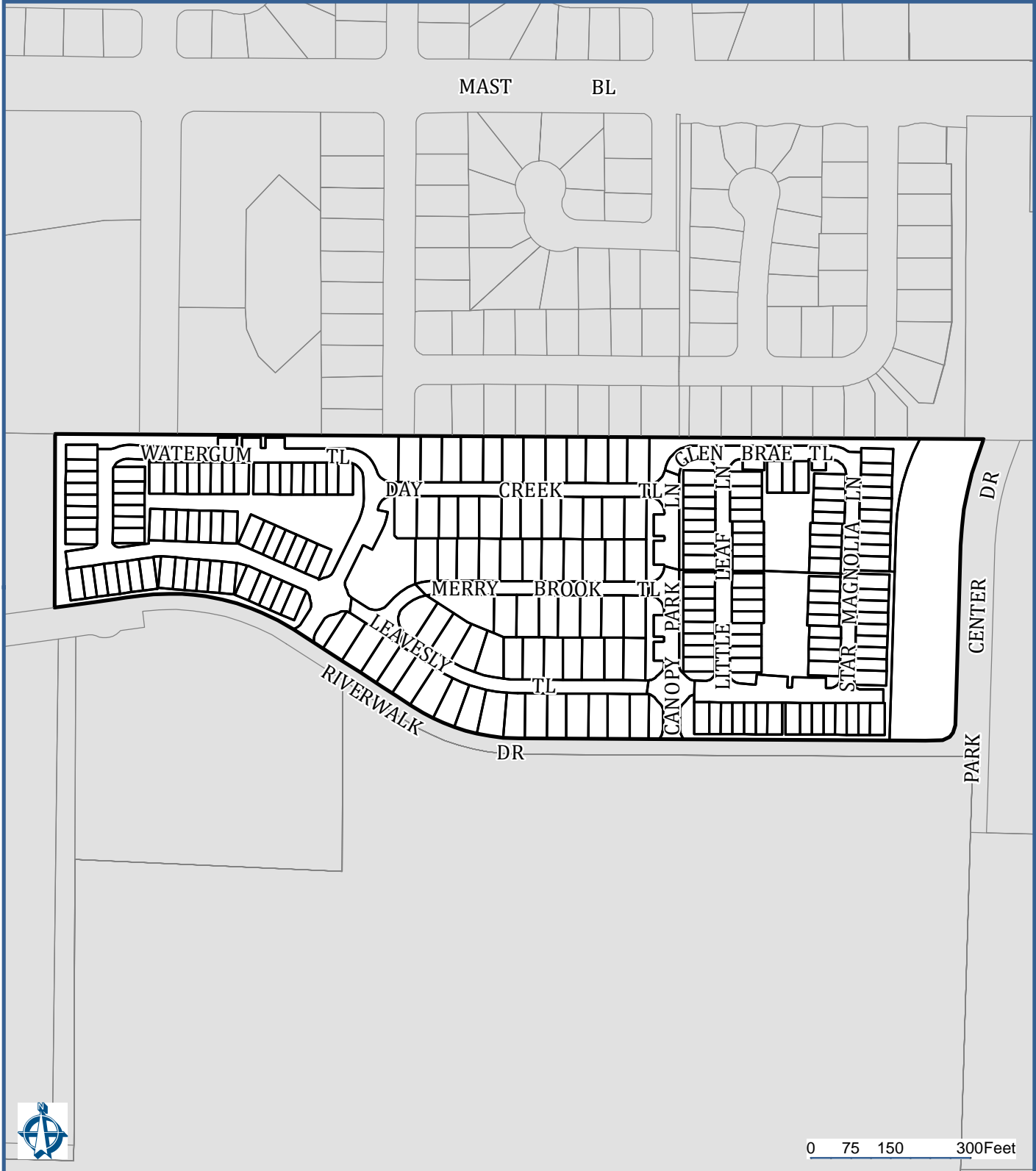




CITY OF SANTEE ASSESSMENT DIAGRAM

TOWN CENTER LANDSCAPE MAINTENANCE DISTRICT
ZONE F
(HARTFORD PROPERTY)

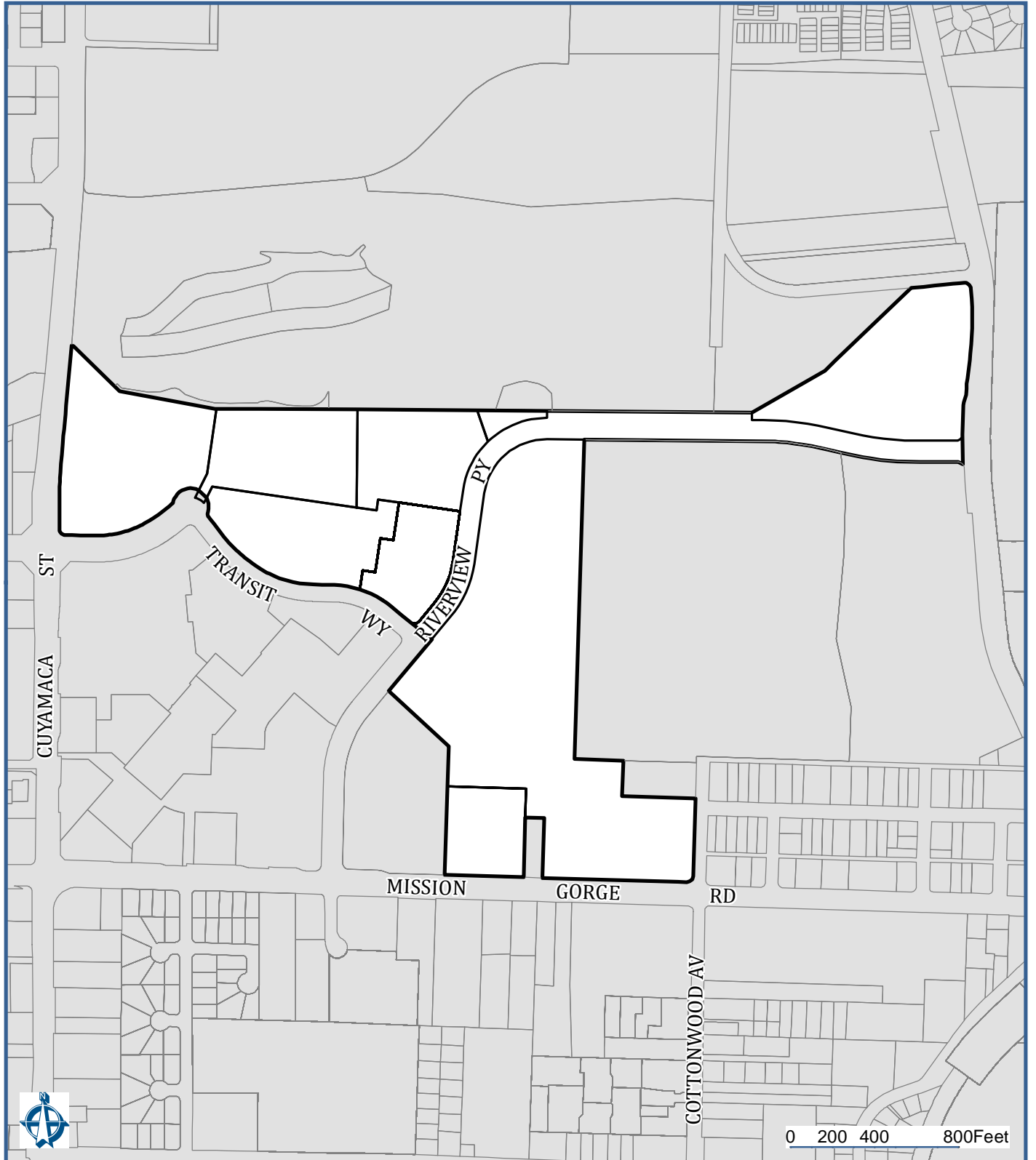




CITY OF SANTEE ASSESSMENT DIAGRAM

TOWN CENTER LANDSCAPE MAINTENANCE DISTRICT
ZONE G
(RIVERWALK)





CITY OF SANTEE ASSESSMENT DIAGRAM

TOWN CENTER LANDSCAPE MAINTENANCE DISTRICT
ZONE H
(RIVERVIEW)



MEETING DATE April 26, 2023

ITEM TITLE RESOLUTION APPROVING THE CITY OF SANTEE INVESTMENT POLICY AND DELEGATING AUTHORITY TO THE CITY TREASURER, AND FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)

DIRECTOR/DEPARTMENT Heather Jennings, Finance *HJ*

SUMMARY

On April 13, 2022 the City Council adopted Resolution No. 040-2022 approving the City of Santee Investment Policy (“Policy”) and delegating authority to the City Treasurer for the management of the City’s investment program. In accordance with the Policy and good fiscal practices, the Policy shall be reviewed annually and adopted by resolution of the City Council. Included within the Policy is a provision that the City Council’s management responsibility for the investment program is delegated to the City Treasurer (Director of Finance) for a period of one year. Subject to review, the City Council may renew the delegation of authority each year.

A review of the Policy has been completed by the City Treasurer and the City’s investment advisor PFM Asset Management LLC (PFM). At the recommendation of the investment advisor, the Policy now includes language to permit the City to invest in the San Diego County Treasurer’s Pool. There are no plans to use the County Pool at this time, it is only being added to provide the City with more investment flexibility. No changes to the Policy are required as a result of legislative changes at this time.

FINANCIAL STATEMENT

There is no direct fiscal impact from this action. Adoption of the attached resolution will allow the City Treasurer (Director of Finance) to continue to manage the investment of public funds held by the City.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *KV for MB*

Adopt the attached resolution approving the City of Santee Investment Policy and delegating authority to the City Treasurer.

ATTACHMENT

Resolution (w/ Exhibit “A” City of Santee Investment Policy”)



RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
APPROVING THE INVESTMENT POLICY AND DELEGATING AUTHORITY TO THE
CITY TREASURER, AND FINDING THE ACTION IS NOT A PROJECT SUBJECT TO
THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)**

WHEREAS, the City Council of the City of Santee adopted an updated Investment Policy on April 13, 2022 with Resolution No. 040-2022; and

WHEREAS, the Investment Policy provides that the City Council’s management responsibility for the investment program is delegated to the City Treasurer (Director of Finance) for a period of one year and that subject to review, the City Council may renew the delegation of authority each year; and

WHEREAS, a review of the Investment Policy has been completed by the City Treasurer and the City’s investment advisor, and at the recommendation of the investment advisor, language was added to permit the City to invest in the San Diego County Treasurer’s Pool. No other changes to the Policy are required as a result of legislative changes at this time; and

WHEREAS, the approval of the investment policy and delegation of authority are categorically exempt from environmental review by Section 15301(c) of the State CEQA Guidelines.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Santee, California, does hereby find, determine and declare as follows:

Section 1: The Recitals provided above are true and correct and are hereby incorporated into this Resolution.

Section 2: The City of Santee Investment Policy, attached hereto as Exhibit “A”, is approved and adopted.

Section 3: Management responsibility for the investment program is delegated to the City Treasurer (Director of Finance) for a period of one year.

ADOPTED by the City Council of the City of Santee, California, at a regular meeting thereof held this 26th day of April 2023, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

Attachment: Exhibit “A” – City of Santee Investment Policy

CITY OF SANTEE

Investment Policy



April 26, 2023

**CITY OF SANTEE
10601 Magnolia Ave. Santee, CA 92071**

CITY OF SANTEE INVESTMENT POLICY

I. PURPOSE AND DELEGATION

This document is intended to provide policies and guidelines for the prudent investment of public funds held by the City which are not required for immediate day-to-day operations. The investment goals are to ensure the safety of invested funds, provide for the City's liquidity needs and to enhance the economic condition of the City by earning an acceptable rate of return.

The City Council's management responsibility for the investment program is hereby delegated to the City Treasurer for a period of one-year. Subject to review, the City Council may renew the delegation of authority each year. The City Treasurer shall monitor and review all investments for consistency with this investment policy (the "Policy") and assume full responsibility for those transactions until the delegation of authority is revoked or expires.

In the execution of this delegated authority, the City Treasurer may establish accounts with qualified financial institutions and brokers/dealers for the purpose of effecting investment transactions in accordance with this Policy.

The City may contract with an SEC registered investment advisor to assist the City Treasurer with the investment program. The Investment Advisor actions shall be in conformance with this Policy and any written direction provided by the City Treasurer. The Investment Advisor shall never take possession of the City's funds.

II. DEFINITIONS

A) "City" shall mean the City of Santee, the Community Development Commission Successor Agency of the City of Santee and any other Agency where the City Treasurer has the responsibility for depositing and/or investing surplus funds in accordance with applicable sections of the California Government Code.

B) "Surplus" funds means those monies not immediately needed to pay demands against the City by vendors and other claimants.

III. POLICY AND GUIDELINES

The City Treasurer is responsible for depositing and/or investing the surplus funds in the City Treasury in accordance with the California Government Code, Sections 53600 et seq. The City manages its investment program in accordance with California Government Code Sections 53600.3, under which those making investments on its behalf are deemed to act in a fiduciary capacity subject to the prudent investor standard. Under the prudent investor standard those making investment decisions shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, in order to safeguard the principal and maintain the liquidity needs of the City.

**CITY OF SANTEE
INVESTMENT POLICY**

IV. OBJECTIVE

The primary objectives of the City's investment program, in order of priority, are safety, liquidity and yield in accordance with Section 53600.5 of the California Government Code.

- A) SAFETY IS THE PRIMARY OBJECTIVE Safety and the minimizing of risk associated with investing refers to attempts to reduce the potential for loss of principal, interest or combination of the two. The City invests only in those instruments that are considered very safe.

- B) LIQUIDITY IS THE SECONDARY OBJECTIVE Liquidity refers to the ability to convert an investment to cash promptly with minimum risk of losing some portion of principal or interest. Liquidity also refers to the ability to meet all operating requirements which might be reasonably anticipated. A portion of the portfolio should be maintained in liquid short-term securities which can be converted to cash as necessary to meet operating requirements.

- C) YIELD IS THE THIRD OBJECTIVE Yield or investment return becomes an objective only after the basic requirements of safety and liquidity have been met. The City Treasurer shall attempt to realize a reasonable rate of return on investments consistent with market conditions, California statutes and the City's Investment Policy.

V. INVESTMENT INSTRUMENTS

A. Eligible Securities:

The City of Santee may invest in the following instruments under the guidelines as provided herein and in accordance with Sections, 16429.1, 53601 et seq., and 53684 of the California Government Code. Percentage limitations on the purchase of securities apply at the time of purchase. It is the City's intent at the time of purchase to hold all investments until maturity to ensure the return of all invested principal dollars, but sales prior to maturity are permitted.

- 1) BANK DEPOSITS Bank deposits including, but limited to, demand deposit accounts, savings accounts, market rate accounts, and time certificates of deposit in California depositories. All deposits must be collateralized in accordance with the California Government Code. The City Treasurer may waive collateral for the portion of deposits covered by federal deposit insurance. A written depository contract is required with all institutions that hold City deposits. There is no limitation as to the amount of the City's surplus funds that may be invested in liquid bank deposits; however, purchases of certificates of deposit are restricted to a maximum of 30% of the City's surplus funds and a maximum maturity of one year.

**CITY OF SANTEE
INVESTMENT POLICY**

- 2) FEDERAL AGENCY OBLIGATIONS Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There is no limitation as to the amount of the City's surplus funds that may be invested in federal agency obligations.
- 3) U.S. TREASURY OBLIGATIONS U.S. Treasury Bills, Notes, Bonds or Certificates of Indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation as to the amount of the City's surplus funds that may be invested in U.S. Treasury obligations.
- 4) LOCAL AGENCY INVESTMENT FUND (LAIF) Investment of funds in the California LAIF which allows the State Treasurer to invest through the Pooled Money Investment Account subject to the State's annual investment policy. Maximum investment is subject to State regulation.
- 5) LOCAL GOVERNMENT INVESTMENT POOL Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:
 - (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.
 - (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.
 - (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000)."
- 6) BANKERS ACCEPTANCES Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as Bankers Acceptances, both domestic and foreign, which are eligible for purchase by the Federal Reserve System. Purchases of Bankers Acceptances must be from banks with a short-term debt rating of "A-1" or its equivalent or higher, and may not exceed 180 days maturity or 40% of the City's surplus funds.
- 7) COMMERCIAL PAPER Commercial Paper of "prime" quality of the highest rating as provided by a nationally recognized statistical rating organization (NRSRO). Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 25% of the City's surplus funds. Eligible paper is further limited to issuing corporations that are organized and operating within the United States as a general corporation, have total assets

CITY OF SANTEE INVESTMENT POLICY

in excess of five hundred million dollars (\$500,000,000), and have debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by an NRSRO.

- 8) NEGOTIABLE CERTIFICATES OF DEPOSIT Issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases are limited to institutions which have long-term debt rated in a rating category of "A" or its equivalent or higher or have short-term debt rated "A-1" or its equivalent or higher by an NRSRO. Purchases of Negotiable Certificates of Deposit may not exceed 30% of the City's surplus funds.
- 9) REPURCHASE AGREEMENTS (Repos) A purchase of securities by the City pursuant to an agreement by which the seller will repurchase such securities on or before a specified date, or on demand of either party, and for a specified amount. No more than 10% of the City's surplus funds shall be invested in repurchase agreements. Investments in repos will be used solely as short term investments not to exceed 90 days and the market value of the securities used as collateral that underlay a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities, and the value shall be marked to market daily. The collateral shall be limited to obligations of the United States government and its agencies.

Securities used as collateral shall be held by the City's depository bank trust department or be handled under a tri-party repurchase agreement. The City or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.

- 10) MONEY MARKET MUTAL FUNDS Money Market Mutual funds are limited to those money market funds that invest in U.S. Treasuries, Federal Agency obligations, and repurchase agreements relating to such obligations. The management companies shall either (1) attain the highest ranking or the highest letters and numerical rating provided by not less than two of the three largest nationally recognized rating services, or (2) have an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations as authorized above and with assets under management in excess of five hundred million dollars (\$500,000,000) and (3) follow regulations specified by the SEC under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1, et seq.). The purchase price of shares for beneficial interest shall not include any commission these companies may charge and shall not exceed 15% of the City's surplus funds.
- 11) MEDIUM TERM NOTES Medium-term notes defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less issued by corporations organized and operating within the

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United States or by depository institutions licensed by the United States or any State and operating within the United States. Notes eligible for investment shall be rated in a rating category of "A" or its equivalent or higher by an NRSRO. The amount invested in medium term notes may not exceed 30% of the City's surplus funds.

- 12) STATE AND LOCAL AGENCY OBLIGATIONS Registered treasury notes or bonds of any of the 50 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any state.

Bonds, notes, warrants, or other evidences of indebtedness of any local agency within California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

Purchases are limited to securities rated in a long-term rating category of "A" or its equivalent or higher or have a short-term rating of "A-1" or its equivalent or higher by an NRSRO. The amount invested in state and local agency obligations shall not exceed 30% of the City's surplus funds.

- 13) SUPRANATIONALS United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. The amount invested in supranationals shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 30% of the City's surplus funds.

- 14) PLACEMENT SERVICE DEPOSITS Insured deposits placed with a private sector entity that assists in the placement of deposits with eligible financial institutions located in the United States (Government Code Section 53601.8). The full amount of the principal and the interest that may be accrued during the maximum term of each deposit shall at all times be insured by federal deposit insurance. Placement Service Deposits shall not exceed 30% of the total value of the District's investments. The maximum investment maturity will be restricted to three (3) years.

- 15) ASSET BACKED SECURITIES A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond. Securities eligible for purchase shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less.

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The amount invested in asset backed securities shall not exceed 20% of the City's surplus funds.

- 16) SAN DIEGO COUNTY TREASURER'S INVESTMENT POOL (SDCTIP) The SCTIP established by the County Board of Supervisors to invest the assets of the County, school districts in the County, and other public agencies in the county.
- 17) OTHER Other investments that are, or may become, legal investments through the State of California Government Code and with prior approval of the City Council.

B. Prohibited Securities:

- 1) Those securities not enumerated under Section V. A. "Eligible Securities"
- 2) Inverse floaters, range notes, interest only strips derived from a pool of mortgages (collateralized mortgage obligations) and any security that could result in zero interest accrual if held to maturity as specified in Section 53601.6 of the California Government Code.
- 3) Securities lending agreements.

VI. BOND PROCEEDS

Bond proceeds shall be invested in securities permitted by the applicable bond documents. If the bond documents are silent as to permitted investments, bond proceeds will be invested in securities permitted by this Policy. With respect to maturities, if in the opinion of the City Treasurer matching the segregated investment portfolio of the bond reserve fund with the maturity schedule of an individual bond issue is prudent given current economic analysis, the Policy authorizes extending beyond the five year maturity limitation as outlined in this document.

VII. CREDIT RATINGS, DIVERSIFICATION AND MATURITY

Credit ratings, where listed in section V. A., specify the minimum credit rating required at time of purchase. The security, at the time of purchase, may not be rated below the minimum credit requirement by any of the three main NRSROs (Standard & Poor's, Moody's or Fitch) that rate the security. In the event that an investment originally purchased within Policy guidelines is downgraded below the Policy requirements, the course of action to be followed by the City Treasurer will then be decided on a case-by-case basis, considering such factors as the reason for the downgrade, prognosis for recovery or further rating downgrades, and the market price of the security.

Investments shall be diversified among institutions, types of securities and

CITY OF SANTEE INVESTMENT POLICY

maturities to maximize safety and yield with changing market conditions. Investment maturities will be scheduled to permit the City to meet all projected obligations, based on cash flow forecasts.

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible. The weighted average maturity of the portfolio shall not exceed two years. A policy of laddered maturities will generally be followed. No investment shall be made in any security, other than a security underlying a repurchase agreement authorized by section V. A. 9), that at the time of the investment has a term remaining to maturity in excess of five years, unless the City Council has granted express authority to make that investment either specifically or as a part of an investment program approved by the City Council no less than three months prior to the investment.

The Policy further limits the percentage holdings with any one issuer to a maximum of 10% of the City's surplus funds, except for investments in U.S. Treasury securities, Federal Agency securities, CAMP and LAIF.

VIII. INTERNAL CONTROLS

The City Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity under his/her control are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgement by management. At a minimum, the internal controls shall address the following points:

- A) Control of Collusion - Collusion is a situation where two or more employees are working together to defraud an entity.
- B) Separation of Duties - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- C) Safekeeping - Securities purchased from any bank or dealer including appropriate collateral (as defined by State law) shall be placed with the City's depository bank in its trust department for safekeeping. Said securities shall be held in a manner that establishes the City's right of ownership.
- D) Clear Delegation of Authority - Subordinate staff members must have a clear understanding of their authority and responsibility to avoid improper actions.
- E) Delivery vs. Payment - All investment transactions of the City, involving

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deliverable securities, shall be conducted using standard delivery vs. payment procedures. Delivery versus payment is a settlement procedure, which involves the delivery of cash and securities to the custodian. The custodian won't transfer the cash or securities to the respective parties until all items are received to enable the simultaneous transfer of the cash or securities. This ensures the City will, at all times, have control, through its custodian, of either the securities or the cash for those securities.

IX. PERFORMANCE STANDARDS

The investment portfolio shall be managed with the objective of producing a yield approximating the average return on the two-year U.S. Treasury. This index is considered a benchmark for low to moderate risk investment transactions. Therefore, it comprises a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles. This benchmark will be reviewed periodically and may be adjusted as required by market conditions to prevent incurring unreasonable risks to attain yield.

X. CRITERIA FOR SELECTING FINANCIAL INSTITUTIONS AND BROKER/DEALERS

Securities not purchased directly from the issuer, shall be purchased either from an institution licensed by the state as a broker-dealer, as defined in Section 25004 of the Corporations Code, or from a member of a federally regulated securities exchange, from a national or state-chartered bank, from a savings association or federal association (as defined by Section 5102 of the Financial Code) or from a brokerage firm designated as a primary government dealer by the Federal Reserve bank

For transactions executed directly by the City and not purchased from the issuer, the City Treasurer will maintain a list of financial institutions authorized to execute investment transactions. Furthermore, each financial institution must certify that it has reviewed and understands the California Government Code Sections 53600 et seq. and this Policy and that all securities offered to the City will comply fully with all provisions of the Government Code and with this Policy.

For transactions initiated through the Investment Advisor, the firm may use their own list of approved broker/dealers and financial institutions, which it will maintain and review periodically.

XI. INVESTMENT REPORTS AND POLICY

A) The City Treasurer shall submit a monthly investment report to the City Manager and City Council. The report shall encompass all investments and monies held by the City, and/or under the management of any outside party

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and shall include a list of security transactions, the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, current market value on all securities (including the source of this valuation). The report shall state whether the investments comply with the Policy and whether the City will be able to meet its needs for cash for the next six months.

- B) This Policy shall be reviewed annually and be adopted by resolution of the City Council at a public meeting. Any modifications made thereto must be approved by the City Council at a public meeting.

MEETING DATE April 26, 2023 **Item 11 has been withdrawn and will not be heard**

ITEM TITLE AUTHORIZE THE AWARD OF A CONTRACT FOR ELECTRICAL REPAIRS AND RELATED MAINTENANCE AND REPAIR SERVICES TO ADVANCED RAILWAY INNOVATIONS DBA ADVANCED ELECTRICAL INNOVATIONS PER RFB #23/24-20067 AND FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)

DIRECTOR/DEPARTMENT Nicolas Chavez, Community Services *NC*

SUMMARY

In compliance with the City’s purchasing ordinance, Santee Municipal Code section 3.24.100, the Finance Department administered a formal bid process for Electrical Repairs and Related Maintenance. On April 6, 2023, four (4) bids were received and opened for RFB #23/24-20067. Based on the requirements for lowest responsive responsible bid, staff recommends that City Council award the contract for Electrical Repairs and Related Maintenance to Advanced Railway Innovations DBA Advanced Electrical Innovations for an amount not to exceed \$37,892.00 for Fiscal Year 2023-24.

The term of the initial contract will be July 1, 2023 through June 30, 2024, with three (3) subsequent 12-month options to renew, and one (1) 90-day option to extend. Annual increases for this contract, if any, will be at the sole discretion of the City and will not exceed the change in the San Diego Urban Wage Earners and Clerical Workers (CPI-W) for the preceding January to January 12-month period with limited exceptions as provided by the contract documents. Staff also requests City Council authorization for the City Manager to approve future purchase orders per subsequent contract renewals and annual change orders up to ten percent (10%) of the then-current contract amount; and for the Director of Community Services to execute a Notice of Completion and the City Clerk to file said Notice of Completion for each term of the contract once the work for that term has been completed to the satisfaction of the Director of Community Services.

ENVIRONMENTAL REVIEW

This is categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to section 15301 (maintenance of existing structures, facilities or mechanical equipment).

FINANCIAL STATEMENT *HS*

Funding for this contract will be provided in the proposed Fiscal Year 2023-24 Community Services Department operating budget.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *KW for MB*

1. Award the contract for Electrical Repairs and Related Maintenance to Advanced Railway Innovations DBA Advanced Electrical Innovations for an amount not to exceed \$37,892.00 for Fiscal Year 2023-24; and
2. Authorize the City Manager to approve up to three (3) additional twelve (12)-month options to renew and one (1) ninety (90)-day extension along with the corresponding purchase orders; and
3. Authorize the City Manager to approve annual change orders up to ten percent (10%) of the then-current contract amount; and
4. Authorize the Director of Community Services to execute a Notice of Completion and the City Clerk to file said Notice of Completion upon satisfactory completion of work for each contract term.

ATTACHMENTS

Bid Summary

Item 11 has been withdrawn and will not be heard



Mayor
John W. Minto
City Council
Ronn Hall
Laura Koval
Rob McNelis
Dustin Trotter

April 6, 2022
RFB #23/24-20067

VERIFIED Bid Results
for
ELECTRICAL REPAIRS & RELATED MAINTENANCE

Bids received, **verified**:

- | | | |
|----|---------------------------------|----------------------------|
| 1. | Advanced Electrical Innovations | Total: \$ <u>37,892.00</u> |
| 2. | Global Power Group, Inc. | Total: \$ <u>43,000.00</u> |
| 3. | Ace Electric, Inc. | Total: \$ <u>53,220.00</u> |
| 4. | Saturn Electric, Inc. | Total: \$ <u>56,250.00</u> |

MEETING DATE April 26, 2023

ITEM TITLE CLAIM AGAINST THE CITY BY JOSE TANEGA; FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)

DIRECTOR/DEPARTMENT Jessie Bishop, Interim HR Director 

SUMMARY

A claim was filed against the City of Santee by Jose Tanega on March 24, 2023. The claimant states that he made a left turn on Mission Gorge onto West Hills Parkway and ran over a pothole causing damage to his vehicle. City staff has confirmed that the incident location is within the boundaries of the City of San Diego and therefore outside the City’s jurisdiction. The claim has been reviewed by the City’s Interim HR Director prior to bringing it forward for consideration. The Interim HR Director recommends the claim be rejected as provided in Government Code Section 913.

The claim documents are on file in the Office of the City Clerk for Council reference.

FINANCIAL STATEMENT 

There is no financial impact to the City by rejecting the claim.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION 

Reject claim per Government Code Section 913.

ATTACHMENT

None

MEETING DATE April 26, 2023

ITEM TITLE A PUBLIC HEARING TO ADOPT A RESOLUTION APPROVING THE PROGRAM YEAR 2023 ANNUAL ACTION PLAN AND AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT APPLICATION FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) AND FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA")

DIRECTOR/DEPARTMENT Carl Schmitz, Engineering 

SUMMARY

Cities requesting an allocation of CDBG funding in the coming fiscal year must submit an Annual Action Plan implementing their Three- or Five-Year Consolidated Plans to HUD by May 15 each year. The City of Santee has a Five-Year Consolidated Plan (Program Years 2020-2024). At the Public Hearing held February 22, 2023, the City Council selected program activities for CDBG Program funding during Program Year 2023 (July 2023 through June 2024) and directed staff to prepare and publish a Draft Annual Action Plan. This Program Year 2023 Action Plan will be the fourth Action Plan prepared in the implementation of the current Five-Year Consolidated Plan. Notice of the Availability of the Draft Action Plan was published on March 24, 2023 and posted on the City's website. No public comments were received during the 30-day public review and comment period.

On February 27, 2023, the Department of Housing and Urban Development (HUD) announced the Program Year 2023 allocations and the City of Santee's allocation is \$321,996 which is \$25,502 more than previously estimated. In accordance with City Council Resolution No. 012-2021 staff has proportionally increased the allocations for all activities from the City Council determined amounts, with the exception of the allocation to CSA San Diego, which already provided the full amount requested and therefore has remained the same.

ENVIRONMENTAL REVIEW

This action is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines section 15378 because it involves a fiscal activity of governments that will not result in any potentially significant impact on the environment. Even if this action is considered a project, it is exempt from environmental review under CEQA by CEQA Guidelines section 15061(b)(3), as there is no potential for the action to cause a significant environmental effect.

FINANCIAL STATEMENT 

The amount of CDBG funding the City of Santee will receive in Program Year 2023 as announced by HUD is \$321,996. In addition, \$3 in program income from interest earned on CDBG funds brings the total amount available for allocation in Program Year 2023 to \$321,999.



CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *A. for MPO*

1. Conduct and close the public hearing; and
2. Adopt the attached Resolution approving the Program Year 2023 Annual Action Plan and authorizing the City Manager to submit the grant application to HUD.

ATTACHMENTS

Resolution
Draft 2023 Annual Action Plan

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
APPROVING THE PROGRAM YEAR 2023 ANNUAL ACTION PLAN AND AUTHORIZING
THE CITY MANAGER TO SUBMIT A GRANT APPLICATION FOR COMMUNITY
DEVELOPMENT BLOCK GRANT (CDBG) FUNDS TO THE DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT (HUD) AND FINDING THE ACTION IS NOT A PROJECT
SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA")**

WHEREAS, the Department of Housing and Urban Development (HUD) annually sets aside Community Development Block Grant (CDBG) funds for the City of Santee; and

WHEREAS, the City of Santee is required to prepare and adopt an Annual Action Plan to implement the FY 2020-2024 Consolidated Plan prior to the submittal of a grant application to HUD; and

WHEREAS, in Program Year 2023, the City of Santee has been notified that it will be allocated \$321,996.00 in CDBG funding; and

WHEREAS, the City of Santee has a program income of \$3.00 available for allocation in Program Year 2023; resulting in a total estimated amount available for allocation of \$321,999.00; and

WHEREAS, the City of Santee has followed the prescribed format prior to submission of the required documents; and

WHEREAS, this action is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines section 15378 because it involves a fiscal activity of governments that will not result in any potentially significant impact on the environment. Even if this action is considered a project, it is exempt from environmental review under CEQA by CEQA Guidelines section 15061(b)(3), as there is no potential for the action to cause a significant environmental effect.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Santee, California, does hereby:

1. Adopt the Program Year 2023 Annual Action Plan; and
2. Authorize the City Manager to submit the Program Year 2023 Action Plan and Grant Application.

RESOLUTION NO. _____

ADOPTED by the City Council of the City of Santee, California, at a Regular meeting thereof held this 26th day of April, 2023, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK



Fourth Program Year Action Plan, City of Santee

This document includes Narrative Responses to specific questions that grantees of the Community Development Block Grant, HOME Investment Partnership, Housing Opportunities for People with AIDS and Emergency Shelter Grants Programs must respond to in order to be compliant with the Consolidated Planning Regulations.

Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

The City of Santee 2020-2024 Consolidated Plan (Con Plan) outlines the community's strategies for meeting its identified housing and community development needs, developed through a citizen participation process as detailed in the 2020-2024 Citizen Participation Plan. The five-year Consolidated Plan includes a needs assessment, market analysis, and identification of priority needs and long-term strategies.

The Con Plan is a five-year planning document that identifies needs within low-to moderate-income (LMI) communities and outlines how the City will address those needs. Ultimately, it guides investments in and helps achieve HUD's mission of providing decent housing, suitable living environments, and expanded economic opportunities for LMI populations.

An Annual Action Plan implements the strategies included in the Con Plan and provides a basis for allocating federal block grant resources. This document represents the City of Santee's Program Year 2023 CDBG Action Plan. It identifies the goals and programming of funds for activities to be undertaken in the fourth year of the five-year Consolidated Plan.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

In Program Year 2023, the Santee Annual Action Plan will generate the following estimated results:

- Render homeless prevention support and services for up to 722 persons;

- Assist up to 20,500 low- and moderate-income persons, many with special needs, via CDBG funded public services;
- Fund public infrastructure improvements to benefit 3,443 disabled and elderly persons (presumed low- income) through completion of the first phase of the Citywide Americans with Disabilities Act (ADA) Pedestrian Ramp Project.
- Assist up to 100 persons with fair housing issues funded with CDBG Administration Funds.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Each program year of the Consolidated Plan period, the City must submit to HUD a Consolidated Annual Performance and Review Report (CAPER) with detailed information on progress towards the priorities, goals and objectives outlined in the Consolidated Plan.

In its most recent completed review of Consolidated Plan program funds, HUD has determined that the overall performance of the City's CDBG program was satisfactory.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The City of Santee conducted two public hearings to solicit public participation in the allocation of federal block grant resources. The first was held on February 8, 2023 during which public input on community needs and priorities was invited. The second hearing was conducted on February 22, 2023 during which the allocation of Program Year 2023 Community Planning and Development (CPD) funding was determined based on the estimated PY 2023 City of Santee allocation. A 30-day public review and comment period for the City of Santee Program Year 2022 Annual Action Plan began on March 24, 2023 and extended through April 24, 2023. A public hearing was held on April 26, 2023 by the Santee City Council where it sought input on the draft plan and ultimately approved the Program Year 2023 Action Plan. Public hearing dates and comment periods were published in the East County Californian and notices were published on the City's website.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

A 30-day public review and comment period for the City of Santee Program Year 2022 Annual Action Plan began on March 24, 2023 and extended through April 24, 2023. A public hearing was also held on

April 26, 2023 by the Santee City Council where it sought input on the draft plan. The hearing dates and comment periods were published in the East County Californian and notices were published on the City's website.

However, no public comments were received during the 30-day public comment period or during the public hearings.

6. Summary of comments or views not accepted and the reasons for not accepting them

Not applicable as no public comments were received.

7. Summary

This document represents the City Santee's Program Year 2023 CDBG Action Plan.

PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	SANTEE	Department of Development Services

Table 1 – Responsible Agencies

Narrative

None.

Consolidated Plan Public Contact Information

Bill Crane, Senior Management Analyst, City of Santee Department of Development Services,
bcrane@cityofsanteeca.gov

AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

The City of Santee conducted two public hearings to solicit public participation in the allocation of federal block grant resources. The first was held on February 8, 2023 during which public input on community needs and priorities was invited. The second hearing was conducted on February 22, 2023 during which the allocation of Program Year 2023 Community Planning and Development (CPD) funding was determined. A 30-day public review and comment period for the City of Santee Program Year 2023 Annual Action Plan began on March 24, 2023 and extended through April 24, 2024. A public hearing was held on April 26, 2023 by the Santee City Council where it sought input on the draft plan and ultimately approved the Program Year 2023 Action Plan. Public hearing dates and comment periods were published in the East County Californian and notices were published on the City's website.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

The City of Santee allocates CDBG resources to expand social services, prevent homelessness, provide emergency shelter, transitional housing and other support services for homeless and special needs clients throughout the region. The City of Santee participates in the Regional Task Force on the Homeless (RTFH), an integrated array of stakeholders tasked with strategic planning and coordination of resources to strengthen its collective impact with the goal of ending homelessness in the San Diego region.

The City of Santee also participates in the East County Homeless Task Force (ECHTF), which is under the East County Chamber of Commerce Foundation. The ECHTF promotes collaboration between public, private, and non-profit sectors to discover and enact solutions for homelessness in East San Diego County.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

Santee is committed to addressing the needs of homeless citizens in relation to both physical and mental/behavioral health needs. The City of Santee participates in a regional Continuum of Care (Regional Task Force on the Homeless). The Regional Task Force on the Homeless provides direction on planning and policy issues that impact the homeless population by making updates to the Regional Plan to End Homelessness and a consolidated application to the U.S. Department of Housing and Urban Development in support of programming that assists the Santee's homeless and 'at risk' population.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Santee does not receive HUD Emergency Solutions Grant (ESG) resources.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	CRISIS HOUSE, INC.
	Agency/Group/Organization Type	Services - Housing Services-Homeless Services – Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Attendance and testimony/involvement at public hearing on February 8 th and 22 nd . Prior recipient of \$30,000 in CDBG-CV funding for emergency housing services.
2	Agency/Group/Organization	SANTEE MINISTERIAL COUNCIL- SANTEE FOOD BANK
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Health
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Attendance and testimony/involvement at public hearing on February 8 th .
3	Agency/Group/Organization	MEALS ON WHEELS OF GREATER SAN DIEGO
	Agency/Group/Organization Type	Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Attendance and testimony/involvement at public hearing on February 8 th .
4	Agency/Group/Organization	ELDERHELP OF SAN DIEGO
	Agency/Group/Organization Type	Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Health
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Attendance and testimony/involvement at public hearing on February 8 th .

5	Agency/Group/Organization	CSA SAN DIEGO COUNTY
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Attendance and testimony/involvement at public hearing on February 8, 2023.
6	Agency/Group/Organization	Voices for Children
	Agency/Group/Organization Type	Services-Children Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Attendance and testimony/involvement at public hearing on February 8, 2023.

Identify any Agency Types not consulted and provide rationale for not consulting

The citizen input process associated with the preparation of the Program Year 2023 Annual Action Plan was inclusive and involved many organizations, agencies and persons.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Regional Task Force on the Homeless	San Diego Regional Continuum of Care	Seek to further the efforts of the RTFH.
City of Santee Housing Element, 2021-2029	City of Santee	The 2020-2024 City of Santee Consolidated Plan conforms with the adopted City of Santee Housing Element, 2021-2029

Table 3 - Other local / regional / federal planning efforts

Narrative

All of the Program Year 2023 CDBG applicants addressed the Mayor, City Council and members of the public present at the City Council Public Hearing. The seven applicants for Program Year 2023 funding provided information on the programs that would be funded by CDBG and the various needs and demographics of the persons their programs serve.

AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

Information regarding the CDBG program, resources, and local program contact information were all posted on the City website. Public notices were published in a local newspaper (East County Californian) to inform the public of public meetings, public hearings and document public review periods, including the Program Year 2023 Annual Action Plan containing the proposed activities for the program year.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Newspaper Ad	Non-targeted/broad community	Notice of two Public Meetings (1/27/2023) in East County Californian	N.A.	N.A.	
2	Public Hearing	Non-targeted/broad community	Public Meetings on 2/8/2023, 2/22/2023 and 4/26/2023 to solicit public input.	Speakers at the February public hearings addressed needs of community, including elderly persons, homeless, youth, low-income and disabled.	All comments were considered.	www.cityofsanteeca.gov

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

The City of Santee is a CDBG Entitlement jurisdiction. The City will receive an estimated \$321,996 in CDBG funds in Program Year 2023. The City of Santee is a member of the San Diego County HOME Investment Opportunities Consortium. The County of San Diego is recognized by HUD as a Participating Jurisdiction on behalf of the Consortium and includes HOME Program goals, activities and accomplishments in its Consolidated Plan and Annual Action Plans. The City of Santee does not receive Housing Opportunities for Persons with AIDS (HOPWA) or Emergency Solutions Grant (ESG) program funding. Please refer to the County of San Diego (www.sdhcd.com) and City of San Diego (www.sandiego.gov) Annual Action Plans for details on the goals and distribution of HOPWA and ESG funds.

The City does not anticipate a regular stream of Program Income over the course of this Consolidated Plan. Program income received from the repayment of home rehabilitation loans (CDBG and HOME) and First Time Homebuyer loans will be applied to approved current-year activities

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	321,996	3	0	321,999	306,400	The City of Santee plans to complete the first phase of the Citywide ADA Pedestrian Ramp Project. The project would benefit 1,118 Santee residents in affected census tracts that are “disabled” and 2,325 elderly residents. This phase would install 40 new ADA compliant pedestrian ramps in two separate census tracts.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

While the CDBG program does not require matching funds, CDBG funds offer excellent opportunities to leverage private, local, state and other federal funds to allow for the provision of public service activities. For example, many State homes programs have scoring criteria that reward applicants who have matching funds.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

As the housing crisis has worsened in California, utilizing publicly owned land for affordable housing development has become an increasingly popular policy solution. In January 2019, Governor Gavin Newsom issued an Executive Order directing State agencies to inventory and assess surplus State properties for their development potential. Unfortunately, the State owns just seven surplus properties, resulting in 25 total acres, in San Diego County (none are in Santee). For its part, the City regularly reviews its real estate portfolio and assesses if properties are being put to best use. However, the City has no city-owned property zoned for housing. Most City-owned properties are remnant parcels associated with improvements to the Prospect Avenue industrial collector.

Discussion

See Above.

DRAFT

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Improve community infrastructure and facilities.	2020	2024	Infrastructure	Citywide	Improve Infrastructure and Facilities	CDBG: \$208,309	Citywide ADA Pedestrian Ramp Improvement Project: 3,443 persons disabled and elderly persons served.
2	Provide Public Services	2020	2024	Public Services	Citywide	Public Services for LMI-Resident	CDBG: \$48,295	Public service activities other than Low/Moderate Income Housing Benefit: 20,050 Persons Assisted Homelessness Prevention: 722 Persons Assisted
3	Support Affordable Housing Opportunities LMI	2020	2024	Affordable Housing	Citywide	Support Affordable Housing for LMI Residents.	CDBG: \$0	Public service activities for Low/Moderate Income Housing Benefit: 40 persons served – Caring Neighbors program suspended due to coronavirus pandemic.
4	Fair Housing	2020	2024	Fair Housing	Citywide	Fair Housing	CDBG: \$20,500	Provide Fair Housing and Tenant\Landlord Mediation Services: 100 persons assisted.

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Improve community infrastructure and facilities.
	Goal Description	Provision of public facilities/infrastructure maintenance and support via CDBG resources, namely the Citywide ADA Pedestrian Ramp Installation Project.
2	Goal Name	Provide Public Services
	Goal Description	Provide public services and activities to improve the quality of life for residents, including special needs populations and individuals experiencing homelessness - Provision of housing and/or support services to clients of which many are comprised of special needs populations, to include those experiencing homelessness.
3	Goal Name	Support Affordable Housing Opportunities LMI
	Goal Description	Assist in facilitation the creation of new affordable rental and homeownership housing through acquisition, preservation, and rehabilitation.
4	Goal Name	Fair Housing
	Goal Description	Retain the services of a Fair Housing provider, promote fair housing education, and outreach within Santee.

AP-35 Projects - 91.420, 91.220(d)

Introduction

The following projects are based on the City's identified priority needs and activities. Projects/programs that are operated citywide are noted. The majority of the projects are targeted low- and moderate-income persons, or neighborhoods in census tracts with 51% or more who are low- or moderate-income. All proposed activities are eligible and meet program service targets.

#	Project Name
1	Program Administration
2	Program Administration - Fair Housing – CSA San Diego
3	Public Services - Crisis House
4	Public Services - ElderHelp San Diego
5	Public Services - Meals on Wheels Greater San Diego
6	Public Services - Santee Food Bank
7	Public Services – Voices for Children
8	Public Facilities – Citywide ADA Pedestrian Ramp Project

Table 7 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Allocation priorities were established by the City of Santee City Council based on their collective knowledge of the community's needs. The most significant obstacle to addressing underserved needs is the lack of sufficient resources to do so.

AP-38 Project Summary

Project Summary Information

1	Project Name	Program Administration
	Target Area	Not Applicable
	Goals Supported	Public Facilities/Infrastructure Support Affordable Housing Production & Maintenance Public Services Support. Homeless Prevention Services Fair Housing Services
	Needs Addressed	Infrastructure Maintenance & Support Acquisition & Maintenance of Affordable Housing Support Services for Special Needs Clients Homeless Prevention & Services. Fair Housing Support
	Funding	CDBG: \$44,895
	Description	General program administration.
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Citywide
	Planned Activities	City of Santee administrative resources for the FY 2023/2024 CDBG program.
	2	Project Name
Target Area		Not Applicable
Goals Supported		Fair Housing
Needs Addressed		Fair Housing
Funding		CDBG: \$20,500
Description		Provide fair housing counseling and referral services. Conduct fair housing testing and tenant\landlord mediation services.
Target Date		6/30/2024

	Estimate the number and type of families that will benefit from the proposed activities	Up to 100 residents will receive assistance with fair housing issues and landlord/tenant disputes.
	Location Description	Citywide.
	Planned Activities	Provide counseling and referral services to persons alleging violations of Fair Housing laws and persons seeking information and/or resolution regarding conflicts between tenants and landlords.
3	Project Name	Public Services - Crisis House
	Target Area	Not Applicable
	Goals Supported	Provide Public Services
	Needs Addressed	Public Services for LMI-Residents
	Funding	CDBG: \$5,533
	Description	Homeless prevention/resolution through case management, food, shelter and referrals.
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Crisis House anticipates serving approximately 59 City of Santee residents. All will be at or below low- to moderate-income levels.
	Location Description	Citywide
	Planned Activities	Address homeless issues through case management and outreach. Provide food, shelter vouchers and referrals.
4	Project Name	Public Services - ElderHelp San Diego
	Target Area	Not Applicable
	Goals Supported	Provide Public Services
	Needs Addressed	Public Services for LMI-Residents
	Funding	CDBG: \$5,533
	Description	Independent living support for Santee Seniors through case management, food delivery and referrals.
	Target Date	6/30/2024

	Estimate the number and type of families that will benefit from the proposed activities	ElderHelp of San Diego anticipates serving 40 older adults, with an average age of greater than 75, in the City of Santee. Ninety-six percent of those served are either low income or very low-income person, many of which are disabled.
	Location Description	Citywide.
	Planned Activities	Provide grocery delivery and case management and services through a trained social worker to help seniors remain in their homes by providing referrals and information.
5	Project Name	Public Services - Meals on Wheels Greater San Diego
	Target Area	Not Applicable
	Goals Supported	Provide Public Services
	Needs Addressed	Public Services for LMI-Residents
	Funding	CDBG: \$5,533
	Description	Administer home delivered meals to elder adults, most of whom are low- to extremely-low income.
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Meals on Wheels anticipates serving 87 unduplicated homebound low-income seniors in the city of Santee.
	Location Description	Citywide.
	Planned Activities	Provide meals to homebound Santee residents, including seniors and persons with special needs.
6	Project Name	Public Services - Santee Food Bank
	Target Area	Citywide
	Goals Supported	Provide Public Services
	Needs Addressed	Public Services for LMI-Resident
	Funding	CDBG: \$20,630
	Description	Provide emergency food assistance to community residents.
	Target Date	6/30/2024

	Estimate the number and type of families that will benefit from the proposed activities	The Santee Food Bank anticipates serving 19,950 Santee residents in Program Year 2023.
	Location Description	Program serves residents citywide. Santee Food Bank is located at 9715 Halberns Blvd, Santee, CA 92071.
	Planned Activities	Provide an emergency food assistance and commodity distribution.
7	Project Name	Public Services - Voices for Children
	Target Area	Citywide
	Goals Supported	Provide Public Services
	Needs Addressed	Public Services for LMI-Resident
	Funding	CDBG: \$5,533
	Description	Support Services-Abused and Neglected Foster Children
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	The Voices for Children anticipates serving three foster children with two Court Appointed Special Advocates (CASAs). CASAs are volunteers who provide a single child or sibling group with comprehensive advocacy in court and the community.
	Location Description	Citywide.
	Planned Activities	Provide CASAs for foster children in Santee.
8	Project Name	Public Infrastructure – Citywide ADA Pedestrian Ramp Project
	Target Area	Citywide
	Goals Supported	Improve community infrastructure and facilities.
	Needs Addressed	Infrastructure improvements in Low-and Moderate-Income Communities
	Funding	CDBG: \$208,309
	Description	Citywide installation of ADA compliant pedestrian ramps at locations where no ramp exists and the retrofitting of existing pedestrian ramps to conform with current ADA Standards. PY 2023 funding to be used for a future phase of the Citywide ADA Pedestrian Ramp Project.
	Target Date	6/30/2025

Estimate the number and type of families that will benefit from the proposed activities	The project will benefit 1,118 Santee residents that have “disabilities” and 2,325 elderly persons in two census tracts according to the U.S. Census Bureau and HUD data..
Location Description	Forty ADA Pedestrian Ramps to be installed in two separate census tracts in the city of Santee.
Planned Activities	Construction on the first phase of Citywide ADA Pedestrian Ramp Project began in Program Year 2022. Program Year 2023 funding will be used for a future phase of the project.

DRAFT

AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The geographic priority area for available CDBG resources is the City of Santee in its entirety. Public improvements which may occur in Program Year 2023 will be located within a CDBG-eligible census tract or otherwise qualified area.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The geographic priority area for available CDBG Public Services resources is the City of Santee in its entirety. CDBG resources were allocated based on the quality and quantity of applications submitted.

The allocation of CDBG Program Year 2023 funding towards public facilities will occur at locations to be determined with an emphasis on installing ADA compliant pedestrian ramps at locations where no ramp exists Citywide.

The ADA Pedestrian Ramps that will be installed during Program Year 2023 with prior year funding will be in two census tracts. Most of the 40 ramps will be installed in Census Tract 166.06 (32 ramps) in the western portion of the city, which is significantly deficient in pedestrian ramps. The remaining eight ramps will be installed in Census Tract 166.07 in the eastern portion of the city.

Discussion

The allocation of CDBG in Program Year 2023 funds toward public infrastructure will likely occur in CDBG-eligible low- and moderate-income areas and citywide as discussed above and this rationale will continue through the Consolidated Plan planning period.

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

The City of Santee has a long record of supporting affordable housing. The City has adopted numerous provisions in its Zoning Ordinance that facilitate a range of residential development types and encourage affordable housing, including flexible development standards, density bonus provisions, and reasonable accommodation procedures for persons with disabilities. In addition, the City and its former Redevelopment Agency have provided direct financial assistance to support affordable housing projects. The loss of Redevelopment Housing Funds after the dissolution of redevelopment in California in 2012, combined with reductions in federal HOME funds, has impaired the City's ability to provide direct financial for future affordable housing production in the City.

In addition to funding constraints, the primary barrier to the provision of affordable housing in the City of Santee is the lack of vacant land suitable for residential development. Private lands owners hold much of the underdeveloped and residentially zoned land in the City. This calls for alternative policy tools such as lot consolidation and/or demolition of existing older structures to accommodate higher density infill development.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City firmly believes that its policies and current practices do not create barriers to affordable housing. In 2020, the City participated in the update of the Regional Analysis of Impediments to Fair Housing Choice, in which it reviewed various city policies and regulations and has determined that none of these is an impediment to housing.

Discussion

The city will continue to review any new policies and procedures to ensure they do not serve as an actual constraint to development.

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

This section of the Program Year 2023 City of Santee Annual Action Plan includes the actions planned to address the obstacles in meeting underserved needs, to foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of families in poverty, develop the institutional structure and enhance coordination between public and private housing and social services agencies.

Actions planned to address obstacles to meeting underserved needs

The primary obstacle to meeting all of the identified needs, including those identified as priorities, is the general deficiency of funding resources available to the public and private agencies that serve the needs of low- and moderate-income residents. The elimination of redevelopment agencies significantly impacted the city's efforts to maintain infrastructure, expand housing and promote economic development. Furthermore, entitlement grants have leveled off over recent years, further stretching funds available to provide increasing needs for services and meet the City's needs. Santee endeavors to remedy obstacles by exploring alternative funding vehicles, leveraging resource investments to the maximum feasible degree and exploring new sources of municipal revenue generation.

Actions planned to foster and maintain affordable housing

Santee will continue efforts to maintain and improve the infrastructure of the city's low- and moderate-income neighborhoods as well as assist residents by helping them acquire and/or maintain affordable housing in the community. The city plans on funding specific activities that will improve the quality of life for seniors and persons with special needs, including those with ambulatory and vision difficulty, as well as strengthen the local provision of homeless services and homeless prevention services.

Additionally, the City has recently completed the process of updating its Housing Element. The Housing Element is the City's main housing policy and planning document that identifies housing needs and constraints, sets forth goals and policies that address these needs and constraints, and plans for projected housing needs for all income levels over an eight-year planning period that coincides with a Regional Housing Needs Allocation (RHNA). Amongst the programs included in the City's update Housing Element (Sixth Cycle) are plans facilitate affordable housing development.

Actions planned to reduce lead-based paint hazards

The City of Santee requires that all federally-funded projects be tested for lead-based paint and abate hazards as needed. Lead-based paint warnings are distributed with applications for property related assistance. All applicants are required to sign and return the lead-based paint warning to verify that they have read its contents and are aware of the dangers lead-based paint presents. Factors such as housing age and condition and the age of household members are taken into consideration when

determining lead-based paint danger.

Actions planned to reduce the number of poverty-level families

The City of Santee seeks to reduce the number of people living in poverty by continuing to implement its anti-poverty strategy incorporating housing assistance and supportive services. A major partner in reducing poverty in Santee is the County, which administers the CalWORKs Program. CalWORKs provides cash aid to needy families to cover the cost of essentials like housing, healthcare, and clothing. It also supports job training through the County and the Community College Districts. The County also administers CalFresh, the federally funded food assistance program that is widely regarded as one of the most impactful anti-poverty programs in the country.

As a means of reducing the number of persons with incomes below the poverty line, the City will coordinate its efforts with those of other public and private organizations serving lower income residents.

Actions planned to develop institutional structure

As the administrator of block grant programs, Department of Development Services staff collaborates with City departments and outside agencies to implement the objectives established in the Consolidated Plan. The City conducts annual monitoring visits with grant subrecipients to review administrative practices and activity effectiveness.

Actions planned to enhance coordination between public and private housing and social service agencies

Santee is committed to fostering coordination between public and private housing and social service agencies. The City of Santee regularly deals with residential development entities that are both profit and non-profits. The city will continue to work with such organizations to foster the provision of affordable housing in the region and connect such housing organizations with social service providers operating and serving the City of Santee.

Discussion

In the course of monitoring CDBG-financed public services/resources to local services agencies, the City will endeavor to strengthen coordination with public and private affordable housing organizations and the San Diego County Housing Authority. Santee will continue to address the needs of persons experiencing Homelessness in relation to both physical and mental/behavioral health needs. Santee participates in a regional Continuum of Care plan.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

The following identifies additional resources available for allocation to Program Year 2023 activities. Also identified are the amount of urgent need and percentage expended on activities that benefit persons of low- and moderate- income are provided.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	3
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	TBD
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	3

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

Discussion

The City of Santee plans to expend all of its CDBG resources for the benefit of low- and moderate-income persons.

MEETING DATE

April 26, 2023

ITEM TITLE PUBLIC HEARING FOR DEVELOPMENT REVIEW PERMIT DR2022-6 AND VARIANCE V2022-4 FOR A FOUR-STORY HOTEL CONSISTING OF 97 GUESTROOMS AT 381 TOWN CENTER PARKWAY IN THE TOWN CENTER (TC) ZONE AND ART AND ENTERTAINMENT OVERLAY DISTRICT, AND TO CONSIDER A SUPPLEMENTAL ENVIRONMENTAL CHECKLIST AND ADDENDUM (AEIS2022-6) TO PREVIOUSLY ADOPTED ENVIRONMENTAL IMPACT REPORTS (STATE CLEARINGHOUSE NUMBERS 1985012314 AND 1999031096) PREPARED FOR THE PROJECT IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA).

DIRECTOR/DEPARTMENT Michael Coyne, Planning & Building



SUMMARY

The proposed project is a request by Excel Hotel Group for a Development Review Permit and Variance for a four-story, 97-guestroom hotel on a 1.6-acre lot located at 381 Town Center Parkway (APN 381-052-04) within the Santee Trolley Square shopping center in the Town Center (TC) Zone and Art and Entertainment Overlay District. The project includes the construction of a hotel with an outdoor patio with fire pits, a barbeque area, and an outdoor pool. Hotel amenities include a dining room, fitness room, guest laundry and a business center. Additional site improvements include a 61-space parking area and perimeter landscaping. The subject property is immediately surrounded to by Town Center Parkway to the north, the Metropolitan Transit System (MTS) Green Line trolley platform and Santee Trolley Square businesses to the south, a parking lot serving Santee Trolley Square to the east, and an MTS bus depot and additional Santee Trolley Square businesses to the west.

Due to extraordinary site circumstances, a Variance is being requested to reduce the parking requirement and required building setback for the proposed development. A total of 99 parking spaces are required, whereas 61 spaces are being provided. A curb-to-building setback along Town Center Parkway of 50-feet is required, whereas a setback of 38-feet is proposed.

ENVIRONMENTAL REVIEW

A Supplemental Environmental Checklist and Addendum (AEIS2022-6) to previously adopted Environmental Impact Reports (State Clearinghouse Numbers 1985012314 and 1999031096) has been prepared for the project in accordance with the California Environmental Quality Act (CEQA). The analysis provided in the Supplemental Environmental Checklist and Addendum demonstrates that the project would not result in any new additional significant impacts, nor would it substantially increase the severity of previously anticipated significant impacts. All mitigation measures identified as part of the adopted EIRs remain sufficient in reducing environmental impacts to a less than significant level for the proposed project.

FINANCIAL STATEMENT

Staff costs for application processing are paid on an actual cost recovery basis. Development Impact Fees are estimated to total \$712,385.82.

CITY ATTORNEY REVIEW N/A • Completed



RECOMMENDATION

AJ. for MDD

- 1) Conduct and close the Public Hearing;
- 2) Approve and adopt the Supplemental Environmental Checklist and Addendum (AEIS2022-6) to previously adopted Environmental Impact Reports (State Clearinghouse Numbers 1985012314 and 1999031096) in compliance with the provisions of the California Environmental Quality Act (CEQA) per the attached Resolution and authorize a filing of a Notice of Determination; and
- 3) Approve Development Review Permit DR2022-6 and Variance V2022-4 per the attached Resolution.

ATTACHMENTS

Staff Report
Aerial Vicinity Map
Project Plans
AEIS Resolution
Development Review/Variance Resolution

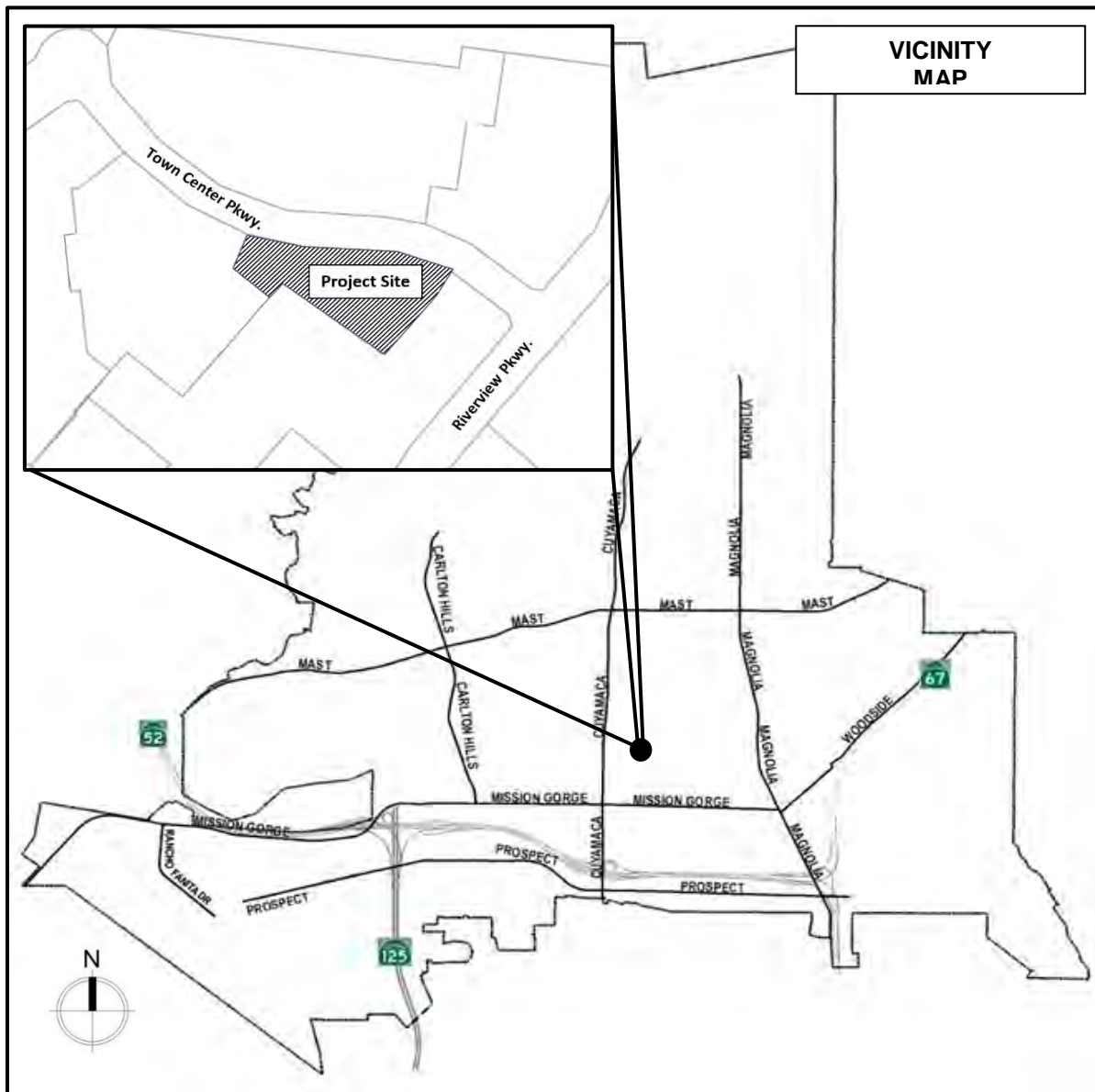
STAFF REPORT

PUBLIC HEARING FOR DEVELOPMENT REVIEW PERMIT DR2022-6 AND VARIANCE V2022-4 FOR A FOUR-STORY HOTEL CONSISTING OF 97 GUESTROOMS AT 381 TOWN CENTER PARKWAY IN THE TOWN CENTER (TC) ZONE AND ART AND ENTERTAINMENT OVERLAY DISTRICT, AND TO CONSIDER A SUPPLEMENTAL ENVIRONMENTAL CHECKLIST AND ADDENDUM (AEIS2022-6) TO PREVIOUSLY ADOPTED ENVIRONMENTAL IMPACT REPORTS (STATE CLEARINGHOUSE NUMBERS 1985012314 AND 1999031096) PREPARED FOR THE PROJECT IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA).

**APPLICANT: EXCEL HOTEL GROUP, INC.
APN: 381-052-04**

**CITY COUNCIL MEETING
APRIL 26, 2023**

Notice of the Public Hearing was published in the East County Californian on April 14, 2023 and 9 adjacent owners or residents of property within 300 feet of the request and other interested parties were notified by U.S. Mail on April 14, 2023.



A. SITUATION AND FACTS

1. Requested by Excel Hotel Group, Inc.
2. Land Owner..... Excel Hotel Group, Inc.
3. Type and Purpose of Request Development Review Permit and Variance, for a 97-guestroom hotel.
4. Location 381 Town Center Parkway
5. Site Area 1.62 acres
6. Number of lots One
7. Hillside Overlay No
8. Existing Zoning..... Town Center (TC) / Art and Entertainment Overlay (AE)
9. Surrounding Zoning North: TC / AE
South: TC / AE
East: TC / AE
West: TC / AE
10. General Plan Designation Town Center
11. Existing Land Use..... Parking lot
12. Surrounding Land Use..... North: Vacant land
South: Town Center retail
East: Parking lot
West: Town Center retail
13. Terrain Flat and completely paved
14. Environmental Status Consistent with previously certified Environmental Impact Reports (EIRs); a Supplemental Environmental Checklist and Addendum have been prepared
15. APN..... 381-052-04
16. Within Airport Influence Area Yes, Safety Zone 4. The project received a Determination of No Hazard to Air Navigation from the Federal Aviation Administration on June 17, 2022, and a Determination of Conditional Consistency from the San Diego County Airport Land Use Commission on December 2, 2022

B. BACKGROUND

Existing Conditions:

The 1.6-acre project site is located near the northern boundary of Santee Trolley Square shopping center along Town Center Parkway. The site is developed as a paved parking lot with landscaping that serves the Trolley Square shopping center. The site is adjoined by a continuation of the parking lot and associated driveways. There is direct access to the site from Town Center Parkway and indirect access via Riverview Parkway.

C. PROJECT DESCRIPTION

Overview:

The project is a request for a Development Review Permit and Variance for a 97-guestroom hotel with a floor area totaling 58,700 square feet. The site currently functions as a parking lot for the Trolley Square shopping center. The proposed hotel would be four stories and 52 feet, 3 inches in height at the tallest point. The hotel would be served by 61 on-site parking stalls and potentially by parking on adjoining, off-site properties. Other hotel amenities include a pool and patio area, a fitness room, a small laundry facility, and a dining area to serve hotel guests. The project will incorporate three sidewalk access points to the sidewalk along Town Center Parkway.

Surrounding Uses:

South of the project site are commercial uses including 24 Hour Fitness, DSW, PetSmart, and Tillys. To the east and west are parking lots and drive aisles that serve the surrounding Trolley Square shopping center. The Metropolitan Transit System (MTS) trolley stop is south of the site. An MTS bus depot is directly west of the site. North of the project site, across Town Center Parkway, is an undeveloped lot intended to accommodate a movie theater.

Land Use Requirements:

This site is zoned Town Center (TC) and is governed by the Town Center Specific Plan (TCSP) that was adopted in 1986 and has been modified in the intervening years. This site is also within the Art and Entertainment Overlay District which was adopted in 2019. The base document for determining allowable uses as well as development standards is the TCSP, but there are additional uses and standards provided by the Art and Entertainment Overlay that supplement the TCSP. The TCSP also defers to the Zoning Code for some standards such as parking ratios.

The TCSP includes a number of goals and objectives that would apply to the project. The Urban Design Section of the TCSP outlines the requirement for a unifying architectural theme in the commercial area where the project is located. It also states that the form and spacing of buildings should allow for necessary pedestrian and vehicular circulation, and that buildings should include energy efficient features. The Commercial/Office Professional Section of the TCSP recommends a variety of retail,

service, and special commercial uses, and that a motel, hotel, or resort complex are encouraged.

The TCSP identifies the project site as “Commercial”, and the TCSP land use matrix, as modified by the Art and Entertainment Overlay, lists hotels as a permitted use. Development standards in the TCSP are more conceptual than what is found in a typical zoning code. The precise development standards set forth in the TCSP include a maximum building height of 55 feet and a curb-to-building setback from Town Center Parkway of 50 feet. The proposed hotel would be under this 55-foot height limit. However, the proposed curb-to-building setback of the hotel from Town Center Parkway would be 38 feet; therefore, a variance to this setback requirement would be required.

The TCSP defers to the Zoning Ordinance for other development standards, including building setbacks and parking requirements. The parking requirement for hotels is one space per each guestroom and two spaces for the manager and owner. Based on the proposal for 97 rooms, the parking requirement would be 99. As the proposed hotel will include 61 parking spaces, it would not meet the parking standards and a parking variance would be required. Standard building setbacks for side and rear property lines in commercial zones are five feet. The proposed hotel will provide a 15-foot setback from the eastern property line, a 40-foot setback from the southern property line, and a 200-foot setback from the western property line. In addition, the distance to the nearest building within the Trolley Square shopping center is 85 feet.

D. ANALYSIS

General Plan Guidance:

The General Plan outlines broad goals along with specific objectives and policies to assess proposed development that would apply to this project. The General Plan Land Use Element recommends promoting a well-balanced and functional mix of residential, commercial, industrial, open space, recreation, and civic uses that will create and maintain a high-quality environment. Within the Town Center area, the Land Use Element recommends continued implementation of the TCSP which provides for retail commercial, office, recreational, and other appropriate uses. It also recognizes the area as a mixed-use activity center. The Community Enhancement Element recommends ensuring that all new commercial development contribute towards an overall positive and cohesive visual identity. It goes on to recommend enhancing facades with architectural detail, breaking up long buildings into segments that are recessed or projects forward, and including pedestrian-level details on larger structures.

General Plan Consistency:

This project is consistent with the goals, objectives, and policies of the General Plan outlined in the previous section. There are currently only three hotels in Santee, and the most-recently constructed hotel was completed in 1988. As such, the proposed

hotel will add to the functional mix of land uses in the City. Being consistent with the TCSP, the project adheres to the recommendations of continued TCSP implementation and adding to the mixture of uses in Town Center.

TCSP and Zoning Code Consistency:

Site Plan & Architecture

The hotel elevations will utilize a muted color palette of tan, gray, and blue, similar to the nearby buildings but with enough contrast to avoid duplication. The building will be sited at an acute angle relative to the buildings to the south which will provide visual interest and depth compared to siting the building parallel with neighboring buildings. The siting of the building will also eliminate the large visual expanse created by the existing parking lot as viewed from Town Center Parkway. The north and south elevations will measure over 225 feet in length, and the design incorporates a number of recesses, projections, and height changes which create a visual interest over a large area. The pool and patio area will be oriented towards Town Center Parkway, and will feature a design that engages the sidewalk and road.

The building design will contribute to the theme of the Art and Entertainment District and complement the existing shopping center, which features varying wall depths, stepped rooflines, smooth stucco finishes, and a muted color palette. The proposed building will reflect all of these design elements with slight variations. The form of the proposed building and the spacing relative to other buildings and site features will allow for necessary pedestrian and vehicular circulation. The use and site design will also add to the vision of the Art and Entertainment District by providing a place for visitors to stay within the District, and by redeveloping an existing parking lot with a building and outdoor pool area oriented toward Town Center Parkway that will offer an opportunity to enliven this area of Town Center as part of the Art and Entertainment District.

TCSP Goals Consistency

This project is consistent with the goals and objectives of the TCSP. The architecture and placement of the hotel are aligned with the recommendations found in the TCSP and Art and Entertainment Overlay District, as outlined above. The hotel use is also consistent with what is allowed in the Commercial section of the TCSP use table, as modified by the Arts and Entertainment Overlay. Finally, the proposed use adds to the variety of uses in Town Center, and fulfills the TCSP recommendation that a hotel be located in the shopping center.

TCSP Development Standards

The proposed hotel will have a maximum height of 52 feet, 3 inches which is within the 55-foot limit set forth in the Art and Entertainment Overlay of the TCSP. The project site is within Safety Zone 4 as identified in the Gillespie Field Airport Land Use Compatibility Plan (ALUCP). Clearance for the building height was obtained from the Federal Aviation Administration on June 17, 2022. The San Diego County Airport

Land Use Commission found the project conditionally consistent with the ALUCP on January 5, 2023, but the final design must incorporate risk reduction measures beyond the minimum building code requirements.

The closest point of the building to the curb along Town Center Parkway is 38 feet, which is less than 50 feet required in the TCSP. The curvature of the subject property along Town Center parkway, extraordinary shape of the property, existing surrounding infrastructure and the fact that the longest property line of the site is along Town Center Parkway creates extraordinary circumstances for the placement of a building for a high-quality development, such as the proposed hotel, on the subject site. The 50-foot setback requirement along Town Center Parkway creates a practical difficulty in developing the site due to these factors. For this reason, staff recommends granting a variance to reduce the building setback from the curb of Town Center Parkway from 50 feet to 38 feet.

Parking

The parking standard for hotels outlined in the Zoning Code is one space for each guestroom and two spaces for the resident manager or owner. The hotel would have 97 guestrooms, equating to a total of 99 required parking spaces. The site design shows a total of 61 spaces, which is a 38% deficit. Due to the extraordinary development circumstances of the site outlined above, including the odd shape of the site and development constraints due to existing infrastructure around the site, it is difficult to accommodate the required number of parking spaces on the site and these factors provide justification for reducing the required parking in order for the applicant to have similar development privileges to other nearby properties in the same zoning district and to ensure high-quality development of the site in accordance with the General Plan and TCSP. The applicant is also pursuing options to provide hotel guests with additional parking including entering into a shared parking agreement with the Trolley Square management company so that the adjoining parking lot could be utilized by hotel guests, and adding parking on the undeveloped theater site to the north. Hotel guests and staff also have the option to use the trolley as a mode of transport, which connects to downtown San Diego and the Old Town Transit Station, helping to reduce the parking demand.

Signage

This project is proposing a number of wall-mounted signs as well as a free-standing sign. Sign design standards for the proposed hotel are set forth in Chapter 13.32 of the Santee Municipal Code (SMC). Design of the signs, including dimensions, have not been provided. However, the wall-mounted sign locations are consistent with the SMC. A free-standing sign is also proposed for this project. The TCSP allows for individual pad buildings which are both within a commercial center and adjacent to a public street to have a single 24 square foot, six- (6) foot high freestanding sign. Final sign designs will need to be consistent with the sign standards set forth in the TCSP, Art and Entertainment Overlay District, and SMC.

Sustainable Santee Plan

The building will include energy efficient features that are compliant with the Sustainable Santee Plan. The roof material will include a white, thermoplastic membrane that reflects sunlight, there will be stub outs on the roof for future solar panels, four electric vehicle charging stations will be installed, there will be a net increase in parking lot trees compared to what exists currently, and the building will incorporate Title 24 energy saving measures.

Development Impact Fees:

The proposed development would trigger development impact fees as listed below:

Drainage	\$ 87,902.94 (estimated)
Traffic	\$ 537,736.10
Traffic Signal	\$ <u>86,746.78</u>
Total	\$ 712,385.82

Traffic:

The level of service traffic impacts associated with this site were previously assessed as part of the Trolley Square Environmental Impact Report. The proposed development is consistent with that assessment, which included impacts to intersections, streets, and pedestrian facilities, so further level of service investigation was not required as a part of this project.

A trip generation evaluation was completed for the project and found that the hotel will generate an estimated 990 vehicle trips per day. This includes 59 trip ends during the AM peak hour and 79 trip ends during the PM peak hour. Based on the ITE Guidelines for Transportation Impact Studies in the San Diego Region, this project would not present a significant impact because it would generate less than 1,000 daily trips. Additionally, the site is directly adjacent to the MTS green line, increasing the likelihood of hotel guests and staff utilizing mass transit.

Environmental Status:

A Supplemental Environmental Checklist and Addendum (AEIS2022-6) to previously adopted Environmental Impact Reports (State Clearinghouse Numbers 1985012314 and 1999031096) has been prepared for the project in accordance with the California Environmental Quality Act (CEQA). The analysis provided in the Supplemental Environmental Checklist and Addendum demonstrates that the project would not result in any new additional significant impacts, nor would it substantially increase the severity of previously anticipated significant impacts. All mitigation measures identified as part of the adopted EIRs remain sufficient in reducing environmental impacts to a less than significant level for the proposed project.

E. STAFF RECOMMENDATION

1. Conduct and close the Public Hearing;
2. Approve and adopt the Supplemental Environmental Checklist and Addendum (AEIS2022-6) to previously adopted Environmental Impact Reports (State Clearinghouse Numbers 1985012314 and 1999031096) in compliance with the provisions of the California Environmental Quality Act (CEQA) per the attached Resolution and authorize a filing of a Notice of Determination; and
3. Approve Development Review Permit DR2022-6 and Variance V2022-4 per the attached Resolution.

AERIAL VICINITY MAP

Excel Hotel DR2022-6/V2022-4/AEIS2022-6



The Hotel Project Plans attachment is available via the below link:

<https://www.cityofsanteeca.gov/home/showpublisheddocument/23452/638176638518042870>

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
APPROVING AND ADOPTING A SUPPLEMENTAL ENVIRONMENTAL
CHECKLIST AND ADDENDUM (AEIS2022-6) TO PREVIOUSLY ADOPTED
ENVIRONMENTAL IMPACT REPORTS (STATE CLEARINGHOUSE NUMBERS
1985012314 AND 1999031096) PREPARED IN ACCORDANCE WITH THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR A FOUR-STORY
HOTEL CONSISTING OF 97 GUESTROOMS AT 381 TOWN CENTER PARKWAY
IN THE TOWN CENTER (TC) ZONE AND ART AND ENTERTAINMENT OVERLAY
DISTRICT**

**APPLICANT: EXCEL HOTEL GROUP, INC.
APN: 381-052-04
RELATED CASE FILES: DR2022-6 and V2022-4**

WHEREAS, on March 7, 2023 Excel Hotel Group, Inc. submitted a complete application for Development Review Permit DR2022-6 and Variance V2022-4, to develop a four-story hotel consisting of 97 guestrooms and related amenities located at 381 Town Center Parkway (APN 381-052-04) in the Town Center (TC) Zone and Art and Entertainment Overlay District (“Project”); and

WHEREAS, under Public Resources Code section 21067, and section 15367 of the California Environmental Quality Act (“CEQA”) Guidelines (tit. 14, Cal. Code Regs., § 15000 et seq.), the City is the lead agency for the Project; and

WHEREAS, pursuant to the requirements of CEQA, a Supplemental Environmental Checklist and Addendum was prepared for the project that determined that there are no substantial changes in the project and there are no substantial changes in the project circumstances under which the project will be undertaken that require major revisions to the previously certified Environmental Impact Reports (EIRs) for the Town Center Specific Plan (State Clearinghouse Number 1985012314) and Santee Trolley Square Commercial Center (State Clearinghouse Number 199031096); thus, none of the circumstances described in Public Resources Code section 21166 or State CEQA Guidelines section 15162 have occurred; and

WHEREAS, a Supplemental Environmental Checklist and Addendum (“Addendum”) to the to the previously certified EIRs for the Town Center Specific Plan (State Clearinghouse Number 1985012314) and Santee Trolley Square Commercial Center (State Clearinghouse Number 199031096) has been prepared to address any minor technical changes or additions to the Project under State CEQA Guidelines section 15164; and

WHEREAS, the proposed project is located within Airport Influence Area 1 of the Gillespie Field Airport Land Use Compatibility Plan. On June 17, 2022 the Federal Aviation Administration determined that the project, as designed, presented no hazard to air navigation; and

WHEREAS, on December 2, 2022 the San Diego County Airport Land Use Commission determined that the project is conditionally consistent with the Gillespie Field ALUCP; and

RESOLUTION NO.

WHEREAS, on April 26, 2023, the City Council held a duly advertised public hearing on Development Review Permit DR2022-6, Variance V2022-4, and Addendum AEIS2022-6; and

WHEREAS, the Addendum is attached hereto as “Exhibit A”; and

WHEREAS, all the requirements of the Public Resources Code and the State CEQA Guidelines have been satisfied by the City in connection with the preparation of the Addendum; and

WHEREAS, all of the findings and conclusions made by the City Council pursuant to this Resolution are based upon the oral and written evidence presented to it as a whole and the entirety of the administrative record for the Project, which are incorporated herein by this reference, and not based solely on the information provided in this Resolution; and

WHEREAS, prior to taking action, the City Council had heard, been presented with, reviewed, and considered all of the information and data in the administrative record, including the Addendum, all recommendations by staff, and public testimony; and

WHEREAS, the Addendum reflects the independent judgment of the City Council and is deemed adequate for purposes of making decisions on the merits of the Project; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santee, California, after considering the evidence presented at the public hearing, as follows:

SECTION 1. RECITALS. The City Council hereby finds that the recitals set forth above are true and correct and are incorporated herein as substantive findings of this Resolution.

SECTION 2. COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT. As the decision-making body for the Project, the City Council has reviewed and considered the information contained in the Environmental Impact Reports, the Addendum to the Environmental Impact Reports, any comments received, other documents contained in the administrative record for the Project, and all other written and oral evidence presented to the City Council for the Project (collectively, the “Record”). The City Council finds that the Addendum contains a complete, objective, and accurate reporting of the environmental impacts associated with the Project and reflects the independent judgment and analysis of the City Council. The City Council further finds that the Addendum has been completed in compliance with CEQA and the State CEQA Guidelines.

RESOLUTION NO.

SECTION 3. FINDINGS ON ADDENDUM. The City Council finds that the City was the lead agency for the Project. Based on substantial evidence in light of the whole Record and pursuant to State CEQA Guidelines section 15162, the Project would not result in substantial changes than those originally assessed with the EIRs, no substantial changes have occurred with respect to the circumstances under which the Project is being undertaken and there is no new information of substantial importance which was not known and could not have been known at the time the EIRs were adopted showing the Project would have new significant effects. No new mitigation measures are required to mitigate environmental impacts associated with the Project.

SECTION 4. ADOPTION OF THE ADDENDUM. The City Council approves and adopts the Addendum (AEIS2022-6), as set forth in Exhibit “A”, pursuant to Public Resources Code section 21094.

SECTION 5. NOTICE OF DETERMINATION. The City Council directs staff to file a Notice of Determination with the San Diego County Clerk and the California Office of Planning and Research within five (5) working days of approval of the Project.

SECTION 6. LOCATION AND CUSTODIAN OF RECORDS. The documents and materials associated with Project that constitute the record of proceedings on which these findings are based are located at Santee City Hall, 10601 Magnolia Avenue, Building #3, Santee, CA 92071. The City Clerk is the custodian of the record of proceedings.

SECTION 7. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 26th day of April 2023, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

Attachment: Exhibit A – Supplemental Environmental Checklist and Addendum

EXHIBIT A

ASCENT

SUPPLEMENTAL ENVIRONMENTAL CHECKLIST AND EIR ADDENDUM

Excel Hotel Santee



Prepared for:



March 2023

Excel Hotel Santee



Prepared for:

Excel Hotel Group
10174 Old Grove Road, Suite 200
San Diego, CA 92123

Prepared by:

Ascent Environmental, Inc.
1230 Columbia Street, Suite 400
San Diego, CA 92101

EXCEL SANTEE HOTEL

SUPPLEMENTAL ENVIRONMENTAL CHECKLIST AND EIR ADDENDUM

State Clearinghouse Numbers 19855012314 and 1999031096

FOR USE WHEN REVIEWING SUBSEQUENT DISCRETIONARY ACTIONS PURSUANT TO A PREVIOUSLY APPROVED OR CERTIFIED ENVIRONMENTAL DOCUMENT

1. Project Title: Excel Santee Hotel
2. Lead Agency Name and Address:
City of Santee
10601 Magnolia Avenue, Santee, CA 92071
3. Contact Person and Phone Number: Chris Jacobs, 619.258.4100 x 182
4. Project Location: Town Center Specific Plan, Art & Entertainment Overlay District, southwest corner of Town Center Parkway and Riverview Parkway, City of Santee
5. Project Sponsor's Name and Address:
David Thorne, Excel Hotel Group
10174 Old Grove Road, Suite 200, San Diego, CA 92123
6. General Plan Designation: Town Center Specific Plan 7. Zoning: Town Center District, Art and Entertainment Overlay District
8. Previous Environmental Document: Please describe the previously adopted ND or MND or the previously certified EIR (include the date the document was adopted or certified, the date the project was approved, the date the NOD was filed with the County, and a summary of potentially significant effects identified in the CEQA document).

The Supplemental Environmental Checklist and EIR Addendum is based upon, and incorporates by reference, the previous analysis contained within the following EIRs and TCSPA Arts & Entertainment Overlay District Supplemental Environmental Checklist that evaluated a hotel use on the project site:

- Town Center Specific Plan EIR (SCH 1985012314) – Resolution 162-86, October 22, 1986. The EIR evaluated the impacts associated with the 706-acre Town Center Specific Plan, which included a mix of land uses.
- Santee Trolley Square EIR – 2001 (SCH 1999031096) – Resolution 96-2001, July 25, 2001. The EIR evaluated the impacts associated with the Trolley Square project which is located within the Town Center Specific Plan and includes a commercial development and hotel. The Town Center Specific Plan EIR was incorporated by reference.
- Town Center Specific Plan Amendment Master EIR (SCH 1999031096) – Resolution 008-2006, February 8, 2006. The EIR evaluated the impacts associated with the Town Center Specific Plan Amendment, which changed some specific plan land uses.
- Town Center Specific Plan Amendment and Art & Entertainment Overlay District Supplemental Environmental Checklist – Resolution 112-2019, December 11, 2019 The Supplemental Environmental Checklist evaluated the impacts associated with the Arts and Entertainment District Overlay in comparison to the project evaluated in the Town Center Specific Plan Amendment Master EIR. This 2019 SEC is tied to State Clearinghouse numbers 1985012314 and 1999031096.

The Town Center Specific Plan Amendment and the Art and Entertainment Overlay District is further described below.

9. Description of Project: (Describe the previously approved project and the authorized entitlements/ discretionary actions. Describe whether the subsequent discretionary action now proposed was considered in the previously approved CEQA document and describe any differences between the proposed action and the approved project.)

The proposed project is a 4 story, 97 room (58,692 SF) hotel on a 1.6-acre site with 67 regular parking spaces, 11 EV spaces, 6 bicycle parking spaces. and landscaping. The 1.6-acre project site is an existing parking lot and is entirely developed/disturbed. The hotel does not propose an onsite restaurant. The above summarized CEQA documents have previously evaluated the project site, and the approved Town Center Specific Plan Amendment and Art and Entertainment Overlay District (2019) allows for hotel land uses to be developed by right on the project site. Ordinance 573 (01/08/20). Although allowed by right, the project is required to be process a city Development Review, subject to discretionary conditions of approval, pursuant to Santee Municipal Code (SMC) Chapter 13.08. The proposed project requires a public hearing as it exceeds the 50,000 square-foot threshold for administrative review.

10. Surrounding Land Uses and Setting: (Briefly describe the project's surroundings.)

North – San Diego Christian College, East - open space, south retail commercial, west – retail commercial.

11. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement):

San Diego County Airport Authority consistency and FAA encroachment review

12. Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code section 21080.3.1? If so, has consultation begun?

Yes – Tribal consultation has previously been completed.

Note: Conducting consultation early in the CEQA process allows tribal governments, lead agencies, and project proponents to discuss the level of environmental review, identify and address potential adverse impacts to tribal cultural resources, and reduce the potential for delay and conflict in the environmental review process. (See Public Resources Code section 21083.3.2.) Information may also be available from the California Native American Heritage Commission's Sacred Lands File per Public Resources Code section 5097.96 and the California Historical Resources Information System administered by the California Office of Historic Preservation. Please also note that Public Resources Code section 21082.3(c) contains provisions specific to confidentiality.

The following appendices are included in this Supplemental Environmental Checklist

Appendix A - Air Quality Modeling

Appendix B - Biological Resources Survey Report

Appendix C - Geotechnical Evaluation

Appendix D - Hydrology/SWQMP

Appendix E - Noise Modeling

Appendix F - VMT/Trip Generation Memo

Appendix G - GHG/Energy Modeling/CAP Checklist

Appendix H - Water and Sewer Availability Letter

Town Center Specific Plan Amendment and Art & Entertainment Overlay District Overview

The approved Town Center Specific Plan Amendment and Art & Entertainment Overlay District (December 11, 2019) is comprised of three components located within the Town Center Specific Plan (TCSP) area in the central portion of the City of Santee, and includes the establishment of an Art and Entertainment Overlay District (overlay district), the development of a movie theater, and the development of a hotel. The proposed Excel Hotel project is consistent with the TCSP and is allowed by right within the overlay district, although the project is subject to city development review with discretionary conditions of approval, pursuant to SMC 13.08. A public hearing is required for projects which exceed 50,000 square-feet.

The overlay district is a specialized defined area that further enhances and guides development within the TCSP area. The boundary of the overlay district encompasses existing and planned uses within the TCSP area, including the Santee Trolley Square Commercial Center (STSCC), as well as the locations of planned uses such as the Karl Strauss Brewery, the movie theater, and the hotel. The overlay district also includes streets and public trails where street fairs and other special events are hosted. Its purpose is to support tourism and attract commercial, educational, and recreational uses that beautify and enliven the TCSP area. These uses include specialized retail and recreational uses, cultural facilities such as museums, art galleries, theater and dance companies, public art and performing arts activities, learning centers, and hotels. Thematic signage is allowed throughout the overlay district, similar to the provisions already in place for the Karl Strauss (Parcel A) and movie theater sites (Parcel B). As such, in addition to wall signs, signs may be roof-mounted and stand-alone, intended to highlight the unique or iconic uses in the overlay zone.

The proposed hotel (proposed project) is located on an approximately 1.6-acre site that is currently developed with a surface parking lot within the northeastern portion of the STSCC. The hotel site is north of a retail building (Tilly's, PetSmart, DSW, and 24-Hour Fitness), east of the Santee Town Center Transit Station, and south of Town Center Parkway. The hotel evaluated in the approved/adopted Supplemental Environmental Checklist encompasses an approximately 64,000-square foot, four-story building consisting of 100 rooms (plus or minus five percent), a breakfast seating area, a pool with a deck, and approximately 80 parking spaces.

The previously adopted TCSPA Arts and Entertainment Overlay District Supplemental Environmental Checklist (SEC) provides project-level review of proposed theater and hotel components. The currently proposed hotel project is located on the same general project site as evaluated in the adopted SEC. Approval of the proposed hotel project requires the following approvals for the hotel land use:

- ▶ City of Santee Development Review with discretionary conditions of approval, requiring a public hearing
- ▶ Hotel - Development Review Permit; San Diego County Airport Authority consistency; and FAA encroachment review

Town Center Specific Plan Amendment and Art and Entertainment Overlay District Supplemental Environmental Checklist (SEC)

The adopted Town Center Specific Plan Amendment and Art and Entertainment Overlay District Supplemental Environmental Checklist was prepared to demonstrate consistency with the previously certified CEQA documents, and indicated the following:

The TCSPA MEIR and the STSCC EIR together examined the land area that is included in the overlay district boundaries. All of the land uses proposed in the overlay district do not substantially differ from those already considered allowable land uses either by right or by CUP and were previously evaluated in the TCSPA MEIR or STSCC EIR. Because the land uses are substantially similar, the overlay district does not present a significant change in the project or the circumstances under which the project will be undertaken that would require significant changes to either the TCSPA MEIR or STSCC EIR. Nor does it present significant new information that would require such revisions. Further, because the land uses are the same, the overlay district will not cause any additional significant effects on the environment that were not already analyzed in the TCSPA MEIR. The overlay district is intended to capture existing and planned land uses within the TCSP Area, including the STSCC and the approved Karl Strauss Brewery, as well as the movie theater and hotel that are proposed as part of the overlay district. The overlay district also includes streets and public paths/trails where street fairs and other special events are hosted.

The site for the proposed hotel is currently a paved surface parking lot that is designated for library or civic/retail land uses. As part of the original Disposition and Development Agreement (DDA) for the STSCC, the developer offered dedication of a site for the possible future construction of a library; however, the DDA stated that if the City concludes that the designated site is not appropriate for the future construction of a library, and the City gives the developer

written notice of that decision, the library site shall be conveyed back to the City for use as designated by the City but in a manner consistent with developer's project (i.e., STSCC). Despite the City's efforts to use the site for a library, including attempts to secure funding to construct a library, the City has concluded that the site is not suitable for a library.

As such, the City proposed construction of a hotel at the site. A hotel use is a complementary use to the existing retail uses in the STSCC area and it meets the standards set forth in the DDA. While not explicitly outlined as a proposed land use in the STSCC EIR, the construction of a hotel at this location is consistent with the development intensity approved for the STSCC. As outlined in the STSCC EIR, one of the primary objectives of the STSCC is to provide approximately 200,000 square feet of major retail uses and approximately 100,000 square feet of restaurants and other retail land uses. Currently the STSCC site consists of 438,085 gross leasable square feet of commercial, retail, and restaurant land uses. The proposed hotel is consistent with the STSCC's objectives.

Additionally, the STSCC directs that the site of the proposed hotel should be developed consistent with the standards, goals, and objectives of the TCSP, which designates the proposed hotel site for commercial land uses. Under the TCSP, resort hotels and motels are a conditionally permitted use within the Commercial, Office Commercial, and the Residential/Office/Commercial land use designations; specifically, the TCSP states that that the Commercial land use designation is intended to support visitor-oriented land uses, such as hotels and restaurants.

Moreover, although the STSCC proposed a new land use (library) within the TCSP and thus required an amendment, the STSCC did not preclude the previously allowable land uses (commercial) from being developed. The hotel land use is consistent with the TCSP's commercial land use designation, the impacts of which have been previously examined as part of the original TCSP EIR (City 1986).

The hotel use is similarly consistent with the level of development intensity examined in the STSCC EIR. There are differences between the development of a library (or civic/retail land uses) versus a hotel. But in terms of the impact evaluation in the STSCC EIR, either scenario--library or hotel--represents the conversion of undeveloped land to urban land uses. Further, the hotel site is located on part of a 50-acre parcel. The STSCC EIR examined the approximately 50-acre site as a whole, and did not analyze impacts from just the library use. Therefore, in context of the 467,493 square feet of development approved for the STSCC, 438,085 square feet of commercial building space is currently developed, which leaves a remaining development allocation of approximately 30,000 square feet for the STSCC. The proposed 100-room hotel would encompass approximately 64,000 square feet, which is approximately 34,000 more square feet than the remaining allocation. This additional 34,000 square feet of building area, however, would not substantially exceed the development allocation within the STSCC and would generally be within the parameters of the overall development intensity envisioned for the STSCC and the broader TCSP Area, as discussed below.

The TCSPA MEIR states that the TCSPA will enable the development of the TCSP Area according to a broad concept that envisions Town Center as a vital composite of compatible and complementary uses, and that a principal goal of the TCSP is to dictate overall guidelines for development while simultaneously allowing for flexible response to future business market opportunities that are consistent with the overall theme. The proposed hotel is an example of this flexibility envisioned in the TCSPA. To illustrate, the TCSPA MEIR allocates maximum building square footage per Planning Area within the TCSPA area (refer to Table 1 above). The maximum allocated building square footage for the Mixed Use Area - Office is 150,000 square feet but only 64,374 square feet of office space was approved for this specific site (per Development Review Permit DR05-27). The allocated building area that was not realized could be transferred elsewhere within the TSCP Area such that the allocated maximum development intensity could be achieved. The additional 34,000 square feet of building area associated with the proposed hotel does not exceed the building area not realized in the Mixed Use Area - Office Planning Area (85,626 square feet). Therefore, the proposed hotel does not constitute an increase in total building area or development intensity that was envisioned and analyzed within the TCSP Area as a whole.

It is noted that since the approval of the STSCC EIR there have been changes to the existing conditions; however, the changes that have occurred are in accordance with the approved land use plans and have incorporated the mitigation measures identified in the STSCC EIR. The proposed hotel would be required to implement all feasible mitigation measures identified in the STSCC EIR. There has been no unforeseen change to the existing conditions since the approval of the STSCC EIR that would require additional mitigation. However, there have been regulatory changes to CEQA that mandate the examination of additional issue areas, including greenhouse gas emissions, tribal cultural resources, and wildfire. To adequately address these issues, additional air quality/greenhouse gas emissions modeling was conducted, the City has initiated consultation with local tribes, and a review of CalFire maps indicated that the

Project site is not located in a Very High Fire Hazard Severity area and thus, there are no project-related wildfire impacts.

There have been no substantial changes to the existing site conditions and there is no evidence of any project-specific effects that were not already addressed in the STSCC EIR. Accordingly, no subsequent CEQA documentation is required for the proposed hotel. A Development Review Permit is required for the proposed hotel.

Under PRC section 21166, no further environmental review is necessary because as explained above, the hotel does not present a significant change in the project or the circumstances under which the project will be undertaken that would require significant changes to either the STSCC EIR. Nor does it present significant new information that would require such revisions.

Relationship Between the Proposed Hotel Project and Previously Approved Projects and CEQA Documents

The currently proposed hotel project includes 97 hotel rooms in 58,692 square feet of building area on the 1.6-acre project site. This represents a reduction of 5,308 square feet and one hotel room as compared to the hotel project evaluated in the adopted Supplemental Environment Checklist. As such, impacts associated with the currently proposed hotel project will be slightly reduced as compared to the hotel project evaluated in the Art and Entertainment Overlay District/TCSP Amendment Supplemental Environmental Checklist.

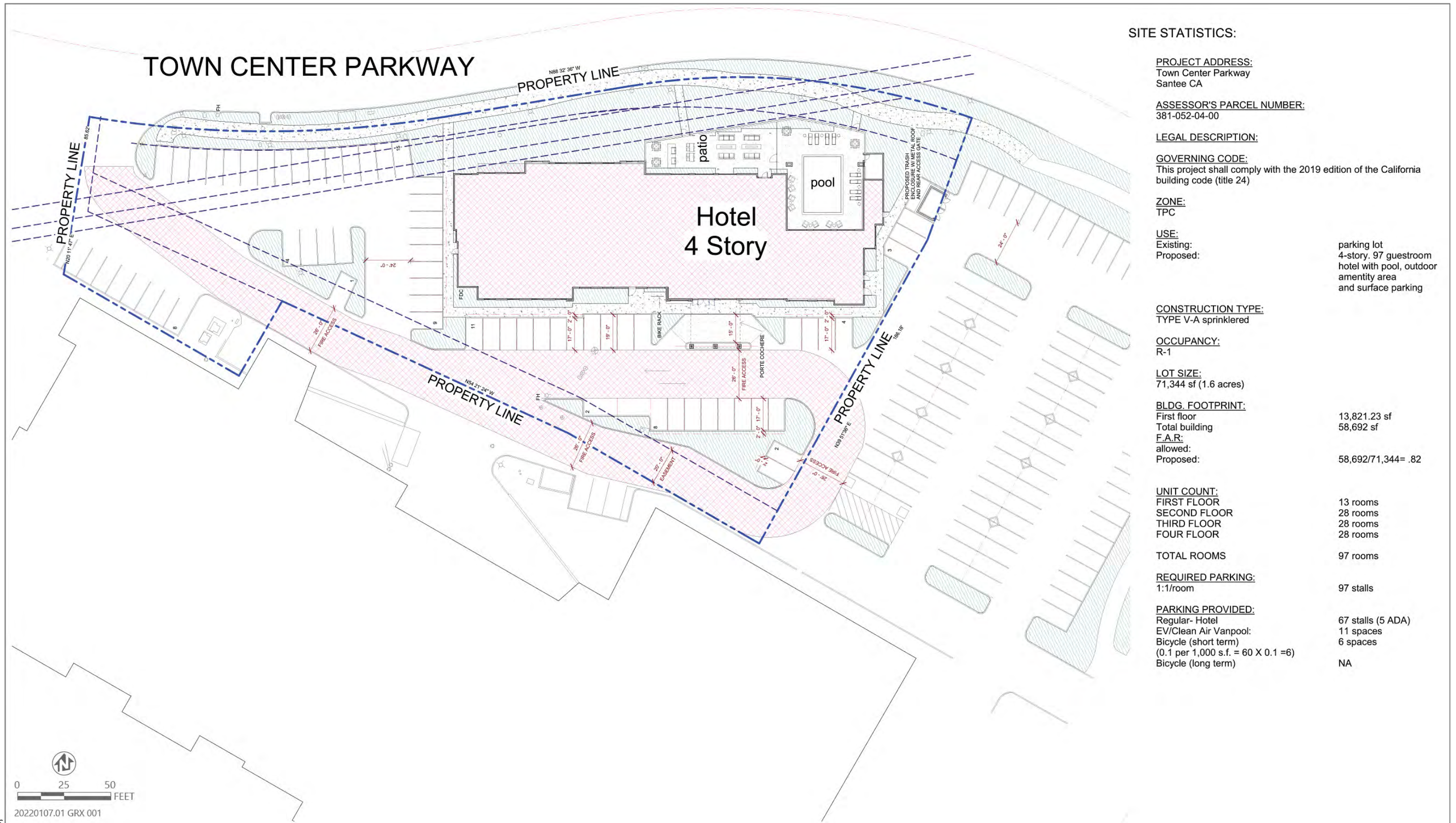
Under Public Resources Code (PRC) section 21166, when an EIR has been prepared for a project, "no subsequent or supplemental environmental impact report shall be required" unless: (1) there are substantial changes to the project that will require major revisions to the EIR; (2) there are substantial changes to the circumstances under which the project is being undertaken that will require major revisions to the EIR; or (3) there is new information available that was not known or could not have been known. (See also, CEQA Guidelines section 15162).

Further, under section 15177 of the CEQA Guidelines, after a MEIR has been prepared and certified, subsequent projects that the lead agency determines as being within the scope of the MEIR will be subject to only limited environmental review such as an IS. Section 15177 states that no new environmental document shall be required of the subsequent project if the following requirements are met: (1) the lead agency for the subsequent project is the lead agency or a responsible agency identified in the MEIR; (2) the lead agency prepares an IS for the subsequent project to analyze whether the subsequent project was described in the MEIR and whether the subsequent project may cause any additional significant effect on the environment that the MEIR did not analyze; and (3) the lead agency makes written findings that no additional significant environmental effect will result from the subsequent project, no new additional mitigation measures or alternatives may be required, and that the subsequent project is within the scope of the MEIR. Under section 15177, "additional significant environmental effect" means any project-specific effect that was not addressed as a significant effect in the MEIR.

As a result, and as explained in this document, under PRC section 21166 and CEQA Guidelines sections 15162 and 15177, no further environmental review beyond this SEC/Addendum document is required for updated Project details, as all environmental impacts are equal to or less than evaluated in the adopted SEC.

The project site plan, landscape plan and renderings are included in the following figures. The following project technical studies are included in the appendix to this Supplemental Environmental Checklist:

- Appendix A – Air Quality Modeling – Ascent Environmental, August 2022
- Appendix B – Biological Resources Survey Report – Vincent N. Scheidt, April 2022
- Appendix C – Geotechnical Evaluation - CTE
- Appendix D – Hydrology/SWQMP – Landmark Consulting, July 5, 2022
- Appendix E – Noise modeling – Ascent Environmental, August 2022
- Appendix F – VMT/Trip Generation memo – Tranes Solutions, April 20, 2022
- Appendix G – GHG/Energy Modeling – Ascent Environmental, August 2022



SITE STATISTICS:

PROJECT ADDRESS:
Town Center Parkway
Santee CA

ASSESSOR'S PARCEL NUMBER:
381-052-04-00

LEGAL DESCRIPTION:

GOVERNING CODE:
This project shall comply with the 2019 edition of the California building code (title 24)

ZONE:
TPC

USE:
Existing: parking lot
Proposed: 4-story, 97 guestroom hotel with pool, outdoor amenity area and surface parking

CONSTRUCTION TYPE:
TYPE V-A sprinklered

OCCUPANCY:
R-1

LOT SIZE:
71,344 sf (1.6 acres)

BLDG. FOOTPRINT:
First floor 13,821.23 sf
Total building 58,692 sf
F.A.R.:
allowed: 58,692/71,344= .82
Proposed:

UNIT COUNT:
FIRST FLOOR 13 rooms
SECOND FLOOR 28 rooms
THIRD FLOOR 28 rooms
FOUR FLOOR 28 rooms

TOTAL ROOMS 97 rooms

REQUIRED PARKING:
1:1/room 97 stalls

PARKING PROVIDED:
Regular- Hotel 67 stalls (5 ADA)
EV/Clean Air Vanpool: 11 spaces
Bicycle (short term) 6 spaces
(0.1 per 1,000 s.f. = 60 X 0.1 =6)
Bicycle (long term) NA

Source: Image provided by Robert F. Tuttle Architects, Inc. in 2022, adapted by Ascent Environmental in 2022.

Figure 1: Site Plan

Planting Notes:

- Before beginning work, Contractor shall inspect the site. If any conditions existing that differ from what is shown on the plans and will affect Contractor's work, notify the owner or Landscape Architect immediately.
- When fine grading, Contractor is to be sure that water cannot pool against buildings or fences. If this or other drainage problem exists, use drainage structures (catch basins, perforated pipe, etc.) as necessary to eliminate the problem.
- Contractor shall furnish the City and owner with a A05-2WELD landscape soils report, from Waypoint Analytical (714) 282-8777 in Anaheim or equal. Contractor is to follow the recommendations in accordance with the Model Water Efficiency Landscape Ordinance. All landscape areas are to be amended with compost (9 yards per 1,000 square feet, or approximately 3" deep) before planting. Retoil all planting areas at least 9" deep.
- Weed and weed seeds, both existing and potential, are to be addressed at all planting areas. Contractor to use a pre-emergent herbicide throughout the entire project area. All additives and herbicides selected must be safe for animals and young children. If any concerns arise, Contractor is to bring them to the attention of the Landscape Architect or Owner.
- Contractor to submit 2 photos of each plant (photo of entire plant, plus close-up of plant tag) to the Landscape Architect for approval prior to installation.
- Install linear root barriers at each tree within 7' of a paved surface. Use 8 linear feet (five 24" wide panels) of 24" deep DeepRoot panels, or equal, centered on tree, per manufacturer's instructions, at each edge of paved surface. The root barrier is to be installed linear against the curb or walk at 1" below adjacent finished grades. The gap between the barrier and paved surface shall be backfilled with soil.
- Contractor to verify quantities listed. Plant quantities are provided as a convenience only. If there is a discrepancy between the quantities provided and what is shown on the plans, then Contractor is to refer to the plans.
- Add fertilizer tablets (Agriform or similar) to each tree or shrub when planting in the following quantities:
1 gallon - 1 tablet, 5 gallon - 3 tablets, 15 gallon - 5 tablets, 24" box - 10 tablets, 36" box - 15 tablets
- The backfill mix for tree and shrub pits must use the following: 1 part compost to 2 parts native soil.
- Contractor to place 3" of recycled dark brown bark chip mulch to cover all planting areas.
- Contractor is responsible to ensure that all plant containers will not be treated as waste. Containers should be returned to a nursery or may be recycled. Plant tags are to be recycled when possible.
- Contractor is responsible to notify the City prior to work commencement and to set up an inspection schedule.
- Contractor is to maintain all landscape work for 90 days after the landscape has been accepted by the City of Santee.
- All work is to be guaranteed by the installing Contractor for one (1) full calendar year after acceptance by Owner unless specified otherwise.

Compliance Statement:

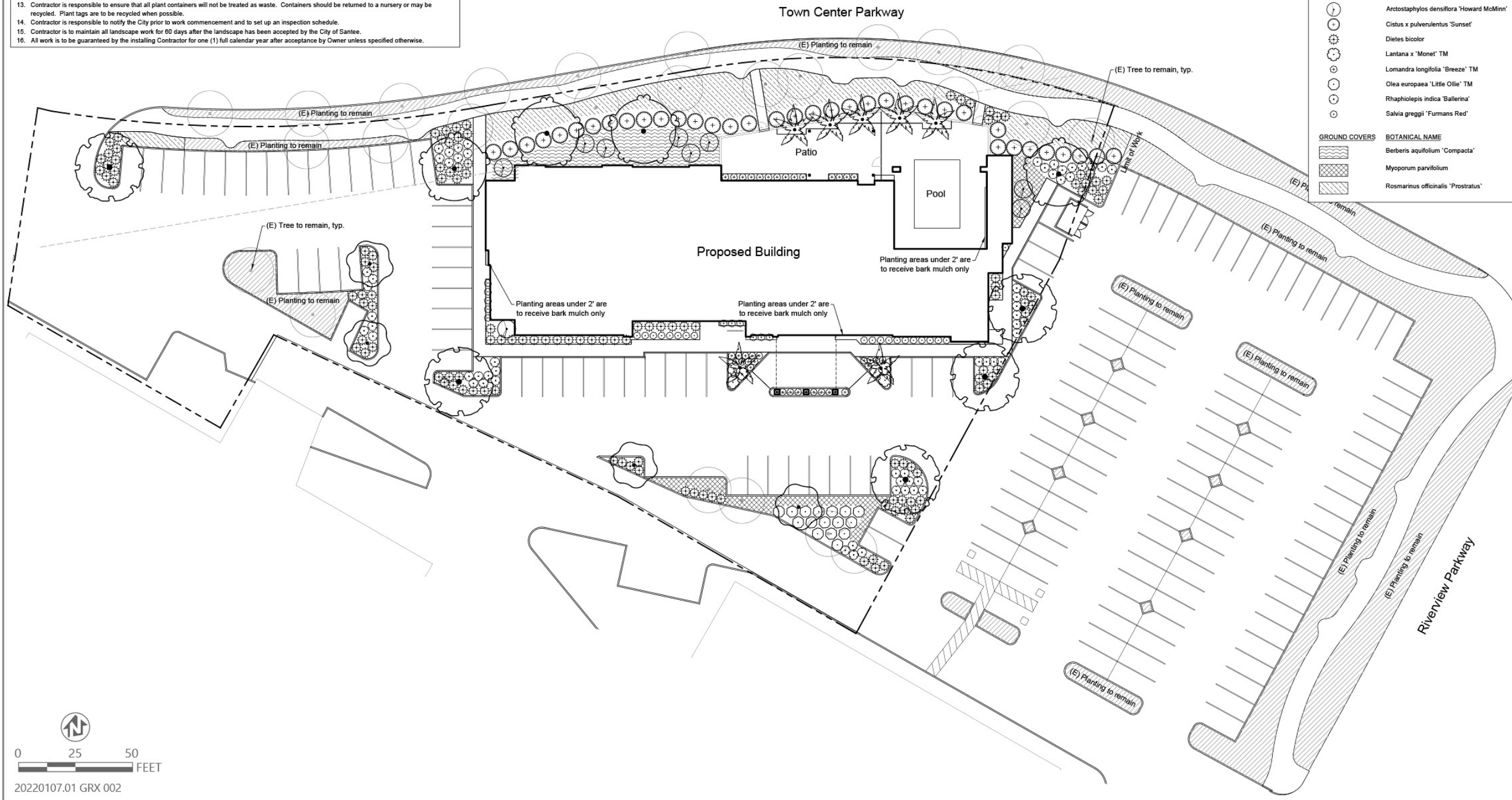
I have complied with the criteria of the Model Water Efficient Landscape Ordinance and applied them accordingly for the efficient use of water in the landscape design plan.

Planting Legend:

TREES	BOTANICAL NAME	COMMON NAME	SIZE	SPACING	WUCOLS	QTY
	<i>Koeleruteria paniculata</i>	Golden Rain Tree	24" Box	per plan	L	4
	<i>Phoenix canariensis</i>	Canary Island Date Palm	12" HL	per plan	L	7
	<i>Platanus x acerifolia</i> 'Columbia'	London Plane Tree	15 gal.	per plan	M	4
	<i>Quercus agrifolia</i>	Coast Live Oak	24" Box	per plan	L	5

SHRUBS	BOTANICAL NAME	COMMON NAME	SIZE	SPACING	WUCOLS	QTY
	<i>Arctostaphylos densiflora</i> 'Howard McMinn'	Howard McMinn Vine Hill Manzanita	5 gal.	per plan	L	9
	<i>Cistus x pulverulentus</i> 'Sunset'	Sunset Rockrose	5 gal.	8"	L	36
	<i>Diates bicolor</i>	Fortnight Lily	1 gal.	5"	L	127
	<i>Lantana x 'Monet'</i> TM	Spreading Sunset Lantana	5 gal.	6"	L	6
	<i>Lomandra longifolia</i> 'Breeze' TM	Breeze Mat Rush	1 gal.	3.5"	L	36
	<i>Olea europaea</i> 'Little Ollie' TM	Little Ollie Olive	5 gal.	5.5"	VL	16
	<i>Rhaphiolepis indica</i> 'Ballerina'	Ballerina Indian Hawthorn	5 gal.	4.5"	L	58
	<i>Salvia greggii</i> 'Furmans Red'	Furman's Red Salvia	1 gal.	3.5"	L	26

GROUND COVERS	BOTANICAL NAME	COMMON NAME	SIZE	SPACING	WUCOLS	QTY
	<i>Berberis aquifolium</i> 'Compacta'	Compact Oregon Grape	1 gal.	4"	L	88
	<i>Myoporum parvifolium</i>	Trailing Myoporum	1 gal.	4"	L	59
	<i>Rosmarinus officinalis</i> 'Prostratus'	Dwarf Rosemary	1 gal.	6"	L	87



Source: Image provided by Robert F. Tuttle Architects, Inc. in 2022, adapted by Ascent Environmental in 2022.

Figure 2: Landscape Plan



20220107.01 GRX 003

Source:

Figure 3: Project Rendering, Daytime



20220107.01 GRX 004

Source:

Figure 4: Project Rendering, Nighttime

City of Santee
Excel Santee Hotel Project Supplemental Environmental Checklist and EIR Addendum

NEW SIGNIFICANT ENVIRONMENTAL EFFECTS OR SUBSTANTIALLY MORE SEVERE SIGNIFICANT ENVIRONMENTAL EFFECTS COMPARED TO THOSE IDENTIFIED IN THE PREVIOUS CEQA DOCUMENT. The subject areas checked below were determined to be new significant environmental effects or to be previously identified effects that have a substantial increase in severity either due to a change in project, change in circumstances or new information of substantial importance, as indicated by the checklist and discussion on the following pages.

- | | | |
|--|---|--|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture Resources | <input type="checkbox"/> Air Quality |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology / Soils |
| <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology / Water Quality | <input type="checkbox"/> Land Use / Planning |
| <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise | <input type="checkbox"/> Population / Housing |
| <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Utilities / Service Systems | <input type="checkbox"/> Mandatory Findings of Significance | <input type="checkbox"/> Greenhouse Gases |
| <input type="checkbox"/> Energy | <input type="checkbox"/> Wildfire | <input type="checkbox"/> Tribal Cultural Resources |

DETERMINATION (To be completed by the Lead Agency):

On the basis of this initial evaluation:

- No substantial changes are proposed in the project and there are no substantial changes in the circumstances under which the project will be undertaken that will require major revisions to the previous approved ND or MND or certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Also, there is no “new information of substantial importance” as that term is used in CEQA Guidelines Section 15162(a)(3). Therefore, the previously adopted ND or MND or previously certified EIR adequately discusses the potential impacts of the project without modification.
- No substantial changes are proposed in the project and there are no substantial changes in the circumstances under which the project will be undertaken that will require major revisions to the previous approved ND or MND or certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Also, there is no “new information of substantial importance” as that term is used in CEQA Guidelines Section 15162(a)(3). Therefore, the previously adopted ND, MND or previously certified EIR adequately discusses the potential impacts of the project; however, minor changes require the preparation of an ADDENDUM.
- Substantial changes are proposed in the project or there are substantial changes in the circumstances under which the project will be undertaken that will require major revisions to the previous ND, MND or EIR due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects. Or, there is “new information of substantial importance,” as that term is used in CEQA Guidelines Section 15162(a)(3). However, all new potentially significant environmental effects or substantial increases in the severity of previously identified significant effects are clearly reduced to below a level of significance through the incorporation of mitigation measures agreed to by the project applicant. Therefore, a SUBSEQUENT MND is required.
- Substantial changes are proposed in the project or there are substantial changes in the circumstances under which the project will be undertaken that will require major revisions to the previous environmental document due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects. Or, there is “new information of substantial importance,” as that term is used in CEQA Guidelines Section 15162(a)(3). However, only minor changes or additions or changes would be necessary to make the previous EIR adequate for the project in the changed situation. Therefore, a SUPPLEMENTAL EIR is required.
- Substantial changes are proposed in the project or there are substantial changes in the circumstances under which the project will be undertaken that will require major revisions to the previous environmental document due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects. Or, there is “new information of substantial importance,” as that term is used in CEQA Guidelines Section 15162(a)(3). Therefore, a SUBSEQUENT EIR is required.

Signature

Click to enter a date.
Date

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Printed Name

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For

Evaluation of Environmental Impacts

1. A finding of “No New Impact/No Impact” means that the potential impact was fully analyzed and/or mitigated in the prior CEQA document and no new or different impacts will result from the proposed activity. A brief explanation is required for all answers except "No New Impact/No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No New Impact/No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g. the project falls outside a fault rupture zone). A "No New Impact/No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g. the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. A finding of “New Mitigation is Required” means that the project may have a new potentially significant impact on the environment or a substantially more severe impact than analyzed in the previously approved or certified CEQA document and that new mitigation is required to address the impact.
3. A finding of “New Potentially Significant Impact” means that the project may have a new potentially significant impact on the environment or a substantially more severe impact than analyzed in the previously approved or certified CEQA document that cannot be mitigated to below a level of significance or be avoided.
4. A finding of “Reduced Impact” means that a previously infeasible mitigation measure is now available, or a previously infeasible alternative is now available that will reduce a significant impact identified in the previously prepared environmental document.
5. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
6. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
 - a. Earlier Analyses Used. Identify and state where they are available for review.
 - b. Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis. Describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the proposed action.
 - c. Infeasible Mitigation Measures. Since the previous EIR was certified or previous ND or MND was adopted, discuss any mitigation measures or alternatives previously found not to be feasible that would in fact be feasible or that are considerably different from those previously analyzed and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measures or alternatives.
 - d. Changes in Circumstances. Since the previous EIR was certified or previous ND or MND was adopted, discuss any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that cause a change in conclusion regarding one or more effects discussed in the original document.
7. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g. general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
8. Supporting Information Sources. A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
9. This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.

10. The explanation of each issue should identify:

- a. the significance criteria or threshold, if any, used to evaluate each question;
- b. differences between the proposed activity and the previously approved project described in the approved ND or MND or certified EIR; and
- c. the previously approved mitigation measure identified, if any, to reduce the impact to less than significance.

Each environment checklist issue area provides analysis and substantial evidence supporting the impact conclusions. For each environmental issue area, two levels of analysis are included: 1) The impact of the proposed hotel project and 2) the previously documented impact of the hotel component of within the prior certified/adopted/approved CEQA documents.

The analysis contained within this Supplemental Environmental Checklist compares the impacts associated with the currently proposed hotel project to the impacts associated with the hotel component of the TCSPA Arts and Entertainment Overlay District. The analysis is structured to include a summary of the approved hotel site related impacts documented in the TCSPA Arts & Entertainment Overlay District SEC first, followed by the currently proposed hotel project impacts. A comparative analysis is included for each environmental checklist factor.

The hotel land use evaluated in the TCSPA Arts & Entertainment Overlay District SEC included a 4 story, 64,000 SF hotel with 100 rooms and 80 parking spaces. The currently proposed hotel project includes a 4 story, 58,692 square-foot hotel with 97 rooms and 78 parking spaces. This is 5,308 square-feet, 3 rooms and 2 parking spaces less than the hotel project evaluated in the TCSPA Arts & Entertainment Overlay District SEC, resulting in a less intense project overall.

Aesthetics

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
I. AESTHETICS. Except as provided in Public Resources Code section 21099, would the project:				
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Would the Project have a substantial adverse effect on a scenic vista?				

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The hotel land use evaluated in the TCSPA Arts & Entertainment Overlay District SEC included a 4 story, 64,000 SF hotel with 100 rooms and 80 parking spaces. The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The STSCC EIR evaluated the hotel site for urban development, either as a library or civic/retail uses. As approved, the STSCC EIR would allow for 467,493 square feet of commercial, retail, restaurant, and civic development. Currently the STSCC supports 438,035 square feet of commercial, retail, civic (police substation), and restaurant uses. It is noted that the proposed hotel would exceed the 467,493 square feet of development analyzed in the STSCC EIR. However, the intensity of development that would result from the hotel is generally consistent with the intensity of land use previously analyzed in the TCSPA MEIR. The hotel was proposed to be four stories and it would not exceed the 55-foot height limit as proposed for the overlay district. A library at this same location could also be multiple stories. The STSCC is within the TCSP and is subject to the TCSP architectural guidelines, which contain standards pertaining to the mass and bulk of buildings to minimize the obstruction of views of the surrounding hillsides but do not set a height limit. These standards would be applicable to the development of a hotel. Further, the STSCC EIR did not identify any impacts in relation to scenic vistas. Thus, the hotel would have no impact in relation to scenic vistas and no mitigation is required.

Current Proposed Hotel Analysis - No New Impact/No Impact. The currently proposed hotel project includes a 4 story, 58,692 square-foot hotel with 97 rooms and 78 parking spaces. This is 5,308 square-feet, 3 rooms and 2 parking spaces less than the hotel project evaluated in the TCSPA Arts & Entertainment Overlay District SEC, resulting in a less intense project. The project site is currently developed as an existing commercial parking lot. As stated in the City of Santee General Plan (General Plan; City 2003) Community Enhancement Element, “The numerous topographic features of Santee and the surrounding vicinity provide distinctive views from within the developed portions of the City. The major ridgeline and hillside system provided by the undeveloped areas of the northern portion of the City present a large portion of these views and vistas.” Further the TCSP Land Use Plan states that the visual resources within the TCSP Area consist of two opportunities, visual access to the San Diego River and views of the surrounding hillsides from within the site. However, there are no designated scenic vistas within the General Plan. There are no new or more severe scenic vista impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC. b) Would the Project substantially damage scenic

resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The STSCC EIR evaluated the hotel site for urban development; either as a library or civic/retail uses. In respect to the level of development evaluated in the STSCC (467,493 square feet) and the overall pattern of increasing urban development with the STSCC and the TCSP Area, the development of a hotel at the site would result in a similar intensification of urban land uses as envisioned for the STSCC and the greater TCSP. The proposed site for the hotel is a paved surface parking lot that is within the developed STSCC. The site and immediate surrounding area do not support scenic resources. Moreover, the STSCC EIR did not identify any impacts in relation to scenic resources. Thus, the hotel would have no impact in relation to scenic resources and no mitigation is required.

Currently Proposed Hotel Analysis - No New Impact/No Impact. The project site is currently developed as an existing commercial parking lot. The Project area is not located within or adjacent to a state scenic highway. There are no officially designated state scenic highways within the City boundaries. However, State Route (SR) 52 from near Santo Road to Mast Boulevard (mile marker 9.5 to mile marker 13), just west of the City boundary became an officially designated State Scenic Highway in February 2016. Scenic resources within this corridor includes Mission Trails Regional Park, Mission Trails Summit, and Cowles Mountain. At its closest point, the Project area is approximately 2.6 miles southeast of this segment of SR 52. Project features would not be visible from this scenic highway due to distance, existing topography, and intervening development and vegetation. Therefore, the Project would not change the visual character or quality along this designated state highway.

There are some scattered trees throughout the Project site but these trees do not represent significant scenic resources because they are not large stands of mature trees. No other notable natural scenic resources (e.g., large rock outcroppings, major drainages, or prominent landforms) occur on the Project site. As discussed above in I a), there are no designated scenic resources within or adjacent to the Project site. There are no new or more severe scenic resources impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- c) **Would the Project, in non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The STSCC EIR evaluated the hotel site for urban development; either as a library or civic/retail uses. The construction of a four-story hotel would introduce a multi-story building within the STSCC, which currently supports larger development, such as major department stores of over 100,000 square feet as well as smaller retail stores and restaurants. This would not substantially contrast with the existing development patterns and visual character of the TCSP Area particularly because there are multi-story structures on nearby properties within the TCSP Area at similar bulk, scale, and massing such as the Parc One Apartment and San Diego Christian College buildings. The STSCC EIR did not identify impacts in relation to regulations governing visual character or quality. The hotel site is within the boundaries of the TCSP and as such, the design of the hotel would be required to adhere to the design guidelines set in the TCSP. Adherence to and application of these guidelines would be examined during the design review process prior to the approval of grading permits. Additionally, the introduction of a four-story building at the site would contribute to the objective of the TCSP design guidelines to include buildings of varied heights (Land Use Plan Objective 3.6). Thus, the hotel would have no impact in relation to visual character or quality and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is currently developed as an existing commercial parking lot. The Project site is located in an urbanized area of Santee, which is zoned as and designated as Planned Development – Town Center. The existing Art and Entertainment overlay district and Town Center Specific Plan allow for the proposed hotel. Currently the project area supports a variety of commercial, office, institutional, residential, and civic land uses. Additional development is planned in the TCSP Area in accordance with the adopted land use plans. Applicable regulations governing scenic quality include those set forth in the TCSP and the General Plan Community Enhancement Element. Specifically, the TCSP Land Use Plan contains Urban Design Objectives that identify that major views should be protected (Objective 1.1) and that in recognition of visual concerns, development should include buildings of varied heights and mass

(Objective 3.6). Likewise, the Community Enhancement Element was adopted by the City to address the overall community design and character issues and contains goals and policies that pertain to the preservation of scenic views. Objective 15.0 states that the City shall maintain and enhance existing scenic views, ensuring that proposed structures do not significantly impact existing community-level viewsheds. There are no new or more severe visual character impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The STSCC EIR evaluated the hotel site for urban development, either as a library or civic/retail uses. The introduction of a four-story hotel would introduce new sources of light emanating from the guest rooms and other hotel spaces, nighttime security lighting, signage, and potentially parking and vehicular traffic related light. As discussed in the Project Description, while the proposed hotel would result in a greater level of development than evaluated in the STSCC EIR, the proposed hotel would be compatible with respect to the overall pattern of development in the TCSP. Use of the site as a library or civic/retail facility as evaluated in the STSCC EIR would also introduce new sources of light similar to those introduced by the hotel. The STSCC EIR did not identify significant impacts in relation to light and glare. The hotel site is within the boundaries of the TCSP and as such, the design of the hotel would be required to adhere to the design guidelines set for in the TCSP. Thus, the hotel would have no impact in relation to visual character or quality and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The Project site is within an area that is urbanized and as such, there are existing typical sources of light from parking lots, security, vehicle traffic, landscaping, and the interior lights within the various businesses, residences, etc. The proposed hotel will have typical exterior lighting similar to the previously evaluated project. There are no new or more severe light and glare impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Agriculture and Forest Resources

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
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II. AGRICULTURE AND FOREST RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state’s inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest protocols adopted by the California Air Resources Board. -- Would the project:

a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) Would the Project convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: There are no designated farmlands within or adjacent to the proposed site of the hotel. The site of the proposed hotel currently consists of a paved surface parking lot that serves the employees and customers of the STSCC. The adjacent land uses are either developed with commercial land uses or are undeveloped lands zoned for and designated as Planned Development – Town Center; thus, no land within the Project area is slated for agricultural uses. Furthermore, a library and hotel would both require ground disturbance for the building footprint and parking, with either resulting in similar intensification of urban land uses as envisioned in the STSCC EIR. Therefore, the development of the proposed hotel would not result in new impacts not already discussed and evaluated in the STSCC EIR. The STSCC EIR did not identify impacts to designated farmland. Therefore, the hotel would have no impact to designated farmland and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is currently developed as an existing commercial parking lot. The Department of Conservation Farmland Mapping and Monitoring Program Important Farmland Maps identify the project site and adjacent lands as Urban Built Up, which is described as land that is occupied by structures with a building density of at least one unit to 1.5-acres or approximately six structures to a 10-acre parcel. There are portions of the project area north of Town Center Parkway and east of Riverview Parkway that are designated as Farmland of Local Importance, which are lands that meet all the characteristics of Prime and Statewide with the exception of irrigation. Portions of the Project site have supported agricultural land uses in the past; however, no agricultural land uses currently exist and due to the site’s developed nature, it is unlikely that agricultural land uses would be sustainable. Both the TCSPA MEIR and the STSCC EIR concluded that impacts to agricultural resources were not significant. There are no new or more severe farmland impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

b) Would the Project conflict with existing zoning for agricultural use, or a Williamson Act contract?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site of the proposed hotel is not zoned for agricultural use or under a Williamson Act contract; therefore, no impact would occur in relation to a conflict with existing zoning or a Williamson Act contract.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. In the past, portions of the Project site have been used for agricultural purposes. As recently as 2006, the Future Farmers of America program at El Capitan High School utilized the portions of the project area to grow oats; however, currently no portion of the Project site is utilized for agricultural purposes. The Project site is not zoned for agricultural land uses and it is not encumbered by a Williamson Act contract. There are no new or more severe agricultural zoning or

Williamson Act contract impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

c) Would the Project result in the loss of forest land or conversion of forest land to non-forest use?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the proposed hotel is within a paved surface parking area for the existing commercial and retail land uses within the STSCC development with no trees present. The adjacent land uses are either developed with commercial land uses or are undeveloped lands zoned for and designated as Planned Development – Town Center; thus, no land within the Project area contains, or is designated for forest lands. Thus, the hotel would have no impact in relation to forest land and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The Project site is currently developed as an existing commercial parking lot, within an urbanized portion of the City that is designated and zoned as Planned Development – Town Center. The project area supports a variety of commercial, retail, residential, and restaurant land uses and is nearly completely developed or experienced some level of disturbance such as prior clearing or grading. There is no concentration of trees within the Project site that would constitute a forest. For the purposes of analysis within this document, “forest land” is characterized by the definition contained in Public Resources Code Section 12220(g), which defines “forest land” as land that can support 10 percent native cover of any species, including hardwoods, under natural conditions, and that allows for management of one or more forest resources, including timber, aesthetics, fish and wildlife, biodiversity, water quality, recreation, and other public benefits. Based on this definition, no forest land occurs within or adjacent to the Project site. There are no new or more severe forest land impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

d) Would the Project involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: As discussed in responses II (a) and II (d), there are no designated farmlands or forest lands within or adjacent to the Project site. No impact would occur in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The Project site is currently developed as an existing commercial parking lot within an urbanized portion of the City that is designated and zoned as Planned Development – Town Center. The project area supports a variety of commercial, retail, residential, and restaurant land uses and is nearly completely developed or experienced some level of disturbance such as prior clearing or grading. There are no new or more severe farmland impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Air Quality

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
<p>III. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. Would the project:</p>				
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) Would the Project conflict with or obstruct implementation of the applicable air quality plan?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Currently the site for the proposed hotel is a paved surface parking lot. In relation to allowable land uses at this site, development of the site was considered in both the TCSP and later as part of the STSCC Project, which included an amendment to the TCSP. As part of the STSCC project, the site was allocated to be used for a 30,000-square foot library; however, it was noted that if the City concludes that the designated site is not appropriate for the future construction of a library, the site should be conveyed back to the City for a use consistent with the adjacent retail uses. Despite the City’s efforts, including attempts to secure funding to construct a library, the City has concluded that the site is not suitable for a library. The City has determined that the site is suitable for other uses that complement the retail uses in the area and that would help support the art and entertainment uses. A hotel, which was considered at the proposed location as part of the original TCSP would further support the current land uses by providing a consumer base for the existing and future planned retail, restaurant, and commercial land uses. Because a hotel was originally considered within the TCSP and because a hotel use would be consistent with the General Plan in terms of a commercial land use, the introduction of a hotel in the STSCC (and within the TCSP Area) could be considered consistent with the RAQS. Nonetheless, to be thorough, air emissions were calculated for the proposed hotel because of the change in land use from a civic/retail use.

Regarding construction emissions, the STSCC EIR contains mitigation measures identified below that are hereby incorporated into the proposed Project. Implementation of these previously identified mitigation measures would reduce construction-related air quality impacts associated with development of the proposed hotel to less than significant and no new mitigation measures are required.

STSCC EIR AQ1: Construction-Related Emissions

During grading and construction, the Project developer shall comply with the following:

- a. During grading, clearing, earth moving or excavation, maintain equipment engines in proper tune.
- b. After clearing, grading, earth moving, or excavation:
 - 1. Wet area down, sufficiently enough to form a crust on the surface with repeated soakings, as necessary to maintain the crust and prevent dust pick up by the wind;
 - 2. Spread soil binders; and
 - 3. Implement street sweeping as necessary.

c. During construction:

1. Use water trucks or sprinkler systems to keep all areas where vehicles travel damp enough to prevent dust raised when leaving the site;
2. Wet down areas in the late morning and after work is completed for the day;
3. Use low sulfur fuel (.05% by weight) for construction equipment,

STSCC EIR AQ2: Construction-related Emissions

Revegetation of exposed soils on-site due to grading activity shall take place as early as feasible in order to minimize wind erosion.

Current Proposed Hotel Analysis -No New Impact/No Impact. The U.S. Environmental Protection Agency (EPA) and the California Air Resources Board (CARB) have established ambient air quality standards for common pollutants. The ambient air quality standards represent safe levels of contaminants that avoid specific adverse health effects associated with each pollutant. The ambient air quality standards cover what are termed criteria pollutants and include carbon monoxide (CO), sulfur dioxide (SO2), nitrogen dioxide (NO2), ozone (O3), particulate matter of less than 10 microns in size (PM10), particulate matter of less than 2.5 microns in size (PM2.5), and lead (Pb). Areas that meet ambient air quality standards are classified as attainment areas, while areas that do not meet these standards are classified as nonattainment areas. The City is located in the San Diego Air Basin (SDAB), which is under the jurisdiction of the San Diego Air Pollution Control District (SDAPCD) that regulates air quality in the SDAB. Operational emissions of criteria pollutants were calculated for the proposed hotel and compared to those that would be generated by a library or retail use. Construction emissions were not calculated for the previously evaluated library/retail uses, but are expected to be similar to the currently proposed hotel project due to similar grading and building equipment requirements. The model outputs are included in Appendix A. Daily construction and operational emissions are presented in Table 1.

**Table 1
Construction Emissions Summary (pounds per day)**

Construction Year	ROG (lb/day) Emissions	NO _x (lb/day) Emissions	PM ₁₀ (lb/day) Emissions	PM _{2.5} (lb/day) Emissions	CO (lb/day) Emissions
Currently Proposed Hotel	25	28	19	11	21
Maximum Daily Emissions – Previous Library/Retail/Hotel	25	28	19	11	21
SDCAPCD’s Screening Level Thresholds (SLT)	75	250	100	55	550
Threshold Exceeded	No	No	No	No	No

Operational Emissions Summary (pounds per day)

Emissions Sources	ROG (lb/day) Emissions	NO _x (lb/day) Emissions	PM ₁₀ (lb/day) Emissions	PM _{2.5} (lb/day) Emissions	CO (lb/day) Emissions
Proposed Hotel					
Area	2	<0.1	<0.1	<0.1	<0.1
Energy	<1	<1	<0.1	<0.1	<1
Mobile	2	2	4	1	18
Total Daily Emissions – Hotel	4	3	4	1	19
Previous Library/Retail/Hotel					
Area	2	,0.1	<0.1	<0.1	<0.1

Emissions Sources	ROG (lb/day) Emissions	NO _x (lb/day) Emissions	PM ₁₀ (lb/day) Emissions	PM _{2.5} (lb/day) Emissions	CO (lb/day) Emissions
Energy	<1	<1	<0.1	<0.1	<1
Mobile	2	24	4	1	18
Total Daily Emissions - Previous	4	3	41	1	8
SDCAPCD's Screening Level Thresholds (SLT)	75	250	100	55	550
Threshold Exceeded	No	No	No	No	No

Operational Emissions Summary (tons per year)

Emissions Sources	ROG (tons/year) Emissions	NO _x (tons/year) Emissions	PM ₁₀ (tons/year) Emissions	PM _{2.5} (tons/year) Emissions	CO (tons/year) Emissions
Proposed Hotel					
Area	<1	<0.1	<0.1	<0.1	<0.1
Energy	<0.1	<1	<0.1	<0.1	<1
Mobile	<1	<1	<1	<1	2
Total Daily Emissions	1	<1	<1	<1	3
Previous Library/Retail/Hotel					
Area	<1	<0.1	<0.1	<0.1	<0.1
Energy	<0.1	<1	<0.1	<0.1	<1
Mobile	<1	<1	<1	<1	2
Total Annual Emissions - Previous	1	<1	<1	<1	3
SDCAPCD's Screening Level Thresholds (SLT)	13.7	40	15	10	100
Threshold Exceeded	No	No	No	No	No

As shown in Table 1, none of the uses would exceed the SDAPCD significance thresholds and emissions generated by the hotel would be similar to the previously proposed land uses for the site. Emissions would be substantially less than the SDAPCD significance threshold. Based on the air emissions modeling, the proposed hotel would not exceed air quality standards and thus would not conflict with or obstruct implementation of the RAQS and no new impacts would occur in relation to this issue. As shown in Table 1, here are no new or more severe air quality plan impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

b) Would the Project result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: As discussed in III(a), air emissions of criteria pollutants (daily operational) were calculated for the proposed hotel and compared to those that would be generated by a library or retail use. As shown in Table 1 above, the use of the site as a hotel would produce less PM 10 and PM 2.5 than either a library or retail use and the proposed hotel's emissions would be below the SDAPCD trigger levels. Ozone is not emitted directly but is a result of atmospheric activity on precursors. Nitrogen oxide (NOX) and reactive organic gases (ROG) are known as the chief "precursors" of ozone. These compounds react in the presence of sunlight to produce ozone. As indicated in Table 5, the proposed hotel would generate a greater amount of ROG than a library or retail use; however, the emission levels would also be below the SDAPCD trigger levels. Therefore, the

project would not generate emissions in quantities that would result in an exceedance of the National Ambient Air Quality Standards or California Ambient Air Quality Standards for ozone, PM10 or PM2.5.

In addition, the Project would be required to comply with SDAPCD rules and regulations, such as watering during grading activities, preventing “track out” onto streets, and limitations on idling time. Specific rules applicable to the project and other construction sites in the air basin include the following: Rule 50 (visible emissions), Rule 51 (nuisance), Rule 52 (particulate matter), Rule 54 (dust and fumes), Rule 55 (fugitive dust control), and Rule 67 (architectural coatings).

The STSCC EIR concluded that implementation of the STSCC would result in project-specific and cumulative significant and unavoidable air quality impacts, and a Statement of Overriding Considerations was approved in March 2001 pursuant to Sections 15093 and 15126.2 (b) of the State CEQA Guidelines. The proposed hotel would generate emissions that would contribute to these previously identified significant and unavoidable project-specific and cumulative air quality impacts. However, impacts would not be exacerbated beyond what would already occur with development approved in the STSCC EIR. No new impacts would occur, and no additional mitigation is required

Current Proposed Hotel Analysis -No New Impact/No Impact. As discussed under III(a), the SDAB is classified as a nonattainment area for ozone, PM10, and PM2.5. The proposed hotel project would result in similar emissions as compared to the hotel project evaluated in the TCSPA Arts & Entertainment District Overlay SEC, and are well below the SDAPCD emissions thresholds of significance. There are no new or more severe criteria pollutant impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

c) Would the Project expose sensitive receptors to substantial pollutant concentrations?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the proposed hotel was included as part of the STSCC and evaluated in the STSCC EIR. That EIR concluded that there were no sensitive receptors in the Project area. At the time of the STSCC EIR, the proposed hotel site was evaluated for library and/or civic/retail land uses. Similar to those land uses, a hotel land use would generate emissions during construction with the use of diesel-powered equipment and fugitive dust generated from earth movement and the demolition of the asphalt pavement. Likewise, a hotel land use would generate traffic which would generate emissions. Since the preparation of the STSCC EIR, the Parc One Apartments have been constructed as the TCSP continues to be implemented. This residential sensitive receptor is located approximately 500 feet to the north of the hotel site.

As discussed above in III(a), the hotel would include the implementation of STSCC Mitigation Measures AQ1 and AQ2 during construction to reduce construction-related emissions to less than significant. As shown in Table 5 and discussed in III(a), operational emissions would be substantially less than SDAPCD trigger levels for criteria pollutant emissions. Therefore, the proposed hotel would not expose sensitive receptors to substantial pollutant concentrations and there would be no new impacts.

Current Proposed Hotel Analysis -No New Impact/No Impact. Ambient air quality standards have been established to represent the levels of air quality considered sufficient with a margin of safety to protect public health and welfare. They are designed to protect a segment of the public most susceptible to respiratory distress, such as children under the age of 14, the elderly over 65, persons engaged in strenuous work or exercise, and people with cardiovascular and chronic respiratory disease. Locations where sensitive receptors congregate include schools, hospitals, and residences. Sensitive receptors in the Project area include residents within the Parc One Apartments and in surrounding areas to the east, south, and north; Rio Seco Elementary school to the north; KinderCare to the north; and Edgemoor Hospital to the north. Construction and operational emissions are similar to the previously proposed land uses, and there are no new or more severe sensitive receptor impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

d) Would the Project result in other emissions (such as those leading to odors adversely affecting a substantial number of people)?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The STSCC EIR evaluated the hotel site for urban development; either as a library or civic/retail uses. The development of a hotel at the site would result in a similar intensification of urban land uses as envisioned in the STSCC EIR. The STSCC

EIR did not identify odor-related impacts and generally hotels are not considered uses that would generate objectionable odors. Thus, the hotel would have no odor-related impacts and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. Land uses typically associated with objectionable odors are agriculture, wastewater treatment plants, food processing plants, chemical plants, composting, refineries, landfills, and dairies. The Project site and surrounding land uses do not support such land uses nor are they designated and/or zoned for such land uses. There are no new or more severe odor impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Biological Resources

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
IV. BIOLOGICAL RESOURCES. Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Would the Project have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the proposed hotel is developed and consists of a paved surface parking lot. There is no habitat or potential for sensitive species to occur on this site. The construction and operation of a hotel on the site would have no impact in relation to habitat modification or species of concern and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is currently developed as a commercial parking lot. The majority of the project area currently supports urban land uses and has experienced a high level of biological degradation. A Biological Resources Summary Report (Appendix B) as prepared and indicates that there is no sensitive habitat onsite. Development of the proposed Project does not have the potential to impact sensitive species. There are no new or more severe candidate, sensitive or special status species impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- b) **Would the Project have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service.**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the proposed hotel is completely developed with a paved surface parking lot within the STSCC and does not contain sensitive vegetation communities. Therefore, implementation of the hotel would not impact riparian habitat or other sensitive natural community and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is currently developed as an existing commercial parking lot. As discussed above in IV(a), the majority of the project area currently supports urban land uses and has experienced a high level of biological degradation. There is no riparian habitat or sensitive natural communities as identified by CDFW or USFWS onsite. There are no new or more severe riparian or natural community impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- c) **Would the Project have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the proposed hotel is completely developed with a paved surface parking lot within the STSCC and does not contain wetlands. Therefore, implementation of the hotel would not impact wetlands and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is currently developed as an existing commercial parking lot. The biological resources summary report concluded that there are no sensitive biological resources, including wetlands onsite. There are no new or more severe wetlands impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- d) **Would the Project interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the proposed hotel is completely developed and currently consists of a paved surface parking lot that is situated within a commercial development. The hotel site is southeast of the movie theater site and physically separated from the San Diego River by intervening development within the TCSP Area, including San Diego Christian College and the Parc One residential development. Due to its developed nature and separation from the San Diego River wildlife corridor, the site itself does not present any opportunities to function as a wildlife corridor and therefore no direct impacts to wildlife migration would occur due to the hotel. Mitigation Measure BR2, identified below, pertains to light intrusion and is hereby incorporated into the proposed Project. Given that the STSCC EIR evaluated the proposed hotel site for urban development of similar intensity, the proposed Project is not introducing new impacts not already evaluated and would result in no new impacts related to wildlife corridors. Implementation of Mitigation Measure BR2 would reduce impacts to less than significant and no new mitigation measures are required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is currently developed as an existing commercial parking lot and does not provide for connectivity to wildlife movement areas. The project area is located in an area that is becoming urbanized and is surrounded by existing development. There are no new or more severe wildlife movement impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

STSCC EIR Mitigation Measure BR2: Indirect Impacts to the Sn Diego River Wildlife Corridor

Lighting for the project shall be projected inward and/or southward toward Mission Gorge Road in order to reduce direct impact on wildlife using the San Diego River wildlife corridor. Prior to occupancy of the project site, the project lighting plan shall be reviewed and approved by the City Engineer for compliance with this measure.

e) **Would the Project conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the proposed hotel was considered for the development of urban uses (library or civic/retail) in the STSCC EIR and no new biological resources impacts not already considered in that EIR would occur as a result of the development of a hotel at the site. Currently, the proposed hotel site supports a paved surface parking lot within a larger commercial center. It is noted that while the MSCP Subarea Plan is not yet adopted, the STSCC area is located outside of the draft boundaries. Mitigation Measures to reduce biological resources impacts were included in the STSCC EIR and BR1, mitigates impacts to smooth tarplant has been previously implemented and there is no smooth tarplant located on the STSCC site.

Mitigation Measure BR2 (discussed above) is hereby incorporated in the proposed Project. This mitigation measure reduces impacts to less than significant. No new mitigation measures are required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is currently developed as an existing commercial parking lot. The City of Santee is currently participating in the regional Multiple Species Conservation Program and is in the process of preparing a MSCP Subarea Plan; however, to date no plan has been adopted. There are no new or more severe habitat conservation plan impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Cultural Resources

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
V. CULTURAL RESOURCES. Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource pursuant to § 15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Disturb any human remains, including those interred outside of dedicated cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) **Would the Project cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the proposed hotel is developed with a paved surface parking lot and does not contain historic resources. The STSCC EIR evaluated the proposed hotel site for the conversion of the then-undeveloped site to urban land uses (library civic/retail) and no impacts were identified in relation to this issue. Thus, development of the hotel would have no impact in relation to historic resources and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is currently developed as an existing commercial parking lot. The TCSPA MEIR identified two historic resources within the Project area, including the Edgemoor Farm Dairy Barn and the Edgemoor Farm Historic District. There are no historical resources onsite. There are no new or more severe impacts historic resource that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

b) **Would the Project cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The hotel site is developed and currently contains a paved surface parking lot. While this site is developed, it is likely given that it is parking lot, that deep excavations were not conducted during previous site activity. Since a four-story structure is now proposed it is probable that deeper excavations for utility lines, foundations and geologic stabilization would occur thereby potentially encroaching into previously undisturbed soils. However, the proposed location for the hotel lies outside of the historic boundaries of the floodplain. The hotel site was considered for civic or retail development as part of the STSCC project and no new impacts not already discussed and evaluated would occur as a result of the site being developed with a hotel. The STSCC EIR evaluated cultural resources and determined through the Initial Study process that impacts to cultural resources would be less than significant and no further evaluation was carried forth into the STSCC EIR. Thus, since (1) the construction and operation of a hotel would have no new impacts not already evaluated through the CEQA process, (2) impacts to cultural resources were determined to be less than significant, and (3) no mitigation was required for the STSCC project, the development of a hotel at this site also would result in less than significant impacts to archaeological resources pursuant to §15064.5 and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is currently developed as an existing commercial parking lot. Based on the TCSPA MEIR and STSCC EIR, no known prehistoric archaeological resources are present onsite or within the project area. The San Diego River floodplain is known to contain archeological resources; the northern portion of the Project site is within the current or historic boundaries of the floodplain. As stated in the Santee General Plan, the flooding of the river likely has buried older archaeological sites under alluvium. There are no new or more severe archaeological resource impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

c) Would the Project disturb any human remains, including those interred outside of dedicated cemeteries?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The hotel site is developed and currently contains a paved surface parking lot. The hotel site was considered for civic or retail development as part of the STSCC project; similar construction techniques (i.e., excavations, utility installation, footings) would occur if the site was developed with library or civic/retail land uses or hotel land uses. Therefore, no new cultural resources impact not already discussed and evaluated would occur as a result of the site being developed with a hotel versus a library or civic/retail land uses. The STSCC EIR evaluated cultural resources and determined through the Initial Study process that impacts to cultural resources due to development of the STSCC would be less than significant and no further evaluation was carried forth into the STSCC EIR. As required, development would be subject to compliance with CCR §27251. Thus, since the construction and operation of a hotel would have no new cultural resources impacts not already evaluated through the CEQA process and would comply with CCR §27251 as required, the hotel also would result in less than significant impacts in relation to human remains and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is currently developed as an existing commercial parking lot. There are no known burial sites located within the boundaries of the project site and the project area does not contain all or part of a formal cemetery or is known to be used for the disposal of historic or prehistoric remains. PRC Section 5097.98 outlines the procedures to be followed in the event of the discovery of human remains. All development is required to be in accordance with PRC Section 5097.98. There are no new or more severe human remains impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Energy

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
VI. ENERGY. Would the project:				
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Would the Project result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?				

Prior TCSOA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSOA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Like the library that was anticipated to be developed at the site, the development of a hotel would require the consumption of energy both during construction and operation. Sources of commitment to long-term energy use would result from the operation of the hotel and from the associated vehicle trips. However, the hotel would be able to take advantage of the existing access to public transit and the proximity of visitor-related conveniences such as shopping and restaurants. The proposed hotel would incorporate green building techniques as set forth in the California Energy Code. The development of a hotel at the site would result in a similar intensification of urban land uses as envisioned in the STSCC EIR. Yet with the advancements in reducing energy consumption through design (light fixtures, energy efficient appliances, etc.) there is the ability to reduce energy consumption. The STSCC EIR did not identify impacts in relation to energy consumption. Thus, the hotel would have no new impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The proposed project does not introduce any new land uses not already considered in the Art and Entertainment Overlay District Supplemental Environmental Checklist, TCSOA or the STSCC EIRs. Since the proposed hotel is smaller than the hotel previously evaluated, less energy use is anticipated. Additionally, with advancements in energy efficiency, the proposed Project has the opportunity to employ techniques that would reduce energy consumption in relation to less energy-conserving building techniques etc. Energy impact calculations are included in Appendix G. The proposed hotel energy impacts are similar to those associated with the previously proposed/evaluated land uses (library/retail/hotel) and there are no new or more severe wasteful energy impacts that were not previously evaluated in the TCSOA Arts & Entertainment District Overlay SEC.

b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?

Prior TCSOA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSOA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Like the library that was anticipated to be developed at the site, the development of a hotel would require the consumption of energy both during construction and operation. The development of a hotel at the site would result in a similar intensification of urban land uses as envisioned in the STSCC EIR. Yet with the advancements in reducing energy consumption through design and the required adherence to the California Green Building Standards, there is the ability to reduce energy consumption beyond what was assumed in the STSCC EIR. The STSCC EIR did not identify impacts in relation to energy consumption. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The City does not have a local plan for renewable energy or energy efficiency. The City has adopted a Climate Action Plan (CAP), which contains goals aimed at increasing energy efficiency through water efficiency and decreasing energy demand through reducing the urban heat island effect.

Additionally, CCR Title 24, Part 11 regulates green building practices and includes standards for planning and design, water efficiency, material conservation and resource efficiency, and environmental quality.

Regulations for non-residential development set forth the standards for bicycle parking, light pollution reduction, electric vehicle charging spaces, low flow showerheads, faucets, and toilets, irrigation, and weather protection; all with the goal of increasing energy efficiency.

Several levels of government have implemented regulatory programs in response to reducing GHG emissions, which consequently serve to increase energy efficiency as well. Several State agencies, including CARB, California Energy Commission, California Public Utilities Commission, CalRecycle, Caltrans, the Department of Water Resources, have developed regulatory and incentive programs that promote energy efficiency. Many of the measures are generally beyond the ability of any future development to implement and are implemented at the utility provider or the manufacturer level. There are no new or more severe renewable energy plan impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Geology and Soils

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
VII. GEOLOGY AND SOILS. Would the project:				
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury or death involving:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code, creating substantial direct or indirect risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Would the Project directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury or death involving:				
 i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Given that there are no active faults within the vicinity of the Project site, it is unlikely that there could be a direct or indirect Project-related impact that could cause the rupture a known earthquake fault. The development of a hotel at the site would result in a similar intensification of urban land uses as envisioned in the STSCC EIR. The STSCC EIR did not identify impacts in relation to the rupture of a known earthquake fault. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. Prior geologic investigations conducted for the Project site associated with the TCSPA MEIR and STSCC EIR indicate that there are no known active or potentially active faults in the vicinity of the Project site and the nearest known active fault is the Rose Canyon Fault Zone, which is approximately 13 miles to the west. A soils and geology report is

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included in Appendix C. There are no new or more severe seismic impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

ii) Strong seismic ground shaking?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: There is the potential for hotel guests and employees to be subject to strong seismic shaking during an earthquake event. Employing the standard engineering and design techniques as is required by the CBC and adhering to the City of Santee Municipal Code 11.40.130 would reduce seismic related risks and hazards. Municipal Code 11.40.130 requires the preparation, review, and approval of soil engineering and geology reports and that a seismicity study be prepared by a qualified professional to assure that structures are designed with an adequate margin of safety for seismic events. The proposed Project does not introduce new land uses not already considered in the STSCC project and no new impacts not already discussed and evaluated in the STSCC EIR would occur as a result of the site being developed as a hotel. The STSCC EIR did not identify significant impacts in relation to strong seismic ground shaking. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The Project site is located in a seismically active region and is likely to be subjected to moderate to severe seismic ground shaking in response to a major earthquake on a regional active fault. The nearest known active earthquake fault is 13 miles to the west. While the impacts of an earthquake are generally minimized in relation to the distance from the fault, other factors such as the depth of the earthquake and the amount of energy released also account for the effect of an earthquake. The geotechnical conditions and potential impacts are similar to those evaluated for the previous land uses in the SEC. As a result, there are no new or more severe ground shaking impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

iii Seismic-related ground failure, including liquefaction?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The hotel site is on land that is within the C3 zone, an area of low to moderate risk for liquefaction and a variable risk for expansive soils. Employing the standard engineering and design techniques as is required by the CBC and adhering to the City of Santee Municipal Code 11.40.130 would reduce seismic-related risks and hazards. As discussed, Municipal Code 11.40.130 requires the preparation, review, and approval of soil engineering and geology reports and preparation of a seismicity study by a qualified professional to assure that structures are designed with an adequate margin of safety for seismic events.

The site for the hotel was considered for library, civic, or retail land uses as part of the STSSCC project and no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel. The STSCC EIR concluded that liquefaction is likely to occur beneath groundwater on the Project site (including the hotel site) that could subsequently result in seismically induced settlement. The STSCC EIR contains mitigation identified below that is hereby incorporated into the proposed Project. Implementation of this previously identified mitigation measure would reduce seismic-related ground failure impacts associated with development of the proposed hotel to less than significant and no new mitigation measures are required.

STSCC EIR Mitigation Measure G1: Hydrocompaction, Liquefaction, and Settlement

In order to reduce the risk associated with hydrocompaction, liquefaction, and settlement during grading and construction of the project, the project developer shall implement the geotechnical and remedial grading measures recommended in Section 8.0 of the Report of Geotechnical Investigation, Proposed Santee Trolley Square. Geotechnical and remedial grading measures include recommended bearing vales for spread footings and mat foundations, review of footing excavations and soil compaction by a qualified geologist, the provision of minor retaining wall, subgrade preparation and moisture conditioning during grading operations, floor slab support and pavement recommendations.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. The potential for liquefaction during a strong earthquake is limited to those soils which are in a relatively loose, unconsolidated condition and located below the water table. Layers of alluvium deposits and sandy loam and river wash soils below the groundwater table could be subject to liquefaction. These same areas could also be subject to seismically induced settlement. The Santee General Plan Safety Element Figure 8-3, Geotechnical/Seismic Hazard Map, identifies the Project site

as being within zones C1 and C3. The portion of the Project site that is within the C1 zone consists of the STSCC; the remainder of the site is within the C3 zone. Areas within the C1 zone have a moderate to high potential for liquefaction and a variable risk to hazards from expansive soils and areas within the C3 zone have a moderate susceptibility to liquefaction and a variable risk to hazards from expansive soils. The geotechnical conditions and potential impacts are similar to those evaluated in the previous geotechnical report for the previous land uses in the SEC and construction of the parking lot, including a low potential for liquefaction. As a result, there are no new or more severe liquification impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

iv) Landslides?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Figure 8-3, Geotechnical/Seismic Hazard Map of the General Plan Safety Element does not identify the hotel site as being in an area of a possible landslide. It is within the C3 zone, which is described as having soils that have a marginal susceptibility to landslides. Employing the standard engineering and design techniques as required by the CBC and adhering to the City of Santee Municipal Code 11.40.130 would reduce risks associated with landslides. As discussed, Municipal Code 11.40.130 requires the preparation, review, and approval of soil engineering and geology reports and preparation of a seismicity study by a qualified professional to assure that structures are designed with an adequate margin of safety for seismic events. The STSCC EIR did not identify significant impacts in relation to landslides. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. As previously stated, the Project area is within zones C1 and C3 as mapped on the Geotechnical/Seismic Hazard Map (Figure 8-3) of the General Plan Safety Element. Zone C1 is an area that has a marginal susceptibility to landslides and zone C3 has a low to moderate susceptibility to landslides. Figure 8-3 has mapped areas of potential landslide, none of which are within or adjacent to the Project area. As shown on Figure 8-3, the area of concern for landslides generally follows the alignment of Sycamore Canyon north of Mast Boulevard and east of Fanita Parkway. There are no new or more severe landslide impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

b) Would the Project result in substantial soil erosion or the loss of topsoil?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel is currently a paved parking lot; however, site preparation would include demolition of the asphalt and disturbance of the soils beneath, as well as excavation. Construction activities would be required to adhere to the City of Santee erosion control guidelines and applicable state guidelines. Prior to the commencement of construction activities, all construction sites are required to prepare an Erosion Control Plan and submit it to the City for review and approval. The Erosion Control Plan must include applicable BMPs and may include those outlined in the City's Guidelines for Surface Water Pollution Prevention. As noted above, construction BMPs include measures for erosion, runoff, and sediment control (preservation of existing vegetation, soil binders, mulch, hydroseeding. Silt fences, sediment basins and traps, etc.).

Developments are required to implement post-construction operational BMPs as well. Typical operational BMPs include energy dissipation and erosion control to prevent sediment transport (direct runoff from paved or impervious surfaces to landscaped areas, eliminate irrigation runoff, etc.). Further, development projects, such as the proposed hotel, which disturb more than one acre are required to apply and obtain a State Construction General Permit, which also includes mandatory BMPs. The site for the hotel was considered for civic, retail, or library land uses as part of the STSCC project and no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel since it would have similar ground-disturbing impacts as the uses contemplated for the site in the STSCC EIR. The STSCC EIR did not identify significant impacts in relation to soil erosion and loss of topsoil. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. Implementation of the proposed Project would require earthmoving activities to prepare individual sites for development. Grading activities that remove existing pavement or ground cover could expose soils and thereby result in potential runoff and erosion. Additionally, during operation, there is the potential for runoff to transport sediment from landscaped areas resulting in erosion. The geotechnical conditions and potential impacts are similar to those evaluated for the previous land uses in the SEC. As a result, there are no new or more severe erosion impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- c) **Would the Project be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Please refer to responses VII(a).iii and VII(a).iv. The site for the hotel was considered for civic, retail, or library land uses as part of the STSCC project and no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel since it would have similar ground- disturbing impacts as the uses contemplated for the site in the STSCC EIR. Thus, the hotel would have no impact in relation to this issue and no mitigation is required. Mitigation Measure G1 as identified in the STSCC EIR and above is hereby incorporated into the proposed Project. No additional mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. As discussed above in response to VII(a).iii and VII(a).iv, the Project site is located in an area that is subject to subsidence and could be subject to liquefaction and seismically induced settlement. The northwestern portion of the Project site is within the C1 zone that has a moderate potential for landslides; however, the Project site has a relatively flat topography and there are no known occurrences of landslides at the Project site. There are no new or more severe unstable soil impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- d) **Would the Project be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code, creating substantial direct or indirect risks to life or property?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The proposed hotel site is within zone C1, an area of variable potential for expansive soil. Employing the standard engineering and design techniques as required by the CBC and adhering to the City of Santee Municipal Code 11.40.130 reduce seismic related risks and hazards. As discussed, Municipal Code 11.40.130 requires the preparation, review, and approval of soil engineering and geology reports and preparation of a seismicity study to assure that structures are designed with an adequate margin of safety. The site for the hotel was considered for urban development as part of the STSCC EIR and no new impacts not already discussed and evaluated in the STSCC EIR would occur as a result of the site being developed as a hotel. The STSCC EIR did not identify significant impacts in relation to expansive soil. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. According to the General Plan Safety Element Geotechnical/Seismic Hazard Map Figure 8-3, soils within zones C1 and C3 have a variable potential for expansive soil. There are no new or more severe expansive soil impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- e) **Would the Project have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Existing sewer facilities are located in the Project area and the proposed hotel would connect to the existing municipal wastewater system in place. Therefore, the hotel would not use septic systems and would have no impact in relation to this issue.

Current Proposed Hotel Analysis -No New Impact/No Impact. The Project would connect to the municipal wastewater system and would not require the use of septic systems. There are no new or more severe septic wastewater disposal impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- f) **Would the Project directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Currently the hotel site supports a paved surface parking lot, construction activities associated with the proposed hotel

would likely include excavations; however, as discussed, the Project site is underlain by alluvium, and thus not thought to harbor paleontological resources. The site for the hotel was considered for development as part of the STSCC EIR and no new impacts not already discussed and evaluated in the STSCC EIR would occur as a result of the site being developed as a hotel. STSCC EIR did not identify any significant impacts in relation to paleontological resources. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. The on-site subsurface materials are dominated by alluvium, which generally does not contain paleontological resources. There are no new or more severe paleontological impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Greenhouse Gas Emissions

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
VIII. GREENHOUSE GAS EMISSIONS. Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emission of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Would the Project generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?				

Prior TCSOA Arts & Entertainment Overlay District SEC Hotel Analysis

The generation of greenhouse gas (GHG) emissions was not discussed in the TCSOA MEIR or the STSCC EIR because such analysis was not required at the time of the preparation of these documents. The City of Santee has developed a Climate Action Plan (CAP) and has not yet established a threshold of significance for GHG emissions under CEQA. GHG modeling and the CAP checklist for the proposed project is included in Appendix G. The project meets most of the required CAP checklist items that are applicable to the proposed project.

The State CEQA Guidelines Section 15064.4 does not establish a threshold of significance but states that Lead Agencies may appropriately look to thresholds developed by other public agencies or suggested by other experts, as long as any threshold chosen is supported by substantial evidence (State CEQA Guidelines Section 16064.7(c)). While the City's CAP does not have a specific significance threshold, various threshold approaches have been recommended, drafted, or adopted by other public agencies. The San Diego County Air Pollution Control District does not have an adopted GHG significance threshold. South Coast Air Quality Management District (SCAQMD) is the nearest air district to the proposed project. To provide guidance to local Lead Agencies on determining significance for GHG emissions in their CEQA documents, SCAQMD has convened a GHG CEQA Significance Threshold Working Group (Working Group) (SCAQMD 2008). Based on the September 2010 Working Group meeting (Meeting No. 15), SCAQMD suggested a "bright-line" screening level threshold of 3,000 metric tons (MT) carbon dioxide equivalents (CO₂e) annually for commercial land use type. Therefore, in the absence of an identified CAP significance threshold for the City, the SCAQMD threshold of 3,000 MT CO₂e/year has been used as a measure of significance to assess GHG emissions from the proposed Project. Achieving net zero increases in GHG emissions, resulting in no contribution to GHG impacts, may not be feasible or appropriate for every project and the inability of a project to mitigate its GHG emissions to net zero does not imply the project results in a substantial contribution to the cumulatively significant environmental impact of climate change under CEQA. Lead agencies have the discretion to develop evidence-based numeric thresholds (mass emissions, per capita, or per service population) consistent with the Scoping Plan, the State's long-term GHG goals, and climate change science. Project related GHG emissions are summarized in Table 2

Current Proposed Hotel Analysis -No New Impact/No Impact.

The following analysis was contained in the TCSOA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: GHG emissions were calculated for the proposed hotel because of the change in land use compared to uses contemplated for the hotel site in the STSCC EIR (i.e., a library or retail use). Annual operational emissions of GHG were calculated for the proposed hotel and compared to those that would be generated by a library and retail use. The model outputs are included in Appendix A. Based on the modeling, the proposed hotel would generate 968 CO₂e MT per year. The previously proposed library, which would generate 1,237 CO₂e MT per year and the retail use which would generate 981 CO₂e MT per year. As identified above, in the absence of a City of Santee CAP significance threshold, the SCAQMD's interim threshold of 3,000 MT CO₂e/year is being utilized as a screening threshold for the proposed commercial land use type. The hotel is well under this screening threshold.

The proposed hotel would generate a lesser amount of annual GHG emissions than either a library or retail use, and it would not exceed the 3,000 MT CO₂e/year screening threshold. Moreover, vehicle emissions are one of the largest contributors to GHG emissions. The opportunity to place a hotel within an established transit-oriented development that has visitor supporting services such as restaurants and shopping as well as accessibility to public transportation supports a reduction in vehicle miles traveled, a common strategy in reducing GHG. Thus, the hotel would have a less than significant impact in relation to GHG and no mitigation is required.

**Table 2
Construction and Operational Emissions**

Construction Emissions (MT per year)

Construction Year	CO ₂ e (MT/year)
2023	249
Total Construction Emissions	249
Amortized Annual Emissions¹	8

¹ Construction emissions are amortized over a 30-year time period

Operational Emissions (MT per year)

Emissions Sources	CO ₂ e (MT/year)
Area	<1
Energy	288
Mobile	448
Waste	202
Water	24
Total Operational Emissions	960
Amortized Construction Emissions¹	8
Total GHG Emissions	968

¹ Construction emissions are amortized over a 30-year time period

The operational GHG emissions are less than those evaluated for the previous land uses in the SEC and do not exceed the 3,000 MT CO₂e/year threshold. As a result, there are no new or more severe greenhouse gas emission impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

b) Would the Project conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emission of greenhouse gases?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The construction and operation of a hotel would result in the generation of GHG emissions, as identified in VIII(b) above. However, a hotel at this location is consistent with the overall planning goals of reducing GHG emissions by reducing vehicle miles traveled. By placing a hotel within an existing transit-oriented development, hotel guests would be in close proximity to services such as restaurants, shopping, fitness, and public transportation. Additionally, the proposed hotel would be required to adhere to the standards set forth in Title 24, Part 11, which have been established to meet the GHG reduction goals mandated in AB 32. Therefore, the proposed hotel would have a less than significant impact in relation to this issue.

Current Proposed Hotel Analysis -No New Impact/No Impact. The proposed project does not conflict with the City of Santee CAP. In 2020the City of Santee adopted the Sustainable Santee Plan (Plan), which outlines the City’s intent to reduce emissions in accordance with State targets identified in the California Global Warming Solutions Act of 2006 (AB 32) and Executive Order S-3-05. AB 32 establishes a comprehensive program to reduce GHG emissions from all sources throughout the state and Executive Order S-3-05 sets GHG emission reduction targets. The overall goal of the City’s Plan is to reduce the City’s community-wide GHG by 15 percent below 2005 emissions by 2020 and 49 percent below 2005 emissions by 2035. In addition, the City is aiming to reduce the community-wide emissions below 6 metric tons CO₂e per capita by 2030. The proposed hotel project is in compliance with the CAP GHG emissions reduction strategies, including increasing energy efficiency in commercial developments, reducing VMT, providing electric vehicle charging stations, use of renewable energy and solid waste reduction/recycling.

The primary source for GHG emissions is from the burning of fossil fuels. The proposed project would result in the generation of GHG through the burning of fossil fuels during construction activities, additional vehicle trips in the area, or natural gas combustion for heat and electricity. The GHG emissions are less than those evaluated for the previous land uses in the SEC. As a result, there are no new or more severe greenhouse gas reduction plan impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Hazards and Hazardous Materials

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
IX. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Would the Project create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Hotel land uses could involve the routine transport, use, or disposal of hazardous materials during construction or operation. Additionally, as with any construction activity and/or commercial operation, there is the potential for the accidental release of hazardous materials. However, site development and operation would be subject to federal, state, and local regulations regarding the handling and disposal of such materials. The storage, handling, disposal, and transportation of hazardous materials are regulated by the USEPA, OSHA, DTSC, Caltrans, and the Santee Fire Department. The site for the hotel was considered for urban land uses as part of the STSCC EIR. While the library or civic/retail land uses considered within the STSCC EIR may have used different concentrations of hazardous materials than a hotel; generally, both land uses would use chemicals associated with janitorial supplies, oils and lubricants associated with maintenance activities, and herbicides and pesticides associated with landscaping. A hotel may also use laundering products and potentially pool chemicals, the use and disposal of which is regulated. The required compliance with the various regulations governing the use and disposal of such chemicals reduces impacts to less than significant. The STSCC was determined to have a less than significant hazards and hazardous materials impact during the Initial Study process and was not evaluated in the STSCC EIR. Since a hotel land use would use similar quantities and types of hazardous materials that are regulated by federal and state agencies, the hotel would have a similar less than significant impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. Materials are generally considered hazardous if they are poisonous (toxicity), can be ignited by open flame (ignitability), corrode other materials (corrosivity), or react violently, explode, or generate vapors when mixed with water (reactivity). A hazardous material is defined in the California Health and Safety Code Section 25501 as any material that, because of quantity, concentration, or physical or chemical characteristics, poses a significant, present, or potential hazard to human health or safety or to the environment. Additionally, the code states that a hazardous material becomes a hazardous waste once it is abandoned, discarded, or recycled. The transportation, use, and disposal of hazardous materials as well as the potential releases of hazardous materials into the environment, are closely regulated through many state and federal laws. There are no new or more severe hazardous materials impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

b) Would the Project create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: As with any construction activity and/or commercial operation, there is the potential for the accidental release of hazardous materials. However, similar to the handling and disposal of hazardous materials and wastes, site development and operation would be subject to federal, state, and local regulations that govern the cleanup of accidental spills or releases. The site for the hotel was considered for urban uses as part of the STSCC EIR. Hazards and hazardous materials were evaluated, and it was determined through the Initial Study process that such impacts would be less than significant. No further evaluation was carried forth into the STSCC EIR. Thus, since the construction and operation the hotel would have no new impacts not already evaluated through the CEQA process and the impacts were determined to be less than significant, the development of a hotel at this site would have less than significant impacts in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The Project site does not support existing or proposed land uses that are considered to handle large quantities of hazardous materials or generate hazardous waste. There are no known sites that are of environmental concern and there are no known spills, plumes, or other releases that have contaminated the site's soils or groundwater. There are no new or more severe risk of upset impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

c) Would the Project emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: As discussed under response to X(a) above, development of a hotel could involve the routine use of hazardous materials. Such materials may include common janitorial products, commercial laundering products, herbicides, and pesticides for landscaping, and potentially oils and lubricants that may be used in maintenance. However, site development and operation would be subject to federal, state, and local regulations regarding the handling and disposal of such materials. The proposed hotel site is not within one-quarter mile of an existing or proposed school. The STSCC EIR did not identify any impacts in relation to this issue. Thus, the hotel would have no impact and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The nearest school to the Project site is Rio Seco Elementary School, which is approximately 0.35 mile north of the Project site. There are no new or more severe hazardous material impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

d) Would the Project be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban land uses as part of the STSCC EIR and no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel. Consistent with the conclusions in the STSCC EIR, no impacts would occur related to listed hazardous materials sites resulting from implementation of the proposed hotel.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. The Project is not located on a site included on a list of hazardous material sites pursuant to Government Code Section 65962.5 according to the State Water Resource Control Board's Geotracker database (Geotracker 2019) or the DTSC's Envirostor database (Envirostor 2019). There are no new or more severe hazardous site list impacts that were not previously evaluated in the TCSA Arts & Entertainment District Overlay SEC.

- e) **For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?**

Prior TCSA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The four-story hotel would not exceed 55 feet in height, subject to consistency with the Gillespie Field ALUCP. The site for the hotel was considered for urban land uses as part of the STSCC EIR and no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel. The STSCC EIR did not identify hazards impacts in relation to the airport. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. Gillespie Field General Aviation Airport is located approximately one-half mile south of the Project site. The entire Project site is also within the Federal Aviation Regulation (FAR) Part 77 (Airspace Protection), which is an area that is established for airspace protection for purposes of evaluating airspace compatibility with land use. Additionally, the adopted Gillespie Field Airport Land Use Compatibility Plan (ALUCP) shows that the entire site is located within review Area 1 of the Airport Influence Area (AIA). The AIA is used to identify the geographic area that should be considered during the airport land use compatibility process. Thus, being within the AIA, especially Zone 1, indicates that the Project site is in an area that can be affected by the airport and aircraft operation and the Airport Land Use Commission (ALUC) is authorized to review local land use actions affecting the area, including adoption or amendments of general plans, specific plans, zoning ordinances, and building regulations. The proposed project requires airspace encroachment review and approval by the San Diego County Airport Authority and the Federal Aviation Administration.

The Federal Aviation Administration (FAA) also establishes that safety approach zones need to be identified for airport operations. These zones assist in defining safety compatibility policies and are designed based upon runway length and approach patterns of a particular airport. Generally, the zones signify degree of risk with Zone 1 being at the greatest risk and Zone 6 having the lowest risk. The majority of the Project site that is east of Riverview Parkway and north of Mission Gorge Road is within Zone 4, which is considered an outer approach zone; the significance to safety is dependent on the instrument approach procedure of the airport. There is also a small portion of the Project site within Zones 3 and 6.

Zone 3 typically encompasses an area where aircraft fly at a low altitude and Zone 6 is an area that contains the aircraft traffic pattern. The ALUC issued a consistency determination on October 30, 2019 stating that with the Project's required adherence to the applicable floor area ratio as identified in the ALUCP, as well as height notification and marking/lighting requirement, the Project is consistent with the ALUCP and does not constitute a hazard to navigation. Since the proposed projects height does not exceed that authorized in the October 30, 2019 ALUC determination, there are no new or more severe airport land use plan impacts that were not previously evaluated in the TCSA Arts & Entertainment District Overlay SEC.

- f) **Would the Project impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?**

Prior TCSA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Site development would adhere as required to the regulations set forth by the CBC and the California Fire Code, which has been adopted as Chapter 11.18 of the Santee Municipal Code. The site for the hotel was considered for urban land uses as part of the STSCC EIR and no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel. The EIR did not identify any significant impacts related to emergency response or evacuation plans. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/ No Impact. The City has a Multi-Jurisdictional Hazard Mitigation Plan and the City regularly updates its emergency operations plan and provides ongoing training to maintain compliance with the Statewide Emergency Management System (SEMS), increasing preparedness in the event of a disaster. The Santee Fire Department is the City's lead for emergency preparedness, management, and response to earthquakes, floods, explosion,

fires, hazardous materials, rescue, and medical problems in the City. The City has signed automatic aid agreements with all surrounding communities on first alarm or greater emergency events. There are no new or more severe emergency response plan impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

g) Would the Project expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The proposed site for the hotel is currently a paved surface parking lot within the developed STSCC. As such, the site is void of vegetation with the exception of ornamental landscaping. As noted above, the CalFire Fire Hazard Severity Maps identify that the Project site is located in a Non-Very High Fire Severity Hazard zone. Additionally, the site for the hotel was considered for urban land uses as part of the STSCC EIR and no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel. The EIR did not identify significant impacts related to fire hazards. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/ No Impact. This issue was not examined in the TCSPA MEIR or STSCC EIR because this analysis was not required at the time. The Project site is in an urbanizing area that has experienced some development such as the STSCC, the Parc One apartments, and the San Diego Christian College. It is noted that portions of the Project site, generally near the San Diego River, are undeveloped. Some of these areas are within a designated open space corridor and some of these areas are within areas approved for future development (i.e., the Karl Strauss Brewery site and the proposed movie theater site). However, the Project site is not located in an area that is designated as susceptible to wildland fires. As shown on the CalFire Fire Hazard Severity Maps, the Project site is located in a Non-Very High Fire Severity Hazard zone. There are no new or more severe wildland fire impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Hydrology and Water Quality

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
X. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i) result in substantial erosion or siltation on- or off-site;	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iv) impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) Would the Project violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Construction and operation of the hotel would generate pollutants such as sediment, nutrients, trash and debris, chemicals, grease and oil, and pesticides all of which have the potential to enter the drainage system. As discussed, the Project would be required to adhere to the SWPPP and SUSMP, as well as employ BMPs. The site for the hotel was considered for urban land uses as part of the STSCC EIR; in relation to water quality, the hotel would have a similar impact. Thus, no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel. The STSCC EIR contains mitigation identified below that is hereby incorporated into the proposed Project. Implementation of this previously identified mitigation measure would reduce construction-related water quality impacts associated with development of the proposed hotel to less than significant and no new mitigation measures are required.

STSCC EIR Mitigation Measure DH1: Construction-related Water Quality

Prior to the issuance of a Grading Permit, the project applicant shall:

- ▶ Prepare a storm water management/drainage control plan that incorporates Best Management Practices (BMPs) in accordance with Santee's Stormwater Management and Discharge Control Ordinance and the latest adopted National Pollution Discharge Elimination System (NPDES) permit from the San Diego Regional Water Quality Control Board (RWQCB) which are attached to this document and incorporated into the Final Environmental Impact Report by this reference;
- ▶ The applicant shall provide proof of coverage under the Statewide General Construction Storm Water Permit, Order No. 99-08-DWQ which is attached to this stem (NPDES) permit from the San Diego Regional Water Quality Control Board (RWQCB) which are attached to this document and incorporated into the Final Environmental Impact Report by this reference; and
- ▶ The applicant shall provide proof of coverage under the Statewide General Construction Storm Water Permit, Order No. 99-08-DWQ which is attached to this document and incorporated into the Final Environmental Impact Report by this reference. Copies of the applicant's Notice of Intent, RWQCB permit number and Storm Water Pollution Prevention Plan (SWPPP) shall be provided to the Department of Development Services. The storm water management/drainage control plan and proof of coverage under the Statewide General Construction Storm Water Permit shall be reviewed and completed to the satisfaction of the City Engineer.

During the construction, grading, and operation of the project site, the project proponent shall:

- ▶ Implement the approved storm water management/drainage control plan in accordance with the requirements of Santee's Stormwater Management and Discharge Control Ordinance, the Statewide General Construction Storm Water Permit, Order No. 99-08-DWQ, and Municipal Storm Water Permit, Order No. 2001-01, issued by the San Diego Regional Water Quality Control Board. Implementation of the storm water management/drainage control plan shall be reviewed and complete to the satisfaction of the City Engineer.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. There are no existing natural drainage systems on the Project site. An unimproved drainage swale is located in the northern section of the project area, north of the Las Colinas Women's Detention Facility. This swale connects to the San Diego River. There are several graded channels including a drainage channel west of the detention facility that runs north-south and also connects with the San Diego River. Additionally, municipal storm drain infrastructure is located within the Project circulation network. A hydrology report and WQMP is included in Appendix D.

For the management of storm water, Santee is required to comply with the Regional Water Quality Control Board's National Pollutant Discharge Elimination System (NPDES) General Permit (No. CAS 000002), which consists of wastewater discharge requirements for stormwater and urban runoff. In compliance with the General Permit and as a condition of the SWRCB Order No 92-08 DWQ, prior to construction within the TCSP, a Storm Water Pollution Prevention Plan (SWPPP) was prepared that identified pollutant sources associated with construction activity and storm water management practices. Further, in accordance with the Municipal Storm Water Permit Order 2000-01 issued by the SWRCB, the City prepared a Standard Urban Storm Water Mitigation Plan (SUSMP), which was developed to address post-construction run-off pollution from new development and redevelopment projects. The goal of the SUSMP is to develop and implement practical policies ensure to the maximum extent practicable that development does not increase pollutant loads from a project site and considers urban runoff flow rates and velocities. This is accomplished through a series of site controls and drainage area based/shared structural treatment controls. The SUMP identifies the BMPs for projects to achieve these goals. There are no new or more severe water quality standards impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- b) Would the Project substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The STSCC EIR evaluated the hotel site for urban development; either a library or civic/retail land uses. As discussed in the Project Description, the development of a hotel at the site would result in a similar intensification of urban land uses as envisioned in the STSCC EIR. Currently the site for the proposed hotel is a surface parking lot that is completely impervious. The development of a hotel (similar to a library or civic/retail uses) would provide an opportunity to introduce softscapes and landscaping that would support infiltration at the site, thereby, creating a beneficial impact to groundwater. Moreover, the

STSCC EIR did not identify impacts in relation to groundwater supplies or recharge. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The Project site is located in the Santee Hydrologic Subarea of the Lower San Diego Hydrologic Area within the San Diego Hydrologic Unit. The San Diego Hydrological Unit is a long, triangular shaped area of approximately 440 square miles drained by the San Diego River that extends from the El Capitan Reservoir to the Pacific Ocean. The hydrology of the project site and project area has not changed since the previous SEC was prepared. As a result, there are no new or more severe groundwater supply impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- a) **Would the Project substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:**
- i) **result in substantial erosion or siltation on- or off-site;**
 - ii) **substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;**
 - iii) **create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or**
 - iv) **impede or redirect flood flows?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Currently the site for the proposed hotel is a paved surface parking lot that is entirely impervious and allows runoff to flow directly across the site to the municipal storm drain system in the adjacent circulation network. The development of a hotel at the site would include softscapes and landscaping that would capture some runoff. Additionally, the hotel would be required to prepare a drainage plan demonstrating how runoff would be captured and directed into the municipal stormwater system. Runoff would thus continue to be directed northerly towards the San Diego River. Moreover, the site for the hotel was considered for urban land uses as part of the STSCC EIR; in relation runoff, the hotel would have a similar impact. Thus, no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel.

In addition, Mitigation Measure DH1 as identified in X(a) above requiring preparation of a stormwater management/drainage control plan is hereby incorporated into the proposed Project. Thus, the hotel would have no new impacts and no new mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot with engineered drainage. Development would be required to adhere to the City of Santee erosion control guidelines and applicable state guidelines. Prior to the commencement of construction activities, all construction sites are required to prepare an Erosion Control Plan and submit it to the City for review and approval. The Erosion Control Plan must include applicable BMPs. BMPs may include those outlined in the City's Guidelines for Surface Water Pollution Prevention. Construction BMPs include measures for erosion, runoff, and sediment control (preservation of existing vegetation, soil binders, mulch, hydroseeding, silt fences, sediment basins and traps, etc.).

Developments are required to institute operational BMPs as well. Typical operational BMPs include energy dissipation and erosion control to prevent sediment transport (direct runoff from paved or impervious surfaces to landscaped areas, eliminate irrigation runoff, etc.). Additionally, development that would disturb more than one acre would be required to apply and obtain a State Construction General Permit, which also includes mandatory BMPs. There are no new or more severe drainage impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- b) **In flood hazard, tsunami, or seiche zones, would the Project risk release of pollutants due to project inundation?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: As shown on Figure 8-1, Public Safety, of the General Plan Safety Element, the site for the proposed hotel is located south of the 100-year floodplain. In accordance with the Flood Damage Prevention Ordinance, the proposed hotel building would be required to be elevated one foot above the 100-year flood levels and all parking areas would be elevated to not exceed one foot of ponding during the same 100-year storm event. As discussed, the hotel would be required to incorporate

features that reduce the risk of the release of pollutants into the storm flow. Moreover, the site for the hotel was considered for urban land uses as part of the STSCC EIR; in relation Project site inundation, the hotel would have a similar impact. The STSCC EIR did not identify impacts in relation to this issue. Therefore, no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel. Thus, the hotel would have no impact in relation to this issue, and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. As shown in the Santee General Plan Safety Element, Figure 8-1, the Project site is not located within the floodway of the San Diego River. However, as shown on Santee General Plan Safety Element Figure 8-2, the Project site is located within the dam inundation area for Lake Jennings, El Capitan Reservoir, and San Vicente Reservoir. The Project site is located inland and therefore, is not within an area that could be affected by a tsunami. There are no new or more severe flood hazard impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

c) Would the Project conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban land uses as part of the STSCC EIR; in relation to water quality control plans and sustainable groundwater management, the hotel would have a similar impact because it would have a similar development footprint and intensity as the uses contemplated for the site in the STSCC EIR. The STSCC EIR did not identify impacts in relation to this issue. As discussed in response to IX(a), the Project is required to adhere to the SUSMP and implement an approved storm water management/drainage plan. The STSCC EIR contains mitigation identified in response to X(a) (STSCC EIR Mitigation Measures DH1) that is hereby incorporated into the proposed Project. Implementation of this previously identified mitigation measure would reduce water quality-related impacts associated with development of the proposed hotel to less than significant and no new mitigation measures are required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The San Diego RWQCB maintains a Basin Plan, which is designed to preserve and enhance water quality and protect the beneficial uses of all regional waters. The City also prepares and maintains a Jurisdictional Urban Runoff Management Plan to address local water quality issues, with a primary goal to reduce or eliminate the transportation of contaminants. Compliance with these plans is achieved through adherence to the permitting programs and review processes. As mentioned in IX(a), the SUSMP and SWPPP were developed to address post-construction run-off pollution from new development and redevelopment projects. There are no new or more severe water quality management plan impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Land Use and Planning

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XI. LAND USE AND PLANNING. Would the project:				
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) Would the Project physically divide an established community?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the proposed hotel is developed as an existing paved surface parking lot within the STSCC. The area is served by an existing local circulation network that would remain and continue to serve the various land uses within the TCSP and the STSCC. The site for the hotel was considered for urban land uses as part of the STSCC EIR, in relation to the physical division of a community, the hotel would have a similar impact because it would be located in the same location and no features of the hotel would create a physical barrier or impediment to mobility within the Project area. The STSCC EIR did not identify any impacts in relation to this issue. Thus, the hotel would have no impacts in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The physical division of an established community is typically associated with construction of a linear feature, such as a major highway or roadway, railroad tracks, or removal of a means of access, such as a local road or bridge, which would impair mobility within an existing community or between a community and an outlying area. The Project site is currently served by a local and regional circulation network. No new roads or transportation facilities are proposed as part of the Project nor would the Project alter existing roads or transportation facilities. There are no new or more severe community land use impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

b) Would the Project cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban land uses (library, civic/retail) as part of the STSCC EIR. The City has been unsuccessful in securing funding for a library, and as such a library is not feasible at this location. Per the Development Disposition Agreement between the City and STSCC developer, the library site is to be conveyed back to the City for a land use consistent with the STSCC. Additionally, as stated in the STSCC EIR, if the library is not constructed on the site in the future, the City will retain ownership of the parcel and the parcel could be used for another civic or retail use as determined by the City. A hotel land use would support the existing and proposed land uses within the TCSP and STSCC in that it would provide a customer base for both the restaurant and retail uses as well as place visitor-accommodating services in an area accessible to public transit, allowing for easy mobility to and from the site.

In relation to policies pertaining to the protection of environmental resources, the hotel would promote the General Plan Mobility Element Objective 6.0 of increasing the use of public transit systems and the policies of the General Plan Community Enhancement Element to ensure that all new commercial development contributes towards an overall positive and cohesive visual identity (Policy 6.1) and designed to a pedestrian scale (Policy 6.6). Similarly, the development of a hotel would provide an opportunity to continue the implementation of the TCSP Land Use Plan policies, such as:

- ▶ In recognition of both function and visual concerns, heights and mass of buildings should be varied to provide for a transition from lower scale development along the edges of the site to more intensive, large scale development within the Town Center site (Objective 3.6)

- ▶ Encouraging energy efficient development through appropriate site planning techniques and architecture (Objective 3.11)

Lastly, the hotel would be within Safety Zone 4 as designated in the Gillespie Field ALUCP, which states that hotels are a conditionally compatible development and within Zone 6, the least restrictive zone.

Generally, the hotel would continue to implement the goals and policies of the various land use plans by proposing a compatible land use that will promote the idea that the TCSP as a people-oriented retail, commercial, professional office, and recreational center to establish a focal point for the City. The ALUC issued a consistency determination on October 30, 2019 stating that with the required adherence to height notification, marking/lighting requirements, and the established floor to area ratios in the ALUCP, the Project would be consistent with the ALUCP. Thus, the hotel would have no impacts in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No new Impact/No Impact. The project site is designated and zoned as Town Center and Art and Entertainment Overlay District. The guiding land use plans and codes for the Project site include the Santee General Plan, Santee Municipal Code, the TCSP (as amended) and the overlay. There are no new or more severe land use plan, policy or regulation impacts that were not previously evaluated in the TCSA Arts & Entertainment District Overlay SEC. The proposed project is not subject to the requirements of Measure N, which requires voter approval for development actions that would increase residential density or intensify land uses over that currently permitted by the general plan. The proposed hotel project would not result in an intensification of land uses allowed by the general plan.

Mineral Resources

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XII. MINERAL RESOURCES. Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Would the Project result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				
b) Would the Project result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the proposed hotel is developed as a paved surface parking lot within the STSCC. The site for the hotel was considered for urban land uses as part of the STSCC EIR; in relation to mineral resource extraction, the hotel would have a similar impact because it would have a similar development footprint as the uses contemplated for the site in the STSCC EIR. Thus, no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel. The STSCC EIR did not identify any impacts in relation to this issue. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

a-b. Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. The Department of Conservation Mineral Resource Zone Maps indicate that the Project site is located in Mineral Resource Zone 3 (MRZ-3), which is an area where the significance of mineral deposits cannot be determined. There are no mineral resource or aggregate operations within the Project site and the site is not designated or zoned for mineral resource extraction. There are no new or more severe mineral resource impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Noise

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XIII. NOISE. Would the project result in:				
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) **Would the Project result in generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the Project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban land uses as part of the STSCC EIR; in relation to noise, the hotel would have a similar impact as neither a library or a hotel is considered a noise-generating land use; however, both are considered noise-sensitive land uses. Like a library, a hotel would generate vehicle traffic, which is a source of noise, as well as noise emanating from HVAC systems. Average daily trip rates were generated for three development scenarios: library, retail, and hotel (see Appendix A) as part of the GHG emissions modeling conducted for this Supplemental IS. The model identifies that a hotel generates less weekday, Saturday, and Sunday trips than a library and less weekday and Saturday trips and only 12 more Sunday trips than a retail use. Therefore, any vehicle-related noise generated by the hotel would be less than a library or retail use. Thus, no new impacts not already discussed and evaluated in the STSCC EIR would occur as a result of the site being developed as a hotel. The STSCC EIR did not identify impacts in relation to noise based on mandatory adherence to CBC requirements and the City’s noise ordinance.

Thus, with adherence to the CBC and the Noise Ordinance as required, the hotel would have no additional noise- related impacts as compared to the previous project, and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. Vehicular traffic along local roadways, aircraft operations associated with Gillespie Field, and the trolley are the primary sources of noise in the Project area. The City of Santee Noise Abatement Ordinance (Chapter 5.04 of the Santee Municipal Code) and the general plan noise element regulate construction-related noise and restricts hours and days as well as establishes property line limits for stationary noise generators in residential areas. Noise modeling for the proposed project is included in Appendix E. The noise environment of the project site/area has not changed since it was evaluated in the previous SEC, and the proposed project’s construction and operational noise levels would be less than or similar to those previously evaluated. Existing and proposed project construction noise is summarized in Table 3.

Table 3
Levels of Noise Exposure at Noise-Sensitive Receptors during Typical Daytime Construction Activity

Sensitive Receptor	Distance to Project Site (feet)	Daytime Construction Noise Exposure Level at Sensitive Receptor ¹	
		L _{eq} (dBA)	L _{max} (dBA)
San Diego Christian College	150	75	79
Parc One Apartments	650	63	67

Notes:

¹ Assumes all equipment is fitted with a properly maintained and operational noise control device, per manufacturer specifications. Noise levels listed are manufacture-specified noise levels for each piece of heavy construction equipment.

Source: Data modeled by Ascent Environmental in 2022

Construction noise impacts are considered temporary and may at times exceed the exterior and interior noise thresholds for sensitive land uses. Construction noise would only occur during permitted construction hours and would vary in intensity based upon the specific construction activity.

There are no new or more severe noise impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC. The proposed hotel project is less intense than the previously evaluated retail and/or library projects and construction and operational noise would be less that evaluated in the prior SEC.

b) Would the Project result in generation of excessive groundborne vibration or groundborne noise levels?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban land uses as part of the STSCC EIR. Since vibration impacts are often associated with the equipment used during the short-term construction period, in relation to vibration, the hotel would have a similar impact. Thus, no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel. The STSCC EIR did not identify any impacts in relation to noise, including vibration impact based on mandatory adherence to applicable CBC requirements and the City’s noise ordinance. Thus, the hotel would have no impacts in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. Groundborne vibration is usually a result of construction-related activities and is intermittent and temporary in nature and diminishes with distance from the vibration source. The City of Santee does not have any policies as it relates to groundbourne vibration. The City of Santee Noise Abatement Ordinance (Chapter 5.04 of the Santee Municipal Code) restricts hours and days as well as establishes property lime limits for stationary noise generators in residential areas, including equipment with vibration impacts. As the project consists of a slightly smaller hotel, there are no new or more severe vibration impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the Project expose people residing or working in the project area to excessive noise levels?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The STSCC EIR evaluated the hotel site for urban development as either a library or civic/retail use. The development of a hotel at the site would result in a similar intensification of urban land uses as envisioned in the STSCC EIR. The site for the proposed hotel is not located within the noise contours for the Gillespie Field. The STSCC EIR did not identify airport noise-related impacts. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The Project site is within one mile of the Gillespie Field General Aviation Airport (approximately 0.6 mile to the south); however, it is not within the airport noise exposure contours associated with the airport as shown in the Gillespie Field ALUCP Noise Compatibility Policy Map (San Diego County Airport Land Use Commission 2010). There are no new or more severe airport land use plan impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Population and Housing

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XIV. POPULATION AND HOUSING. Would the project:				
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of road or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Would the Project induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of road or other infrastructure)?				
b) Would the Project displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?				

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban uses as part of the STSCC EIR. These uses included a library or civic/retail. Similar to these land uses, a hotel would generate employment opportunities. However, it is likely that these opportunities would be served by the local employment base. In the event that certain positions attract persons from outside of the region, there is an adequate supply of housing to meet the minimal demand. The hotel land use would not result in any new impacts to population and housing not already discussed and evaluated in the STSCC EIR. The STSCC EIR did not identify any impacts related to population and housing. Thus, the hotel would have no impacts in relation to this issue and no mitigation is required.

a – b. Current Proposed Hotel Analysis -No New Impact/No Impact. Growth inducing impacts are a result of those characteristics of a project that foster or encourage population and/or economic growth. These characteristics include adding residential units, expanding infrastructure, or generating employment opportunities.

The proposed project does not include the addition of residential units. The area has an existing established circulation network that serves STSCC and the greater Town Center area. Additionally, while local connections would need to occur, the greater area already contains utility infrastructure such as water, sewer lines, electric lines, natural gas lines, and a municipal storm drain system. The project would generate employment opportunities that could be filled by the local workforce.

Project implementation would not displace existing residential units. There are no new or more severe population impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Public Services

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XV. PUBLIC SERVICES. Would the project:				
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) **Would the Project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:**

Fire Protection? No New Impact/No Impact. Police Station? No New Impact/No Impact.

Schools? No New Impact/No Impact. Parks? No New Impact/No Impact. Other public facilities? No New Impact/No Impact.

Prior TCSOA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSOA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The addition of a second 24-hour land use (in addition to 24-Hour Fitness) that establishes activity in the STSCC would serve as a deterrent to certain crime. Yet, a hotel would still create the potential demand for additional police and fire services in the event of an emergency or crime. However, the site for the hotel was considered for urban land uses as part of the STSCC EIR; in relation fire and police protection, a hotel would have a similar impact because it would result in a new structure and new persons in the Project area. A hotel, similar to the library would be required to adhere to the City municipal code, which sets standards for security lighting and other security by design standards such accessibility, proper address identification, fire suppression devices (sprinklers, alarms, etc.), and potentially fencing. Further, hotel guests do not create a permanent demand for schools, parks, or other public facilities such as senior centers or libraries. Thus, no new impacts not already discussed and evaluated in that EIR would occur as a result of the site being developed as a hotel. The STSCC EIR did not identify impacts in relation to public services. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is served by the Santee Fire Department and the San Diego County Sheriff’s Department. Fire Station 4 is located immediately east of the Project site on Cottonwood Avenue and the San Diego County Sheriff’s Department is located approximately 0.02 mile south of the Project site on Cuyamaca Street. The Project area is within the boundaries of the Santee School District. There are no public parks within the Project site; nearby parks include Town Center Community Park approximately 0.2 mile to the north and Mast Park approximately 0.4 mile to the west. As the project proposes a slightly smaller hotel, there are no new or more severe public service impacts that were not previously evaluated in the TCSOA Arts & Entertainment District Overlay SEC.

City of Santee

Recreation

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XVI. RECREATION.				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>a) Would the Project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?</p> <p>b) Include recreational facilities or require the construction or expansion of recreational facilities which have an adverse physical effect on the environment?</p>				

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: Generally, with the exception of employees, hotels do not create a permanent demand for recreational services. In the event that hotel guests use local parks or recreational facilities, the use would be temporary and intermittent and would not create a sustained demand for parks and recreational facilities. Thus, no new impacts not already discussed and evaluated in the STSCC EIR would occur as a result of the site being developed as a hotel. The STSCC EIR did not identify impacts in relation to recreation. Thus, the hotel would have no impact in relation to this issue and no mitigation is required.

a – b. Current Proposed Hotel Analysis -No New Impact/No Impact. The City of Santee maintains several parks of varying sizes including community parks, neighborhood parks, trails, and recreational facilities that allow for both active and passive recreation. Existing public park and recreational facilities in the Project area include Town Center Community Park approximately 0.2 mile to the north, Mast Park approximately 0.4 mile to the west, and the Walker Preserve Trail approximately 0.2 mile to the northeast. As the project proposes a slightly smaller hotel, there are no new or more severe recreation impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Transportation

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XVII. TRANSPORTATION. Would the project:				
a) Conflict with program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) **Would the Project conflict with program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban uses as part of the STSCC EIR. These uses included a library or civic/retail compatible with the STSCC. The proposed hotel would represent a similar commercial land use considered in the STSCC EIR. Upon approval of the STSCC EIR, it was found that the STSCC takes advantage of the multi-modal transit system that serves the area and would reduce vehicle trips by allowing patrons to access the site by mass transit. Likewise, a hotel in the STSCC would be able to take advantage of the public transit system linking the site to area attractions and reducing vehicle trips by placing a hotel adjacent to visitor accommodations and conveniences such as restaurants and retail shopping. The hotel land uses would not result in a new transportation impact not already discussed and evaluated in the STSCC EIR. The STSCC EIR did not identify impacts to program plan, ordinance, or policy addressing the circulation system, including transit, roadway, bicycle, and pedestrian facilities. Thus, the hotel would have no impacts in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The City of Santee General Plan Mobility Element (2017) establishes the goals and policies for the City’s circulation system. The Project area is served by an existing established circulation network of local collector and arterial roadways as well as the Metropolitan Transit Service Light Rail Trolley (LRT) and both Class I and Class II bike paths. A VMT/Trip Generation memo is included in Appendix F. There are no new or more severe transportation plan impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

b) **Would the Project conflict or be inconsistent with CEQA Guidelines section 15064.3 or will conflict with an applicable congestion management program, including, but not limited to, level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban uses as part of the STSCC EIR. These uses included a library or civic/retail compatible with the STSCC. The proposed hotel would represent a similar commercial land use considered in the STSCC EIR. STSCC EIR Mitigation Measures T-1 through T-9, which address improvements to the intersection of Cuyamaca Street and Mission Gorge Road, the design of access and drives, the placement of signals along Cuyamaca Street (between Mission Gorge Road and Town Center Parkway) and along Mission Gorge Road (between SR-125 and Magnolia Avenue), provision of on-site trolley crossings, and provision of raised medians at the on-site trolley crossings were required prior to the issuance of occupancy permits for the STSCC and thus, have already been completed.

However, the STSCC EIR identified project-specific and cumulative significant and unavoidable traffic impacts. Average daily trip rates were generated for three development scenarios: library, retail, and hotel (see Appendix A) as part of the GHG emissions modeling conducted for this Supplemental IS. The model identifies that a hotel generates less weekday, Saturday, and Sunday trips than a library and less weekday and Saturday trips and only 12 more Sunday trips than a retail use. However, the hotel would still contribute to the cumulative impact and therefore the cumulative significant unavoidable impact. A Statement of Overriding Considerations was adopted as part of the STSCC EIR. The hotel would not create new or more severe impacts not already discussed and evaluated in the STSCC EIR. As stated, there is no enforceable fee payment program, therefore, no additional mitigation is feasible.

Current Proposed Hotel Analysis -No New Impact/No Impact. A Vehicle Miles Traveled (VMT)/Trip Generation Report was prepared for the project. The proposed project is expected to generate 990 average vehicle trips per day, which is below the VMT threshold for the requirement to conduct an analysis, and is within ½ mile of a high quality transit corridor, which is considered less than significant. The TCSPA MEIR and the STSCC EIR concluded that implementation of the TCSPA and STSCC would result in significant and unavoidable project-specific and cumulative traffic impacts. Statements of Overriding Considerations were adopted as part of certification of the prior EIRs. There are no new or more severe congestion management plan impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

c) Would the Project substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban uses as part of the STSCC EIR. These uses included a library or civic/retail compatible with the STSCC. The proposed hotel would represent a similar commercial land use considered in the STSCC EIR. There is an established circulation system that serves the TCSP Area and the STSCC. Currently, the proposed hotel site is a paved surface parking lot, with access provided from Town Center Parkway north of the proposed location and River View Parkway east of the proposed location. As the proposed hotel undergoes design review, City staff would review and approve site access and circulation plans. Additionally, prior to the issuance of occupancy permits for the STSCC, Mitigation Measures T-8 and T-9 were implemented that addressed pedestrian safety in relation to the trolley crossings. Thus, the hotel would have no impacts in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project design does not contain hazardous geometric design features. Individual developments would require the construction of access drives to connect to the local roadway system. There are no new or more severe transportation safety impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

d) Would the Project result in inadequate emergency access?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban uses as part of the STSCC EIR. These uses included a library or civic/retail compatible with the STSCC. The proposed hotel would represent a similar commercial land use considered in the STSCC EIR. The STSCC EIR did not identify any impacts in relation to emergency access. The development of the hotel would be required to adhere to the standards set forth in the UBC and Chapter 11.18 of the Santee Municipal Code, which incorporates the California Fire Code. The STSCC EIR did not identify any impacts to emergency access. The hotel would have no impacts in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The Project site is currently supported by an established circulation network. The CBC and the City's Municipal Code Chapter 11.18, which incorporates the California Fire Code include regulations that outline the required standards for emergency access. There are no new or more severe emergency access impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Tribal Cultural Resources

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XVIII. TRIBAL CULTURAL RESOURCES. Would the project:				
e) Cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Would the Project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				
i) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k)				
ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.				

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: A tribal cultural resource may be considered significant if included in a local or state register of historic resources; determined by the lead agency to be significant pursuant to the criteria set forth in PRC Section 5024.1; is geographically designated landscape that meets one or more of the criteria in PRC Section 21084.1, a unique archaeological resource described in PRC Section 21083.2; or is a non-unique archaeological resource if it conforms to the above criteria. In October 2019, the City notified California Native American tribes traditionally and culturally affiliated with the Project area in accordance with Senate Bill 18 requirements. Two Native American tribes requested consultation, including the Barona Band of Mission Indians and the Viejas Band of Kumeyaay Indians. The prior 2019 tribal consultation has concluded, and this consultation also covers the proposed project. The proposed project will comply with all prior consultation requirements. As discussed in Section V, Cultural Resources, of this Supplemental IS, based on the TCSPA MEIR and STSCC EIR, no known prehistoric archaeological resources pursuant to §15064.5 are present within the Project site. The San Diego River floodplain is

known to contain archeological resources; the northern portion of the Project site is within the current or historic boundaries of the floodplain⁷. As stated in the Santee General Plan, the flooding of the river likely has buried older archaeological sites

under alluvium. TCSPA MEIR Mitigation Measure CR-2 as identified in item V(b) is hereby incorporated into the proposed Project and reduces potential impacts related to tribal cultural resources to less than significant.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. A tribal cultural resource may be considered significant if included in a local or state register of historic resources; determined by the lead agency to be significant pursuant to the criteria set forth in PRC Section 5024.1; is geographically designated landscape that meets one or more of the criteria in PRC Section 21084.1, a unique archaeological resource described in PRC Section 21083.2; or is a non-unique archaeological resource if it conforms to the above criteria.

In October 2019, the City notified California Native American tribes traditionally and culturally affiliated with the Project area in accordance with Senate Bill 18 requirements. Two Native American tribes requested consultation, including the Barona Band of Mission Indians and the Viejas Band of Kumeyaay Indians. The prior 2019 tribal consultation has concluded, and this consultation also covers the proposed project. The proposed project will comply with all prior consultation requirements. As discussed in Section V, Cultural Resources, of this Supplemental IS, based on the TCSPA MEIR and STSCC EIR, no known prehistoric archaeological resources pursuant to §15064.5 are present within the Project site. The San Diego River floodplain is known to contain archeological resources; the northern portion of the Project site is within the current or historic boundaries of the floodplain⁷. As stated in the Santee General Plan, the flooding of the river likely has buried older archaeological sites under alluvium. TCSPA MEIR Mitigation Measure CR-2 as identified in item V(b) is hereby incorporated into the proposed Project and reduces potential impacts related to tribal cultural resources to less than significant. There are no new or more severe tribal cultural resource impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Utilities and Service Systems

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XIX. UTILITIES AND SERVICE SYSTEMS. Would the project:				
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Would the Project require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?				

Prior TCSA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban uses as part of the STSCC EIR. These uses included a library or civic/retail compatible with the STSCC. The proposed hotel would represent a similar commercial land use considered in the STSCC EIR. The hotel would not create a demand for new or expanded water, wastewater treatment, storm drain, electric power, natural gas, or telecommunication facilities and similar to library or civic/retail land uses could be served through local connections to the existing infrastructure and systems. The STSCC EIR did not identify impacts to utility and service systems. Thus, the hotel would have no impact in relation to this issue and no mitigation is required,

Current Proposed Hotel Analysis -No New Impact/No Impact. The Project site is located in an urbanized area that is currently served by Padre Dam Municipal Water District (PDMWD) for water and wastewater, the City of Santee for storm drain infrastructure, and San Diego Gas and Electric (SDG&E) for electricity and natural gas. Water and Sewer availability letters are included in Appendix H.

Telecommunication systems are provided by various private service providers. There are no new or more severe utility service impacts that were not previously evaluated in the TCSA Arts & Entertainment District Overlay SEC.

b) Would the Project have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?

Prior TCSA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban uses as part of the STSCC EIR. These uses included a library or

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civic/retail compatible with the STSCC. The proposed hotel would represent a similar commercial land use considered in the STSCC EIR. STSCC EIR did not identify impacts to water supply. It is likely that a hotel would use a greater amount of water than a library as it would require laundering services, janitorial services, and showers. However, given the size of the proposed hotel, approximately 64,000 square feet and 100 rooms, the increase would not be substantial enough to trigger a potentially significant impact. Moreover, the proposed site is an extension of the existing pattern of development in the area and in an area that is becoming more urban and envisioned for urban uses. Infrastructure planning considers the future demands as anticipated by approved land uses plans when siting and sizing pipelines and facilities. Thus, the hotel would have no impacts in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The Project site is located in an urbanizing area of the City that is served by existing utilities and infrastructure (PDMWD), including potable water. The proposed project involves a hotel with fewer rooms, thus there are no new or more severe water supply impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- c) **Would the Project result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban uses as part of the STSCC EIR. These uses included a library or civic/retail. The proposed hotel would represent a similar commercial land use considered in the STSCC EIR. A hotel would generate a greater amount of wastewater; however, similar to water supply, wastewater infrastructure has been sized to meet the overall demands of the urbanizing area. The STSCC EIR did not identify impacts to wastewater treatment capacity. The hotel would have no impacts in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. PDMWD provides wastewater collection and treatment for the project area. Wastewater pipelines in the streets surrounding the TCSP area collect wastewater from existing development. Wastewater is conveyed the Roy Stoyer Water Recycling Facility, operated by PDMWD. Currently, two trunk sewer lines bisect the Project site and a trunk main is located near the intersection of Mission Gorge Road and Cuyamaca Street. There are no new or more severe wastewater treatment impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

- d) **Would the Project generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?**
- e) **Would the Project comply with federal, state, and local management and reduction statutes and regulations related to solid waste?**

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the hotel was considered for urban uses as part of the STSCC EIR. These uses included a library or civic/retail. The proposed hotel would represent a similar commercial land use considered in the STSCC EIR. STSCC EIR did not identify impacts to solid waste. The overall health of the San Diego County landfill system is improving due to required adherence to source reduction and recycling legislation, projecting current capacity to extend to the year 2059. Moreover, as required, the hotel would comply with the City's Construction and Debris Ordinance, the City's solid waste reduction programs, and the California Integrated Solid Waste Management Act. The hotel would have no impacts in relation to this issue and no mitigation is required.

d – e. Current Proposed Hotel Analysis -No New Impact/No Impact. According to the San Diego County Integrated Waste Management Plan (IWMP) 5-Year Review Report, (2022), system-wide, the County has 107,005,301 tons of remaining landfill capacity that extends through 2059. Additionally, in 2010 the East Otay Mesa Landfill was approved through a voter initiative; the capacity for this landfill is not included in the IWMP calculations. The County's overall success at meeting the various waste reduction and recycling targets has extended the life-span of many of the County facilities beyond what was originally projected.

The Project would be required to comply with the City's solid waste reduction programs, including the Construction and Demolition Debris Recycling Ordinance, which includes the preparation and implementation of a Debris Management Plan that demonstrates that a minimum of 65 percent of construction debris will be recycled. Likewise, the City's programs have

been designed to be compatible with and achieve the goals of the California Integrated Solid Waste Management Act. There are no new or more severe solid waste impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Wildfire

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XX. WILDFIRE. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?				
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?				
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?				
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?				

wildland fires and is located in a Non-Very High Fire Severity Hazard Zone according to CalFire Fire Hazard Severity Maps.

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The Project site is in an urbanized area of Santee and is not located in or near state responsibility areas or lands classified as Very High Fire Hazard Severity Zone; no impact would occur.

a – d. Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. There are portions of the Project area, especially those along the open space corridor adjacent to the San Diego River, which remain undeveloped and support vegetation. As discussed in response VIII(g), the Project site is not in an area that is designated as susceptible to wildland fires and is located in a Non-Very High Fire Severity Hazard Zone according to CalFire Fire Hazard Severity Maps. There are no new or more severe wildfire impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Mandatory Findings of Significance

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XXI. MANDATORY FINDINGS OF SIGNIFICANCE.				
(State CEQA Guidelines section 15065(a).)				
a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Does the project have the potential to achieve short-term environmental goals to the disadvantage of long-term environmental goals?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current project, and the effects of probable future projects.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Does the Project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The site for the proposed hotel currently supports a paved surface parking lot and does not support any sensitive biological or cultural resources. The hotel would have no impacts in relation to this issue and no mitigation is required.

Current Proposed Hotel Analysis -No New Impact/No Impact. The project site is developed as an existing commercial parking lot. As discussed in Sections IV, Biological Resources and V, Cultural Resources, the Project site is within an area that is urbanizing. There are no new or more severe biological or cultural impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

b) Does the Project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current project, and the effects of probable future projects.)

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: It is noted that the TCSPA MEIR and STSCC EIR did not examine impacts to GHG, tribal cultural resources, or wildfire. However, as noted, the City is coordinating with the appropriate tribes and it is unlikely due to the level of site disturbance and knowledge of documented cultural resources in the area that there are tribal resources. As identified in

Section V, Cultural Resources, TCSPA MEIR Mitigation Measure CR-2 reduces impacts to both cultural and tribal cultural resources to less than significant. In terms of wildfire, as discussed in Section XIX, the site is not located in a Very High Fire Hazard Severity Zone as mapped by CalFire. Additionally, as discussed in Section VIII, the GHG emissions from the proposed Project would not exceed the SCAQMD GHG screening threshold of 3,000 MT CO₂e per year and operational GHG emissions related to the proposed Project would be less than significant. Thus, GHG emissions generated by the proposed Project would not exceed the SCAQMD GHG screening threshold and operational GHG emissions related to the proposed Project would be less than significant. The proposed Project's incremental contribution to cumulative GHG emissions is determined to not be cumulatively considerable. Additionally, the TCSPA MEIR did not examine impacts to energy; however, the proposed movie theater is considered to require a similar amount of energy as the movie theater proposed in the TCSPA. Further, given the advancements in technology and regulations that mandate energy saving and/or energy reduction building design and features, the proposed movie theater would have a less than significant impact in relation to energy. Therefore, the proposed Project would not result in any additional cumulative impacts beyond those identified in the TCSPA MEIR and the STSCC EIR.

Current Proposed Hotel Analysis -No New Impact/No Impact. As with the TCSPA and the STSCC, the Project would contribute to the significant and unavoidable project-specific and cumulative air quality and traffic impacts. However, impacts would not be exacerbated beyond what would already occur with development approved in the TCSPA MEIR and the STSCC EIR. As with the TCSPA and the STSCC, the proposed Project would not have other impacts that may be individually limited but cumulatively considerable. As the project is a slightly smaller hotel, there are no new or more severe cumulative impacts that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

c) Does the Project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

Prior TCSPA Arts & Entertainment Overlay District SEC Hotel Analysis

The following analysis was contained in the TCSPA Arts and Entertainment Overlay District SEC pertaining to the hotel land use: The project site was determined to not cause substantial adverse effects on human beings, either directly or indirectly.

Current Proposed Hotel Analysis -No New Impact/No Impact. As discussed in responses to I-XIX, the Project would not result in additional impacts beyond those that were identified in the TCSPA MEIR and the STSCC EIR. The hotel would result in slightly greater demand for water and wastewater services but would still be within the parameters of the overall development scenario for the TCSP. Advanced planning for infrastructure considers the land uses as identified in the approved land use plans, such as the TCSP and STSCC which have identified the Project area as an area for development intensification. Advances in recycling and the availability of energy-saving infrastructure (low flush toilets, low energy lights, etc.) would allow for opportunities for the Project to reduce certain impacts beyond what was assumed in the prior environmental documentation. Additionally, advancements in clean air technology for construction equipment, passenger vehicles, and trucks also afford an opportunity to realize a potential reduction of some impacts. All applicable mitigation that has not already been implemented is hereby incorporated into the proposed Project. There are no new or more severe direct or indirect impacts on humans that were not previously evaluated in the TCSPA Arts & Entertainment District Overlay SEC.

Appendices

Appendix A – Air Quality Modeling

Appendix B – Biological Resources Survey Report

Appendix C – Geotechnical Evaluation

Appendix D - Hydrology/WQMP

Appendix E – Noise Modeling

Appendix F - VMT/Trip Generation Memo

Appendix G – GHG/Energy Modeling/CAP Checklist

Appendix H – Water and Sewer Availability Letter

The appendices referenced above may be downloaded from the following weblink:

<https://www.cityofsanteeca.gov/services/project-environmental-review>

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
APPROVING DEVELOPMENT REVIEW PERMIT DR2022-6 AND VARIANCE
V2022-4 FOR A FOUR-STORY HOTEL CONSISTING OF 97 GUESTROOMS AT
381 TOWN CENTER PARKWAY IN THE TOWN CENTER (TC) ZONE AND ART
AND ENTERTAINMENT OVERLAY DISTRICT**

APPLICANT: EXCEL HOTEL GROUP, INC.

APN: 381-052-04

RELATED CASE FILES: AEIS2022-6

WHEREAS, the Town Center Specific Plan requires a Development Review Permit for all proposed development in the Town Center (TC) Zone; and

WHEREAS, on March 7, 2023 Excel Hotel Group, Inc. submitted a complete application for Development Review Permit DR2022-6 and a Variance V2022-4, to develop a four-story hotel consisting of 97 guestrooms and related amenities located at 381 Town Center Parkway (APN 381-052-04) in the Town Center (TC) Zone and Art and Entertainment Overlay District (“Project”); and

WHEREAS, the Project is consistent with the Town Center general plan designation and all applicable general plan policies, with applicable goals and objectives of the Town Center Specific Plan (TCSP), and with the applicable Zoning Ordinance land use regulations; and

WHEREAS, the proposed Project is located within Airport Influence Area 1 of the Gillespie Field Airport Land Use Compatibility Plan (ALUCP). On June 17, 2022 the Federal Aviation Administration (FAA) determined that the Project, as designed, presented no hazard to air navigation; and

WHEREAS, on December 2, 2022 the San Diego County Airport Land Use Commission determined that the Project is conditionally consistent with the Gillespie Field ALUCP; and

WHEREAS, Development Review Permit DR2022-6 and Variance V2022-4 were scheduled for a public hearing to take place on April 26, 2023; and

WHEREAS, on April 26, 2023, the City Council held a duly advertised public hearing on Development Review Permit DR2022-6 and Variance V2022-4; and

WHEREAS, the Project is subject to the payment of development impact fees based on the Project’s commercial use classification and size; and

WHEREAS, development impact fees ensure that new development will not burden the existing service population with the cost of facilities required to adequately support new development; and

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WHEREAS, new development requires the construction of capital improvements, including, without limitation, drainage improvements, traffic improvements, traffic signals, public park facilities, community facilities and other public improvements, public services and community amenities; and

WHEREAS, the purpose of the development impact fees imposed on the subject Project is to provide a funding source from the Project to fund related capital improvements that serve the Project, specifically drainage improvements, traffic improvements and traffic signals; and

WHEREAS, it is in the interest of the public's health, safety and welfare for the Project to pay the costs of constructing these public facilities that are reasonably related to the impacts of the Project; and

WHEREAS, a reasonable relationship exists between the use of the development impact fees and the Project as capital improvements funded by these fees are expected to provide a citywide network of drainage and traffic-related facilities beneficial to the Project; and

WHEREAS, the Project's facilities need, specifically the need for drainage, traffic and traffic signal facilities, is based on the Project's commercial classification and on the demand generated by the Project for those facilities and the Project's corresponding fair share contribution toward funding of said needed facilities; and

WHEREAS, the development impact fees established for the Project are based on the Project's size to ensure a reasonable proportionality between the Project and the cost of the facilities attributable to the Project; and

WHEREAS, the subject Project is not subject to Measure N as the Project is not a General Plan amendment, Planned Development Area, or new Specific Planning Area, nor would it increase the residential density permitted by law, make changes to the General Plan Residential Land Use categories that would intensify use, make changes to the land use designation of any parcel in a manner that intensifies use, nor make changes to slope criteria, minimum parcel sizes, or lot averaging provisions of the General Plan that would permit increased density or intensity of use; and

WHEREAS, a Supplemental Environmental Checklist and Addendum (AEIS2022-6) to previously adopted Environmental Impact Reports (State Clearinghouse Numbers 1985012314 and 1999031096) has been prepared for the Project in accordance with the California Environmental Quality Act (CEQA). The analysis provided in the Supplemental Environmental Checklist and Addendum demonstrates that the Project would not result in any new additional significant impacts, nor would it substantially increase the severity of previously anticipated significant impacts. All mitigation measures identified as part of the adopted Environmental Impact Reports remain sufficient in reducing environmental impacts to a less than significant level for the proposed Project; and

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WHEREAS, the City Council considered the staff report, all recommendations by staff, the Supplemental Environmental Checklist and Addendum, the entire record, and all public testimony.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santee, California, after considering the evidence presented at the public hearing, as follows:

SECTION 1: On April 26, 2023, the City Council approved filing a California Environmental Quality Act (CEQA) Notice of Determination for the proposed Project pursuant to California Public Resources Code section 21166 and CEQA Guidelines sections 15162 and 15177. No further environmental review is required for the City to adopt this Resolution.

SECTION 2: The findings in accordance with Section 13.08.080 of the Santee Municipal Code for a Development Review Permit are made as follows:

- A. *The proposed development meets the purpose and design criteria prescribed in these procedures and other pertinent sections of the zoning ordinance and municipal code.*

The proposed development, as conditioned and with approval of a variance, meets the purpose and design criteria prescribed in the Zoning Ordinance, Municipal Code, and TCSP because the TCSP prescribes hotels as an allowable use, and the building and site design are consistent with the goals, objectives, and development standards in the TCSP.

- B. *The proposed development is compatible with the General Plan.*

This Project is consistent with the goals, objectives, and policies of the General Plan. The General Plan Land Use Element recommends promoting a well-balanced and functional mix of residential, commercial, industrial, open space, recreation, and civic uses that will create and maintaining a high-quality environment. There are currently only three hotels in Santee, and the most-recently constructed hotel was completed in 1988. As such, the proposed hotel will add to the functional mix of land uses in the City. Within the Town Center area, the Land Use Element recommends continued implementation of the TCSP which provides for retail commercial, office, recreational, and other appropriate uses. It also recognizes the area as a mixed-use activity center. The proposed Project is consistent with the TCSP because the Project adheres to the recommendations of continued TCSP implementation and adding to the mixture of uses in Town Center. The General Plan Community Enhancement Element recommends ensuring that all new commercial development contributes towards an overall positive and cohesive visual identity. It goes on to recommend enhancing facades with architectural detail, breaking up long buildings into segments that are recessed or projects forward, and including pedestrian-level details on larger structures. The hotel elevations will utilize a muted color palette of tan, gray, and blue, similar to the nearby buildings but with enough contrast to avoid duplication. The north and south elevation will measure over 225 feet in length, and

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the design incorporates a number of recesses, projections, and height changes which create visual interest over a large area.

SECTION 3: The findings in accordance with Section 13.06.040.E of the Santee Municipal Code for a Variance are made as follows:

- A. *That strict or literal interpretation and enforcement of the specified regulation would result in practical difficulty or unnecessary physical hardship inconsistent with the objectives of the General Plan and intent of this code.*

The strict or literal interpretation and enforcement of the standards for building setback and parking for the hotel use would result in unnecessary hardship inconsistent with the objectives of the intent of the General Plan, Zoning Ordinance, and Town Center Specific Plan. The TCSP requires a setback of 50 feet from the curb of Town Center Parkway and the closest point of the building is 38 feet from the curb. The Zoning Ordinance establishes a parking requirement of one space for each guest room and two spaces for the resident manager or owner. The hotel would have 97 guest rooms, equating to a total of 99 required spaces. The site design shows a total of 61 spaces, representing 62% of the code requirement.

The TCSP encourages maintaining a high-quality environment throughout the plan area to help contribute an enjoyable experience for both shopping center visitors and nearby residents. This is echoed in the General Plan Community Enhancement Element as recommending that all new development contribute to an overall positive and cohesive visual identity, which the Zoning Ordinance implements through standards such as those found in the Development Review section. The TCSP specifically implements this by requiring all buildings to have a 50-foot curb-to-building setback from parkways, which is beyond the normal Zoning Ordinance requirement for commercial development. The longest property line on the Project site fronts along Town Center Parkway for 475 feet, and the required setback reduces the developable footprint, resulting in both a practical difficulty and unnecessary physical hardship for any development on this site. Strict interpretation and enforcement of the curb-to-building setback along Town Center Parkway would make development of the site in accordance with the General Plan and TCSP difficult due to the large ratio of the Project perimeter being parallel with Town Center Parkway which requires a 50-foot curb-to-building setback, which if strictly applied, would leave a limited portion of the site available for development.

- B. *That there are exceptional or extraordinary circumstance or conditions applicable to the property involved or to the intended use of the property that do not apply generally to other properties in the same zoning district.*

The curvature of the subject property along Town Center parkway, unusual shape of the property, existing surrounding infrastructure and the fact that the longest property line of the site is along Town Center Parkway, creates extraordinary circumstances for the placement of a building and providing the required amount of parking on the subject site. Strict application of the setback standard would limit

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development of the site due to the large ratio of the Project perimeter being parallel with Town Center Parkway which requires a 50-foot curb-to-building setback. Other properties in this zoning district do not have such a large proportion of their respective properties within such a parkway setback area, giving them a higher ratio of developable site area in comparison.

- C. *That the strict or literal interpretation and enforcement of the specified regulation would deprive the applicant of privileges enjoyed by the owners of other properties in the same zoning district.*

The strict or literal interpretation and enforcement of the building setback and parking would deprive the applicant of privileges enjoyed by owners of other properties in the same zoning district. Strict enforcement of the TCSP would require a 50-foot setback from Town Center Parkway along a large portion of the site, and the Zoning Ordinance would require the development to provide 99 parking spaces. Due to the large proportion of the Project site being undevelopable due to the required setback in comparison with properties in the same zoning district, the enforcement of the building setback and parking requirements would deprive the applicant of privileges enjoyed by other owners in the same zoning district.

- D. *That the granting of the variance will not constitute a grant of special privilege inconsistent with the limitations on other properties classified in the same district, and will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.*

As outlined above, the granting of this variance does not constitute a grant of special privilege inconsistent with the limitations on other properties classified in the same district. The Project site has a development disadvantage in comparison to other properties in the same district because of the reduced proportion of developable site area. Granting the building setback and parking variance will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity because the resulting Project will be a well-designed hotel that will add economic vitality to the area, further the goals and objectives of the General Plan and TCSP, and compliment the uses anticipated within the Art & Entertainment Overlay District.

SECTION 4: The application for Development Review Permit DR2022-6 and Variance V2022-4, dated March 7, 2023 for a four-story hotel consisting of 97 guestrooms and related amenities located at 381 Town Center Parkway (APN 381-052-04), is hereby approved subject to the following conditions:

- A. Following Project approval, the applicant shall schedule with the City Project Planner a post approval meeting to discuss the Project conditions of approval, timing of design and construction and implementation of the Project conditions. The meeting shall be scheduled within 30 days of Project approval and prior to any plan submittals. The applicant should include their Project design team including Project architect, their design engineer and their landscape architect.

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- B. The applicant shall include provisions in their design contract with their design consultants that following acceptance by the City, all construction drawings or technical reports accepted by the City, exclusive of architectural building plans, shall become the property of the City. Once accepted, these plans may be freely used, copied or distributed by the City to the public or other agencies as the City may deem appropriate. An acknowledgement of this requirement from the design consultant shall be included on all construction drawings at the time of plan submittal. This letter shall be in a format acceptable to the City Engineer.
- C. Minor Revisions to the Development Review Permit or Variance, such as changes to the building elevations, site design, or landscape design, shall be approved by the City Planner, unless in the City Planner's judgment, they should be processed as a Major Revision reviewed by the City Council.
- D. To coordinate with the City Geographic Information System, horizontal and vertical control for all construction drawings, grading plans, landscape plans, street improvement plans, plot plans, etc., shall be obtained from ROS 11252. All plans, exclusive of building plans, shall be prepared at an engineering scale of 1"=20' unless otherwise approved by the Project engineer.
- E. The applicant shall ensure that all property corners are properly monumented. If corners have been lost or do not exist, corners shall be set and a Record of Survey filed prior to issuance of a building permit.
- F. Starting with the first plan check submittal, all plan sets shall be submitted concurrently to Padre Dam Municipal Water District for review and approval. The City does not coordinate the review process with Padre Dam, this is the responsibility of the design engineer and the landscape architect. Failure to properly coordinate this review may result in delay of issuance of permits required for construction. It is incumbent upon the applicant to oversee the plan submittals of their design consultants.
- G. This Project shall be in compliance with the adopted California Building Standards Code at the time of building permit application and shall be subject to expirations for plan review per the Santee Municipal Code, Sections 11.04.030 and 11.06.010.
- H. All building permits shall expire per the California Building Codes Section 105.
- I. Prior to issuance of a grading or improvement plan the applicant shall:
 - 1. Place the following note on the grading and improvement plans. In order to avoid impacts to potential avian nesting sites, standard seasonal restrictions on clearing of vegetation must be implemented. Site brushing, grading, and/or the removal of vegetation within 300 feet of any potential migratory songbird nesting location, including nesting locations for ground-nesting birds, should not be permitted during the spring/summer migratory songbird breeding season, defined as from 15 February to 31 August of each year. This is required

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in order to ensure compliance with the Sections 3503, 3503.5, 3511, and 3513 of the California Fish and Game Code and the federal Migratory Bird Treaty Act. Limiting activities to the non-breeding season will minimize chances for the incidental take of migratory songbirds or raptors. Should it be necessary to conduct brushing, grading, or other site activities during the songbird breeding season, a preconstruction nesting survey of all areas within 300 feet of the proposed activity will be required. The results of the survey will be provided in a report to the City Planner, for concurrence with the conclusions and recommendations.

2. Place a note on the plans that a Native American monitor must be present during initial ground-disturbing activities.

J. Prior to issuance of a Building Permit:

1. Precise Grading Plans shall be submitted to the Engineering Department for review and acceptance.
 - a. Horizontal and vertical control for all plans shall be obtained from ROS 11252 and shall be prepared at an engineering scale of 1"=20' unless otherwise approved by the City Project engineer.
 - b. Project landscape and irrigation plans shall be separate from grading plan set but must be submitted by the second grading plan check.
 - c. All recommended measures identified in the approved geotechnical study shall be incorporated into the Project design and construction.
 - d. Grading plans shall include preliminary recommendations for all pavement design sections within the Project limits. The pavement structural section shall be designed based on the "R" value method using a minimum traffic index of 5.0 for Automobile Parking Areas and 6.0 for Drive Areas & Infrequent Emergency Vehicle Access. Structural sections shall consist of asphalt concrete over approved aggregate base material. Minimum concrete section shall be 5 1/2 inches PCC over compacted, non-expansive soil. Mix design shall be a minimum class 520-C-2500. R-value test data and design calculations shall be submitted for approval to the Department of Engineering Department a minimum of seven days prior to placement of paving. The pavement design report shall conform to City of Santee Form 435 – PAVEMENT DESIGN AND R-VALUE TEST SUBMITTAL PROCEDURES.
 - e. Grading plans shall be one hundred percent **(100%)** complete at the time of plan check submittal, be prepared in accordance with City guidelines and be ready for acceptance by the City. Partial or incomplete submittals will not be accepted for plan check. At the time of plan submittal the applicant shall schedule an appointment with their designated City Project engineer and the applicant's design engineer to review the plan submittal for completeness. The following shall be

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included as part of the grading, landscape and irrigation plan submittal package:

- 1) Six sets of grading, landscape and irrigation plans bound and stapled.
- 2) Plan check fees.
- 3) A completed grading permit application
- 4) A cost estimate for the cost of construction.
- 5) Two copies of the Drainage Study specified here within.
- 6) Two copies of the Storm Water Quality Management Plan specified here within.
- 7) Two copies of an Operation & Maintenance (O&M) plan specified here within.
- 8) Two copies of the Storm Water Pollution Prevention Plan specified here within.
- 9) Two copies of the Geotechnical Study specified here within.
- 10) A copy of any letters of permission from any adjoining property owners if grading is proposed off-site. Letters shall be in a form acceptable to the City.
- 11) A letter of acknowledgement, signed and sealed, from each design consultant acknowledging City ownership of all construction drawings following City approval as specified here within.
- 12) One copy of the Resolution of Approval approving the Project.

Plan check and inspection fees shall be paid in accordance with the City Fee Schedule prior to issuance of the permit.

2. Landscape and Irrigation Plans shall be submitted to the Department of Engineering Department for review and acceptance.
 - a. Horizontal and vertical control for all plans shall be obtained from ROS 11252 and shall be prepared at an engineering scale of 1"=20' unless otherwise approved by the City Project engineer.
 - b. Landscape and irrigation plans shall be one hundred percent (**100%**) complete at the time of plan check submittal, be prepared in accordance with City guidelines and be ready for acceptance by the City. Partial or incomplete submittals will not be accepted for plan check. At the time of plan submittal the applicant shall schedule an appointment with their designated City Project engineer and the applicant's design engineer to review the plan submittal for completeness. The following shall be included as part of the grading, landscape and irrigation plan submittal package:
 - 1) Six sets of landscape and irrigation plans bound and stapled.
 - 2) Plan check fees.

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- 3) A cost estimate for the cost of construction
- 4) A letter of acknowledgement, signed and sealed, from each design consultant acknowledging City ownership of all construction drawings following City approval as specified here within.

Plan check and inspection fees shall be paid in accordance with the City Fee Schedule.

- 3. Provide three copies of a geotechnical study prepared in accordance with the Santee General Plan. The investigation will be subject to independent third-party review to be paid for by the applicant. The applicant shall place a deposit with the Department of Engineering Department in an amount satisfactory to the City Planner to cover the cost of the review. All recommended measures identified in the approved study shall be incorporated into the Project design. Copies of the Geotechnical/Seismic Hazard Study for the Safety Element of the Santee General Plan which details, in Table A-1, study criteria necessary to conform to the General Plan requirements, can be purchased from the Department of Engineering Department.
 - a. The geotechnical report shall analyze any proposed infiltration techniques (trenches, basins, dry wells, permeable pavements with underground reservoir for infiltration) for any potential adverse geotechnical concerns. Geotechnical conditions such as: slope stability, expansive soils, compressible soils, seepage, groundwater depth, and loss of foundation or pavement subgrade strength should be addressed, and mitigation measures provided.
 - b. The report shall contain design recommendations for deepened building footings and a detailed shoring plan for work in and around the existing sewer trunk line. The design and plan shall be incorporated into the rough grading plan set and approved prior to issuance of a grading permit.
- 4. The applicant consents to annexation of the property under development to the Santee Roadway Lighting District and agrees to waive any public notice and hearing of the transfer. Applicant shall pay the necessary annexation costs and upon installation of any street lights required for the development, pay the necessary street light energizing and temporary operating costs.
- 5. Replace failed or inadequate pavement to the centerline and/or sidewalk adjacent to the site on Town Center Parkway to the satisfaction of the City Engineer.
- 6. The applicant shall pay all development impact fees in effect at the time of issuance of building permits. At present, the fees are estimated to be as follows:
 - a. Drainage..... \$87,902.94 (estimated)
 - b. Traffic\$537,736.10
 - c. Traffic Signal \$86,746.78

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Impact fee amounts shall be calculated in accordance with the City Fee Schedule and based on current fee ordinances in effect at issuance of building permit. The drainage fee shall be calculated based on the actual impermeable area created by the Project including off-site street improvements or other improvements beyond the Project boundary. The applicant shall provide certification of final site and building areas by their engineer of work to be approved by the City Engineer for use in calculating the final fee amounts. Fees shall be adjusted on an annual basis in accordance with the Municipal Code.

7. Following issuance of a grading permit the applicant shall complete rough grading in accordance with the approved grading plans and the recommendations of the Project's geotechnical engineer. Following completion of the rough grading and prior to issuance of any building permits, provide three originals of the pad compaction certification from the geotechnical engineer and three originals of the pad elevation certification from the Project civil engineer to the City Project engineer.
8. Provide two copies of a drainage study prepared by a registered Civil Engineer, with demonstrated expertise in drainage analysis and experience in fluvial geomorphology and water resources management. Storm drainage shall be designed to adequately convey storm water runoff without damage or flooding of surrounding properties or degradation of water quality.
 - a. The drainage study shall identify and calculate storm water runoff quantities expected from the site and upstream of the site and verify the adequacy of all on-site or off-site facilities necessary to discharge this runoff. The drainage system design shall be capable of collecting and conveying all surface water originating within the site, and surface water that may flow onto the site from upstream lands, and shall be in accordance with the latest adopted Master Drainage Plan, the requirements of the City of Santee Public Works Standards, including analysis of the 10-year, 50-year and 100-year frequency storms, and be based on full development of upstream areas.
 - b. The drainage study shall compute rainfall runoff characteristics from the Project area including, at a minimum, peak flow rate, flow velocity, runoff volume, time of concentration, and retention volume. These characteristics shall be developed for the 10-year, 50-year and 100-year frequency six-hour storm during critical hydrologic conditions for soil and vegetative cover. Storm events shall be developed using isopluvial maps and in accordance with the San Diego County Hydrology Manual.
9. Provide three copies of a Storm Water Quality Management Plan (SWQMP) prepared and in accordance with the City of Santee Storm Water Ordinance and in accordance with the City of Santee Best Management Practices (BMP) Design Manual dated February 2016. The SWQMP must include best management practices (BMPs) to address water quality and hydromodification. An Operation and Maintenance Plan describing maintenance requirements and costs for BMP maintenance and provision of maintenance verification will be

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provided.

The SWQMP shall include the following:

- a. Develop and implement appropriate Best Management Practices (BMPs) to ensure that the Project does not increase pollutant loads from the site. A combination of respective storm water BMPs, including Site Design, Source Control, and Structural Treatment Control shall be implemented in accordance with the approved SWQMP.
- b. The Project design shall incorporate Low Impact Development (LID) and site design BMPs to minimize directly connected impervious areas and to promote infiltration using LID techniques as outlined in the County of San Diego's LID handbook. Parking areas shall be designed to drain to landscape areas. Private roads shall be designed to drain to vegetated swales or landscaped areas.
- c. The site shall comply with full trash capture requirements by providing completely enclosed trash and recycling enclosures, and fitting all storm drain inlets with a State certified grate/screen or trash rack. Said devices must be designed to capture debris of 5 mm or greater, while preventing flooding potential. In addition, any adjacent public storm drain inlet structure to which the site discharges must also be retrofitted with trash capture devices. The device which shall be used for public inlets is the ADS FlexStorm Connector Pipe Screen system or approved equal.
- d. All inlets must be labeled with concrete stamp or equivalent - stating, "No Dumping - Drains to River". If work is performed on a public inlet, the public inlet must be labeled with the following standard specification: Public storm drain inlet markers shall be 4" diameter, stainless steel, natural embossed, inlet marker as manufactured by Almetek Industries or approved equal. Marker shall contain/state "No Dumping" with "Fish w/ Wave" symbol and "Drains to Waterways" legend. Marker shall contain 2" long x 1/4" diameter threaded rod and shall be installed flush and wet-set in top of inlet, centered on width of inlet opening.
- e. Down spouts and HVAC systems are not permitted to be connected to any storm drain conveyance system. All non-storm water discharges must either drain to landscaped areas, or be plumbed to the sewer.
- f. Fire suppression systems must be designed to be able to discharge to a sewer clean out for all maintenance and testing activities, or otherwise captured and contained on-site.
- g. California native/drought-tolerant plants shall be used to the maximum extent feasible to minimize the need for irrigation. Where irrigation is necessary, then the system shall be designed and installed to prevent overspray or irrigation runoff during normal operations and during a break in the line.
- h. The final Project submittal shall include a standalone Operation and Maintenance (O&M) Plan in accordance with the City of Santee BMP

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Design Manual.

10. Construction Site Storm Water Compliance
 - a. Provide proof of coverage under the General Permit for Discharges of Storm Water Associated with Construction Activity (Construction General Permit, 2009-0009-DWQ) prior to start of construction. This Project disturbs one or more acres of soil or disturbs less than one acre but is part of a larger common plan of development that in total disturbs one or more acres. Construction activity subject to this permit includes clearing, grading and disturbances to the ground such as stockpiling, or excavation.
 - b. Submit a copy of the draft Project specific Storm Water Pollution Prevention Plan (SWPPP) to the City for review and approval. The Construction SWPPP should contain a site map(s) which shows the construction site perimeter, existing and proposed buildings, lots, roadways, storm water collection and discharge points, general topography both before and after construction, and drainage patterns across the Project. The Construction SWPPP must list Best Management Practices (BMP's) the applicant will use to protect storm water runoff and the placement of those BMP's. Section XIV of the Construction General Permit describes the SWPPP requirements.
11. A Storm Water Facilities Maintenance Agreement accepting responsibility for all structural BMP maintenance, repair and replacement as outlined in said O&M plan binding on the land throughout the life of the Project will be required prior to issuance of building permit.
12. Submit two copies of a current preliminary title report (dated within six months of plan submittal) and two copies of all documents listed in the title report. Copies of recorded documents must be clear and legible copies of the original recorded document.
13. Provide additional notes and details on your plans regarding turning radius, access to all side of the building, FDC location, etc.
14. Santee requires a minimum 26-foot wide, paved "fire lane" access roadway through the development. The fire lane width shall be measured curb to curb (or edge of pavement to edge of pavement) and shall extend vertically from grade to the highest point of any structures or obstacles constructed adjacent to the fire lane. No building elements, balconies, drains, projections, or any other object shall encroach into this clear space. The fire lane(s) shall be identified by painting curbs red with white-stenciled letters indicating "NO PARKING – FIRE LANE" every 30 feet along all portions of the fire lane. Red stripes with white stenciled letters shall be painted on the curb or asphalt in front of garages along fire lanes as well. Or, signs shall be installed on the edge of the curb indicating the same. Placement of the signs shall be every 75 feet (or other approved spacing), placed in between the curb stenciling. Exact placement shall be approved by the fire code official prior to installation.

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Emergency access is required on all sides of the building.

Sheet A-1.1 shows off-site fire access to the hotel. A minimum of 26-foot wide access is required, and plans as proposed may need an off-site fire lane easement or redesign in order to meet the minimum access requirements.

15. A minimum of three (existing and/or new) hydrants will be required. Hydrants shall have two, 2 1/2" ports and one, 4" port, with a minimum fire flow of 3000 gallons per minute for 3 hours. Hydrants shall be of all bronze construction, painted "fire hydrant yellow" and be installed per Padre Dam Water District requirements. The exact location of required hydrants is to be determined by the fire code official prior to installation.
16. The building is required to be constructed with an approved automatic residential fire sprinkler system installed by a licensed fire sprinkler contractor designed to NFPA 13R standard. Separate plans are required to be submitted to the Fire Department for approval prior to installation. The fire sprinkler system is required to be monitored by an approved central station monitoring company. A Horn/Strobe (or equivalent) shall be located below each address placement for indication of fire sprinkler activation.
17. The building is required to have 2.5" wet standpipe connections on each floor in all stairwells connected to the automatic fire sprinkler system installed per NFPA 14 and 2022 CFC Chapter 9.
18. Group R-1 Occupancies shall have an automatic fire alarm system and smoke alarms installed in accordance with NFPA 72 and the 2022 California Fire Code, Section 907. An automatic smoke detection system that activates the occupant notification system shall be installed throughout all interior corridors serving sleeping units. Single and multiple-station smoke alarms shall be installed in accordance with 2022 CFC section 907.2.11.1. All dwelling and sleeping units shall be provided with the capability to support visible alarm notification appliances. A Licensed C-7 or C-10 Contractor shall submit plans, material specifications for review and approval prior to commencing work.
19. If required, fire pumps shall be installed per 2022 CFC, Section 913 and NFPA 20.
20. The building shall have a walk-in, enclosed, fire sprinkler riser room accessible from the outside of the building or address. The exact size and location of the riser room shall be approved by the Fire Department prior to construction. This room shall contain the fire pump & appropriate equipment, sprinkler riser(s) for the building/address, pressure gauges for the system, applicable valves, sprinkler head box, "test and drain" inspectors test valve and any diagrams or documentation for the fire protection systems. These rooms shall have exterior locking hardware and a Knox box shall be located at an approved location near the room for easy Fire Department access. The room shall also have a direct sewer connection inlet, of the appropriate size, for periodic maintenance and flushing of the automatic fire sprinkler system. The room shall be provided with lighting on the emergency circuit or have battery backup power. The exterior

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side of the riser room door shall have labeling or signage approved by the fire code official indicating "FIRE RISER/PUMP ROOM".

21. The double detector check valve assembly/Fire Department connection (RPDA/FDC) which supplies water to the automatic fire sprinkler system shall be placed in an approved location within 50 feet of a fire hydrant. The device shall be installed per San Diego County Regional Standard WF-05. The device may be painted to blend in with landscaping in the area. The (RPDA) device shall be stenciled with 2" white numbers indicating the address served. The assembly shall be equipped with a chain and breakaway locks for security. Location of these devices shall be approved prior to installation. The control valves on the device shall be monitored for tamper of the valves.
22. All exit pathways shall be equipped with approved emergency pathway lighting. Emergency lights shall be placed at each exit sign location, stairway landing, and other approved location. Exit lights shall be self-powered or have battery back-up power. Emergency lighting shall be approved by the fire code official prior to installation.
23. Stairway identification signs shall meet the requirements in 2022 CFC Chapter 10, Section 1023.
24. Emergency escape and rescue windows shall comply with 2022 California Fire Code Chapter 10, Section 1030.
25. Elevators must comply with the 2022 California Building Code, Chapter 30, and be gurney capable for emergency operations.
26. This Project is subject to requirement for persons with disabilities per California Building Code Title 24, Part 2, Sections 11B and 11A. This includes but is not limited to the following areas:
 - a. Accessible access to all facilities.
 - b. Verify exemption from a pool shower and toilet facilities. Both are required to be accessible. Note on the plans if pool will be limited to hotel guest with a room only for the exemption when submitting construction documents for plan review.
 - c. Review the provided van parking stall width per 11B-502.2. To accommodate vehicles with various types of lifts or ramp systems the 144-inch-wide stall is preferred to the 108-inch-wide stall. The stall of 108 inches is the exception to the standard in this section.
27. The wall screening the pool area and patio facing Town Center Parkway shall be designed so that it is only partially opaque, to the satisfaction of the City Planner.
28. Exterior artwork, such as murals or enhanced color treatments, shall be encouraged on the building facades facing Town Center Parkway in accordance with the design standards of the Arts & Entertainment District and to the satisfaction of the City Planner.

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29. The exterior finish of the trash enclosure shall be stucco, decorative block, or similar, to the satisfaction of the City Planner.
30. All HVAC equipment shall be screened from the right of way and all adjoining private property.
31. All trees along Town Center Parkway removed as a part of construction must be replaced in-kind. These trees must be shown on the landscape plan.
32. All areas that don't contain hardscape shall be landscaped.
33. The Project must incorporate risk reduction measures beyond the minimum building code requirements to the satisfaction of the Building Official, Fire Marshall, and any other applicable government agency.
34. Lighting for the Project shall be projected inward and/or southward toward Mission Gorge Road in order to reduce direct impact on wildlife using the San Diego River wildlife corridor.

K. Prior to issuance of a sign permit:

1. Signage shall be in compliance with the Art and Entertainment District sign requirements and with Chapter 13.32 of the Santee Municipal Code. The sign standards of the Art and Entertainment District shall prevail.

L. During grading, clearing, or construction the applicant shall:

1. Have a Native American monitor present during initial ground-disturbing activities.
2. Comply at all times with the following work hour requirements:
 - a. No site work, building construction, or related activities, including equipment mobilization will be permitted to start on the Project prior to 7:00 am and all work for the day shall be completed by 7:00 pm, no exceptions.
 - b. No work is permitted on Sundays or City Holidays.
 - c. No deliveries, including equipment drop off and pick-up, shall be made to the Project except between the hours of 8:00 am and 6:00 pm, Monday through Saturday, excluding Sundays and City Holidays. Deliveries of emergency supplies or equipment necessary to secure the site or protect the public are permitted.
 - d. If the applicant fails or is unable to enforce compliance with their contractors, subcontractors and material suppliers regarding the specified work hours, additional reduction of work hours may be imposed by the Department of Engineering Department.

In addition to the above the applicant shall erect one or more signs stating the work hour restrictions. Signs shall be installed as may be required, in the vicinity of the Project construction trailer if a job site trailer is used, or at such other locations as may be deemed appropriate by the Engineering Department. The

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sign shall be a minimum of 24" x 36" and shall be weather proofed. The sign content shall be provided by the Engineering Department.

3. Trench work when required within City streets shall be completed within two weeks of the initial start date, including placement of the final trench patch. Trench plates or temporary pavement placement shall be installed at the end of each work day. Advance warning signs on lighted barricades notifying the public of trench plates and or uneven pavement shall be placed and maintained until permanent pavement repairs are made. The maximum length of time including weekends and holidays that trench plates may remain on the street is 72 hours after which temporary or permanent asphalt paving shall be placed.
4. Vehicle access on Mission Gorge Road, Cuyamaca Street, Olive Lane, Town Center Parkway, Carlton Hills Boulevard, Woodside Avenue, and Riverview Parkway shall be maintained at all times and all work shall be done at night unless otherwise approved by the City Engineer. When day work is permitted, work hours shall be from 8:30 am to 3:30 pm, including set up and break down of traffic control. No day work will be permitted during the holiday season, defined as beginning the Saturday before Thanksgiving Day and shall extend through New Year's Day, unless otherwise approved by the City Planner.
5. Comply with all applicable sections of the Municipal Code, Land Development Manual and Public Works Standards of the City of Santee.
6. Use water trucks or sprinkler systems to keep all areas where vehicles travel damp enough to prevent dust from being raised when leaving the site.
7. Wet down areas in the late morning and after work is completed for the day.
8. Use low sulfur fuel (.05% by weight) for construction equipment.
9. Equipment engines must be maintained in proper tune.
10. Use water trucks or sprinkler systems to keep all areas where vehicles travel damp enough to prevent dust raised when leaving the site.
11. The applicant shall implement the geotechnical and remedial grading measures recommended in Section 6.0 of the EIR-Level Geotechnical Report: Amendment to Town Center Specific Plan (Geocon Incorporated 2004). Geotechnical recommendations include:
 - a. Removing and replacing fill and placed as compacted fill to provide suitable foundation and constructed improvement support.
 - b. Partial removal, moisture conditioning, and compaction of the upper levels of the alluvial soils.
 - c. Finish-grade elevations for building pads shall be designed so that at least 10 feet of compacted fill exists above groundwater.
 - d. Adequate drainage provisions are implemented.

M. After clearing, grading, earth moving, or excavation:

1. Wet area down sufficiently enough to form a crust on the surface with repeated

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soakings, as necessary to maintain the crust and prevent dust pick up by the wind.

2. Spread soil binders.
3. Implement street sweeping as necessary.
4. Revegetation of exposed soils on-site due to grading activity shall take place as early as feasible in order to minimize wind erosion.

N. Prior to Occupancy:

1. Provide two print copies and a digital copy of both the final approved Storm Water Quality Management Plan and the Operation and Maintenance Plan.
2. Submit a print and digital copy of the BMP Certification package. The BMP certification package includes but is not limited to: 'wet' signed and stamped certification form(s), all BMP related product receipts and materials delivery receipts, an inspection and installation log sheet, and photographs to document each stage of BMP installation.
3. Prior to issuance of occupancy, an executed contract must be in place with a qualified storm water service provider and a copy of the SWQMP provided to the consultant and the property manager.
4. The applicant shall place all new utilities required to serve the Project underground. No overhead facilities or extension of overhead facilities is permitted.
5. Plant all new trees in and within 10 feet of the public right-of-way with root control barriers.
6. Construct all improvements within the public right-of-way and improvements as shown on the approved precise grading plans. Improvements shall be completed to the satisfaction of the City Engineer.
7. Exact location of required hydrants is to be determined by the fire code official prior to installation.
8. Address numbers shall be placed near the roofline of the building visible from the street or access roadway. Numbers shall be block style, 12" in height, black in color (or other approved color), in contrast with their background. Address numbers shall also be illuminated for nighttime visibility.
9. A Knox Box key safe for emergency access of Fire Department personnel is required for the building. Knox Boxes shall be installed at the front entrance, riser room and other required location(s). Knox Box applications may be obtained from the Fire Department. Approval of the number and exact mounting location shall be determined by the fire code official prior to installation.
10. Santee has adopted the use of Knox Fire Department Connection (FDC) Plugs for FDC hose connections to the automatic fire sprinkler systems. These plugs ensure that the FDC's will be clear of obstructions and allow for the proper Fire

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Department use of automatic fire sprinkler systems. Knox Plugs can be ordered online directly from the Knox Company at Knoxbox.com. Order model #3043 (two per building if using Siamese connection).

11. A minimum of one, 2A10BC fire extinguisher shall be located every 75 feet of travel distance throughout the building, in cabinets. Exact extinguisher location to be determined by the fire code official prior to installation.
12. The Project lighting plan shall be reviewed and approved by the City Engineer to ensure that all lighting does not Project beyond the site boundaries in order to reduce direct impact on wildlife using the San Diego River wildlife corridor.
13. A bond, equal to the cost of full landscape installation, shall be required and shall not be released for a minimum of one year until said landscaping is demonstrated to be fully viable.
14. The applicant shall apply for a solar permit with the capacity of generating at least 1.5 watts of energy per square foot of building area in accordance with SMC 13.12.040.C.2.
15. Provide two print copies and a digital copy of both the final approved Storm Water Quality Management Plan and the Operation and Maintenance Plan.
16. Submit a print and digital copy of the BMP Certification package. The BMP certification package includes but is not limited to: 'wet' signed and stamped certification form(s), all BMP related product receipts and materials delivery receipts, an inspection and installation log sheet, and photographs to document each stage of BMP installation.
17. An executed contract must be in place with a qualified storm water service provider and a copy of the SWQMP provided to the consultant and the property manager.
18. Address numbers shall be placed near the roofline of each structure visible from the street. Numbers shall be block style, 12" in height, black in color (or other approved color), in contrast with their background. Address numbers shall also be illuminated for nighttime visibility. A Potter, "SASH-120" Horn/Strobe (or equivalent) shall be located below each address placement for indication of fire sprinkler activation. Exact location and color of address numbers shall be approved by the Fire Department prior to installation.
19. The buildings are required to be constructed with an approved automatic fire sprinkler system installed by a licensed fire sprinkler contractor. Separate plans are required to be submitted to the Fire Department for approval prior to installation. If the fire sprinkler system has 20 or more sprinkler heads, the sprinkler system is required to be monitored by an approved central station monitoring company. A Potter, "SASH-120" Horn/Strobe (or equivalent) shall be located below each address placement for indication of fire sprinkler activation.
20. Knox Box key safes for emergency access of Fire Department personnel are required for the buildings. Knox Boxes shall be installed at the front entrance

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of the restaurants. Knox Box applications may be obtained from the Fire Department.

21. Santee has adopted the use of Knox Fire Department Connection (FDC) Plugs for FDC hose connections to the automatic fire sprinkler systems. These plugs ensure that the FDC's will be clear of obstructions and allow for the proper Fire Department use of automatic fire sprinkler systems. Knox Plugs can be ordered online directly from the Knox Company at Knoxbox.com. Order FDC Plugs for use in the City of Santee. Order model #3043 (two per building if using Siamese connection). Contact Santee Fire Department if assistance is needed in ordering.
22. A minimum of one, 2A10BC fire extinguisher shall be located every 75 feet of travel distance throughout the building. Exact extinguisher location to be determined by the Fire Department prior to installation.
23. Provide permanent engraved, carved or embossed signs indicating "Occupant Load" (and the number of people allowed in the room or area) for each restaurant. The signs shall be a minimum of 8" x 10", with 3" block letters/numbers. Exact design, occupant load number and sign placement shall be approved by the Fire Department prior to installation.
24. One or more fire hydrants are required for your Project. These hydrants shall have two, 2 1/2" ports and one, 4" port, with a minimum fire flow of 3000 gallons per minute for 3 hours. Hydrants shall be of all bronze construction, painted "fire hydrant yellow" and be installed per Padre Dam Water District requirements. Exact location of required hydrants is to be determined by the fire code official prior to installation. All underground utilities including fire mains, fire hydrants and fire service underground devices shall be installed and approved prior to the delivery of construction materials.
25. Each building or address (equipped with an automatic fire sprinkler system) shall have a walk-in, enclosed, fire sprinkler riser room accessible from the outside of the building or address. The exact size and location of the riser room shall be approved by the Fire Department prior to construction. This room shall contain the fire sprinkler riser(s) for the building/address, pressure gauges for the system, applicable valves, sprinkler head box, "test and drain" inspectors test valve and any diagrams or documentation for the fire protection systems. These rooms shall have exterior locking hardware and a Knox box shall be located at an approved location near the room for easy Fire Department access. The room shall be provided with lighting on the emergency circuit or have battery backup power. The exterior side of the riser room door shall have labeling or signage approved by the fire code official indicating "FIRE RISER ROOM".
26. The underground water supply piping that feeds the automatic fire sprinkler system is required to be flushed of dirt and debris prior to connecting with the overhead portion of the automatic fire sprinkler system. The underground piping cannot be flushed into the storm drain system. This must be done into an on-site retention basin, or other approved means. This water discharge

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shall be planned for as a part of the on-site SWPPP. Please contact the Fire Department regarding other approved methods of flushing this underground system. Separate plans shall be submitted to the Fire Department for Underground Fire lines.

27. At the time of mid-construction, or Rough Fire Inspections, a GIS shape file or geo-referenced TIFF file of the site-plan shall be provided electronically or on digital media to the Fire Department for emergency response mapping. If neither of the two are available, a PDF shall be provided. The site plan shall show all fire access roadways/driveways, buildings, address numbers, fire hydrants, fire sprinkler connections, and other details as required. Please contact the Fire Department for exact details to be submitted for your Project.

SECTION 5: The applicant shall defend, indemnify, and hold harmless the City of Santee and its officers, employees, and agents from any claim, action, or proceeding against the City and/or its officers, employees or agents to attack or set aside, void, or annul the approval of the City of Santee concerning this Development Review Permit and Variance, or any action relating to or arising out of its approval.

SECTION 6: The terms and conditions of Development Review Permit DR2022-6 and Variance V2022-4 shall be binding upon the permittee and all persons, firms, and corporations having an interest in the property subject to this Development Review Permit and the heirs, executors, administrators, successors and assigns of each of them, including municipal corporations, public agencies and districts.

SECTION 7: The approval of Development Review Permit DR2022-6 and Variance V2022-4 expires on April 26, 2026 at 5:00 p.m. except where substantial use has commenced prior to its expiration. If use of the development has not commenced within the three-year period, said expiration date may be extended pursuant to a request for time extension received 60 days prior to the original expiration date. The City Council expressly grants to the City Planner the authority to extend the expiration date of this approval pursuant to Section 13.04.090 of the Santee Municipal Code, when a request for an extension is filed 60 days prior to the original expiration date.

SECTION 8: Pursuant to Government Code Section 66020, the 90-day approval period in which the applicant may protest the imposition of any fees, dedications, reservations, or exactions imposed pursuant to this approval, shall begin on April 26, 2023.

SECTION 9: The City of Santee hereby notifies the applicant that State Law (AB3158), effective January 1, 1991, requires certain projects to pay fees for purposes of funding the California Department of Fish and Wildlife. In order to comply with State Law, the applicant should remit to the City of Santee Planning & Building Department, within two (2) working days of the effective date of this approval (the "effective date" being the end of the appeal period, if applicable), a certified check payable to the "San Diego County Clerk" in the amount of \$50.00. Failure to remit the required fee in full within the time specified above will result in notification to the State that a fee was required but not paid, and could result in State imposed penalties and recovery under the provisions of the

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Revenue and Taxation Code. In addition, Section 21089 (b) of the Public Resources Code, and Section 711.4 (c) of the Fish and Game Code, provide that no Project shall be operative, vested, or final until the required filing fee is paid.

SECTION 10: The documents and materials that constitute the record of proceedings on which these findings have been based are located with the City Clerk at the City of Santee City Clerk's office at 10601 Magnolia Avenue, Building #3, Santee, CA 92071.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 26th day of April 2023, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

MEETING DATE

April 26, 2023

ITEM TITLE PUBLIC HEARING TO CONSIDER A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, APPROVING A HOTEL OPERATING AGREEMENT WITH EXCEL ACQUISITIONS, LP, ACCEPTING THE ACCOMPANYING ECONOMIC DEVELOPMENT SUBSIDY REPORT PREPARED PURSUANT TO GOVERNMENT CODE SECTION 53083, AND FINDING THAT THE ACTION IS NOT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

DIRECTOR/DEPARTMENT

Marlene Best, City Manager

SUMMARY

On February 15, 2022, the City and Excel Acquisitions, LP (“Excel”) entered into a Disposition and Development Agreement in connection with the sale of a vacant parcel of real property located in Trolley Square in Santee identified as Parcel 4 of Parcel Map 18857 (“Property”). Excel plans to develop the Property as a hotel and operate either a Marriott TownPlace Suites or a Hilton Home2Suites (“Hotel”) consisting of approximately 97 rooms, a breakfast seating area, a pool with deck, and approximately 60 parking spaces. The Development Review Permit and Variance for the Hotel project are being presented for City Council consideration at tonight’s meeting as a separate agenda item.

The City is authorized to collect transient occupancy taxes (“TOT”) from hotels and motels throughout the City pursuant to Revenue and Taxation Code Section 7280 and Santee Municipal Code Chapter 3.16. Such taxes are used for the general benefit and operations of the City.

The City and Excel have negotiated a Hotel Operating Agreement (“Agreement”), pursuant to which Excel will operate the Hotel within the City for at least 10 years, and in exchange, the City will provide an economic subsidy in the form of TOT-revenue sharing with Excel. The City will make quarterly payments to Excel equal to eighty-five percent (85%) of the net TOT revenue collected by Excel and received by the City from operation of the Hotel each calendar quarter, up to the cap amount of \$2,500,000.

Under Government Code section 53083, in order for the City to approve this tax-sharing Agreement with Excel, the City must hold a noticed public hearing and, before that time, post an Economic Development Subsidy Report on its website. The Economic Development Subsidy Report for the Agreement is attached to the Resolution and has been posted on the City’s website.

ENVIRONMENTAL REVIEW

Pursuant to the California Environmental Quality Act (“CEQA”) and the State CEQA Guidelines (Cal. Code Regs, tit. 14 § 15000 et seq.), approval of the Agreement and acceptance of the Economic Development Subsidy Report is not a “project” for purposes of CEQA and therefore is not subject to CEQA review. The Agreement and acceptance of the Economic Development

Subsidy Report is not a project pursuant to State CEQA Guidelines section 15378(b)(4), which states that government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant environmental impact are not subject to CEQA. Further, the Agreement and acceptance of the Economic Development Subsidy Report is not a project under State CEQA Guidelines section 15061(b)(3), which states that CEQA does not apply where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

FINANCIAL STATEMENT *HJ*

As outlined in the Economic Development Subsidy Report, the total TOT revenue collected by the City during the 10-year term of the Agreement is estimated at \$677,328 after fully distributing the \$2,500,000 in TOT-revenue sharing with Excel. Annual property tax revenues are estimated at \$43,000 in the first year, with indirect sales tax revenues of about \$7,926 annually from hotel guest local taxable expenditures. And beginning in year 11, the City would retain 100% of the estimated TOT revenue of \$344,531.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *AJ for MB*

1. Conduct and close the Public Hearing; and
2. Adopt the attached Resolution Approving the Hotel Operating Agreement with Excel Acquisitions, LP and Accepting the Accompanying Economic Development Subsidy Report Prepared in Accordance with Government Code Section 53083, and Finding that the Action is Not Subject to CEQA.

ATTACHMENTS

Staff Report

Resolution (w/ Agreement and Economic Development Subsidy Report attached)

STAFF REPORT

PUBLIC HEARING TO CONSIDER A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, APPROVING A HOTEL OPERATING AGREEMENT WITH EXCEL ACQUISITIONS, LP, ACCEPTING THE ACCOMPANYING ECONOMIC DEVELOPMENT SUBSIDY REPORT PREPARED PURSUANT TO GOVERNMENT CODE SECTION 53083, AND FINDING THAT THE ACTION IS NOT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

CITY COUNCIL MEETING April 26, 2023

A. BACKGROUND

On February 15, 2022, the City and Excel Acquisitions, LP (“Excel”) entered into a Disposition and Development Agreement in connection with the sale of a vacant parcel of real property located in Trolley Square in Santee identified as Parcel 4 of Parcel Map 18857 (“Property”). Excel plans to develop the Property as a hotel and operate either a Marriott TownPlace Suites or a Hilton Home2Suites (“Hotel”) consisting of approximately 97 rooms, a breakfast seating area, a pool with deck, and approximately 60 parking spaces. The Development Review Permit and Variance for the Hotel project are being presented for City Council consideration at tonight’s meeting as a separate agenda item.

The City is authorized to collect transient occupancy taxes (“TOT”) from hotels and motels throughout the City pursuant to Revenue and Taxation Code Section 7280 and Santee Municipal Code Chapter 3.16. Such taxes are used for the general benefit and operations of the City.

In exchange for Excel’s operation of the Hotel within the City, the City has agreed to provide an economic subsidy in the form of TOT-revenue sharing with Excel each calendar quarter. The details of the tax-sharing arrangement are set forth in the Hotel Operating Agreement presented for Council’s consideration, and are summarized below.

B. SUMMARY OF AGREEMENT TERMS

During the Agreement term, the City will make “Incentive Payments” to Excel in the amount equal to 85% of the net TOT revenue collected by Excel and received by the City from operation of the Hotel each calendar quarter. Excel will receive no more than \$2,500,000 total in Incentive Payments (“Cap Amount”).

The City Manager will not execute the Agreement until the Hotel has received a Certificate of Occupancy and Excel has provided written notice that the Hotel shall be open and fully operational within thirty (30) days of the notice. The Agreement will continue until (1) Excel

receives the 40th Incentive Payment, effectively a 10-year term; or (2) after the Incentive Payments reach the Cap Amount, whichever occurs first.

Once Excel has received Incentive Payments totaling the Cap Amount, the City's obligation to make Incentive Payments will cease but Excel shall be obligated to continue to operate the Hotel until the 10th anniversary of the Agreement.

During the term of the Agreement, Excel agrees to operate the Hotel and maintain the Hotel property in good condition and in compliance with the Santee Municipal Code.

C. ECONOMIC DEVELOPMENT SUBSIDY REPORT

Under Government Code section 53083, in order for the City to approve this tax-sharing Agreement with Excel, the City must hold a noticed public hearing and, before that time, post an economic development subsidy report on its website. The City published notice of this public hearing in the *East County Californian* on April 14, 2023. The City also posted the economic development subsidy report for this Agreement on its website, under "Economic Development Subsidy Reports" on the Economic Development page.

The Economic Development Subsidy Report includes the estimates and other information regarding the Agreement required by Government Code section 53083. This includes, beyond the estimated transient occupancy tax revenues described above, the 21 permanent jobs that will result from approval of this Agreement, and the significant economic benefits, including new and additional Property Tax and Sales Tax revenue for the City, enhancing the City's hospitality industry, and fostering a business and civic environment that will attract additional businesses and investments in the community.

In addition, the development of this site with a hotel use in the City's proposed Art and Entertainment District will act as a catalyst for development in the area. The hotel will provide foot traffic for both the Santee Trolley Square mall and the other proposed uses and venues in the area. Market research has shown that the addition of a hotel drives an increase in tourism which in turn supports local arts, schools and businesses.

D. RECOMMENDATION

1. Conduct and close the public hearing; and
2. Adopt the attached Resolution Approving the Hotel Operating Agreement with Excel Acquisitions, LP and Accepting the Accompanying Economic Development Subsidy Report Prepared in Accordance with Government Code Section 53083, and Finding that the Action is Not Subject to CEQA.

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, APPROVING A HOTEL OPERATING AGREEMENT WITH EXCEL ACQUISITIONS, LP, ACCEPTING THE ACCOMPANYING ECONOMIC DEVELOPMENT SUBSIDY REPORT PREPARED PURSUANT TO GOVERNMENT CODE SECTION 53083, AND FINDING THAT THE ACTION IS NOT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, On February 15, 2022, the City and Excel Acquisitions, LP (“Excel”) entered into a Disposition and Development Agreement in connection with the sale of a vacant parcel of real property located in Trolley Square in Santee identified as Parcel 4 of Parcel Map 18857 (“Property”). Excel plans to develop the Property as a hotel and operate either a Marriott TownPlace Suites or a Hilton Home2Suites (“Hotel”) consisting of approximately 97 rooms, a breakfast seating area, a pool with deck, and approximately 60 parking spaces; and

WHEREAS, the City is authorized to collect transient occupancy taxes (“TOT”) from hotels and motels throughout the City pursuant to Revenue and Taxation Code Section 7280 and Santee Municipal Code Chapter 3.16. Such taxes are used for the general benefit and operations of the City; and

WHEREAS, the City and Excel have negotiated a Hotel Operating Agreement (“Agreement”), pursuant to which Excel will operate the Hotel within the City for at least 10 years, and in exchange, the City will provide an economic subsidy in the form of TOT-revenue sharing with Excel; and

WHEREAS, pursuant to the Agreement, the City will make quarterly payments to Excel equal to eighty-five percent (85%) of the net TOT revenue collected by Excel and received by the City from operation of the Hotel each calendar quarter, up to the cap amount of \$2,500,000; and

WHEREAS, based on information provided by City staff, and other such written and oral evidence presented to the City, the City finds and determines that the allocation of funds to Excel pursuant to the Agreement is reasonably related to a legitimate governmental purpose in that the development and operation of the Hotel will provide numerous public benefits including:

- Generating substantial revenue for the City through additional TOT revenue which may be used by the City for the funding of necessary public services and facilities, including but not limited to, public safety services and facilities, public improvements and recreational opportunities that otherwise may not be available to the community for many years; and
- Supporting the expansion of visitor and tourism activity in the City; and

- The creation of wage-earner jobs in the hospitality and construction industry, and provide opportunity for additional job growth throughout the term of this Agreement; and
- Entering into this Agreement and ensuring the development and operation of the Hotel in the City may attract additional businesses and investment in the community due to increased services and economic activity in the area.

WHEREAS, in accordance with Government Code Section 53083, the City provided certain information in written form (the Economic Development Subsidy Report) to the public and on its website, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference, and held a noticed public hearing on April 26, 2023 to consider all written and oral comments on the Economic Development Subsidy Report; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, AS FOLLOWS:

SECTION 1. Incorporation of Recitals. The foregoing recitals are true and correct, and are incorporated herein.

SECTION 2. Findings. The City Council hereby finds that:

(a) Entering into this Agreement will serve the following public purposes:

(1) Through this Agreement, Excel will be committed to opening and operating a Hotel in the City and collecting TOT.

(2) The development and operation of the Hotel within the City will generate substantial revenue for the City, create new jobs, and result in community and public improvements that might not otherwise be available to the community for many years.

(3) Further, the development of this site with a hotel use in the City's proposed Art and Entertainment District will act as a catalyst for development in the area. The hotel will provide foot traffic for both the Santee Trolley Square mall and the other proposed uses and venues in the area. Market research has shown that the addition of a hotel drives an increase in tourism which in turn supports local arts, schools and businesses. The Hotel's presence in the City will improve the economic and social viability and vitality of the local community.

(b) Based upon these and other public benefits the public purposes of the Agreement outweigh any private benefit to private persons or entities.

(c) Contingent Obligations. The City finds that each City obligation is contingent upon separate consideration by Excel including but not limited to quarterly TOT generation.

SECTION 3. CEQA. The City Council hereby finds that pursuant to the California Environmental Quality Act (“CEQA”) (Pub. Res. Code, § 21000 et seq.) and the State CEQA Guidelines (Cal. Code Regs, tit. 14 § 15000 et seq.), approval of the Agreement and acceptance of the Economic Development Subsidy Report is not a “project” for purposes of CEQA and therefore is not subject to CEQA review. The Agreement and acceptance of the Economic Development Subsidy Report is not a project pursuant to State CEQA Guidelines section 15378(b)(4), which states that government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant environmental impact are not subject to CEQA. Further, the Agreement and acceptance of the Economic Development Subsidy Report is not a project under State CEQA Guidelines section 15061(b)(3), which states that CEQA does not apply where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SECTION 4. Acceptance of Economic Development Subsidy Report. The City Council finds and determines that this Economic Development Subsidy Report is in compliance with applicable law and specifically Government Code Section 53083.

SECTION 5. Approve Agreement. The City Council hereby approves the Hotel Operating Agreement in substantially final form as attached to this Resolution as Exhibit B. The City Council hereby authorizes the City Manager, with the concurrence of the City Attorney, to make any non-financially substantive changes determined to be appropriate and in the City’s interest and execute said Agreement. City Manager is hereby authorized to take any additional steps necessary to facilitate the intent of this action.

SECTION 6. Severability. If any provision of this Resolution is held invalid, the remainder of this Resolution shall not be affected by such invalidity, and the provisions of this Resolution are severable.

SECTION 6. Effective Date. This Resolution shall become effective immediately upon its adoption.

ADOPTED by the City Council of the City of Santee, California, at a regular meeting thereof held this 26th day of April, 2023 by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

EXHIBIT A
ECONOMIC DEVELOPMENT SUBSIDY REPORT

[Attached behind this cover page]

**ECONOMIC DEVELOPMENT SUBSIDY REPORT
PURSUANT TO GOVERNMENT CODE SECTION 53083**

**FOR A HOTEL OPERATING AGREEMENT
BY AND BETWEEN
CITY OF SANTEE
AND
EXCEL ACQUISITIONS, LP**

Pursuant to Government Code Section 53083, the City Council of the City of Santee must hold a noticed public hearing and, prior to the public hearing, provide all of the following information in written form and available to the public and through the City's website, regarding a proposed economic development subsidy to be provided by the City pursuant to a Hotel Operating Agreement by and between the City of Santee and Excel Acquisitions, LP ("Agreement"). Notice was published in the local newspaper for a public hearing to be held on April 26, 2023.

The purpose of this report is to provide the information required pursuant to Government Code Section 53083 in regards to the Agreement. This report shall remain available to the public and posted on the City's website until the end date of the economic development subsidy, as further described in number 2 below.

- 1. The name and address of all corporations or any other business entities, except for sole proprietorships, that are the beneficiary of the economic development subsidy.**

The Agreement is with Excel Acquisitions, a limited partnership ("Excel"). Excel is the sole beneficiary of the economic development subsidy.

Excel Acquisitions, LP.
10174 Old Grove Road
San Diego, CA 92131

- 2. The start and end dates and schedule, if applicable, for the economic development subsidy.**

If the Agreement is approved by the City Council, no later than the 60th day from the end of the calendar quarter following the date Excel's hotel ("Hotel") is open for business (no later than June 8, 2027), the City shall pay the Incentive Payment (defined in the next paragraph) to Excel. The Agreement will continue until (1) Excel receives the 40th Incentive Payment, effectively a 10-year term; or (2) after the Incentive Payments reach the cap amount of \$2,500,000; whichever occurs first.

3. A description of the economic development subsidy, including the estimated total amount of the expenditure of public funds by, or of revenue lost to, the local agency as a result of the economic development subsidy.

The economic development subsidy shall be a maximum of Two Million Five Hundred Thousand Dollars (\$2,500,000) which will be paid to Excel in quarterly "Incentive Payments" in the amount equal to 85% of the net TOT revenue collected by Excel and received by the City from operation of the Hotel. The payments will continue for a period of 40 quarters (or 10-years), or until the cap amount of \$2,500,000 has been paid, whichever occurs first. From that point forward, the City will receive 100% of the annual TOT revenue stream generated by the Hotel. For the first 10-year period, it is estimated the project would generate a total of \$3,177,328 in TOT revenues, with \$2,500,000 supporting the Incentive Payments, and with a balance of \$677,328 paid to the City. However, commencing in Year 11, the City would retain 100% of the estimated TOT revenue of \$344,531, and the total revenue for Years 11-15 would reach \$1,775,114. The cumulative total of TOT revenues to the City for Years 1-15 are estimated at over \$2.45 million.

The City has further determined that the ongoing revenue stream and economic benefits from the development and operation of the Hotel will more than exceed the investment of \$2.5 million in economic subsidy payments over the ten-year period. These projected revenues are further explained in Section 5.

4. A statement of the public purposes for the economic development subsidy.

This project will address a long-standing need for a larger scale hotel to serve the community. Currently, the City has only three hotels ranging from 47 room to 57 rooms (158 rooms total), and the most-recently constructed hotel was completed in 1988. Santee Sportsplex USA is located less than a mile from this hotel site, and draws close to 400,000 annual visitors and books over 50 major tournaments a year, in addition to hosting sports teams and special event. Prior to this project, local Santee hotels have not been able to successfully compete to be a designated hotel for visiting sports teams. This has been a significant loss to the local economy, in terms of hotel guests and related spending. This 97-room all-suites hotel would be ideally suited for visiting teams and their families and would enable the City to retain a share of hotel stays generated by the Sportsplex.

The economic development subsidy will ensure that Excel operates the Hotel within the City for a period of not less than 10 years, and this will become a centerpiece development within the Santee Town Center and a key hospitality development supporting the new Arts and Entertainment District.

As a visitor-serving, hospitality use, this will contribute to the economic vitality of Santee, by enhancing local spending and providing an ongoing revenue stream to the City in Transient Occupancy Tax, Sales Tax and Property Tax.

The City has determined that the development and operation of the Hotel will generate substantial revenue for the City, allow for the retention and creation of new jobs, and result in community and public improvements that might not otherwise be available to the community for many years.

Further, the development and operation of the Hotel serves the additional public purpose of fostering a business and civic environment that may attract additional businesses and investment in the community due to the availability of the increased public and private services and economic activity resulting therefrom, thereby assisting the City in its goal of furthering the development of the community.

5. The projected tax revenue to the local agency as a result of the economic development subsidy.

Transient Occupancy Tax will comprise the largest revenue stream from the Hotel, and this will also support the \$2.5 million economic development subsidy payments over an estimated 10-year period. For that first 10-year period, it is estimated the City would receive \$677,328 in TOT revenues after deducting the quarterly "Incentive Payments". Commencing in Year 11, the City would retain 100% of the estimated TOT revenue of \$344,531, and the City would continue receiving 100% of the TOT revenue stream from that point forward.

The value of the new improvements associated with the Hotel is estimated at \$15.9 million, along with the Land value of \$1.4 million, for an Assessed Value of approximately \$17.3 million. This will result in additional real property taxes in the amount of \$43,000 in the first year, reaching a cumulative total of \$225,000 in property tax revenues over the first five years.

The City will also receive \$712,385 in Development Impact Fees as a result of development of the Hotel.

As an all-suites, limited service product, the Hotel will not directly generate significant sale tax revenues to the City. However, it will generate indirect sales tax revenue through hotel guests and their local taxable purchases. For example, 97 rooms at 65% occupancy would result in 63 occupied rooms with 1.5 guests per room, for 93 guests on a daily basis. On an average, hotel guests spend about \$42 in taxable expenditures for restaurant, gasoline and incidental purchases on a daily basis. Then assume at least half those purchases would be retained locally, for an additional \$720,510 in taxable local purchases annually, and indirect Sales Tax revenue of \$7,926.

6. The estimated number of jobs created by the economic development subsidy, broken down by full-time, part-time, and temporary positions.

The operation of the Hotel within the City is anticipated to result in approximately 21 new hospitality jobs over the term of the agreement. For this type of limited service, all-suites property, the employees per room factor would be .22,

resulting in 21 employees servicing this 97-room hotel. Of these, 14 would be full-time or salaried positions (about 65%), and 7 would be part-time or shift workers. The job creation factor is on the lower range because it is an all-suites product with no restaurant and limited service.

Additionally, there will be job creation benefits from the development of the hotel during the 14-18 month estimated construction period will support over 60 temporary construction jobs during that period.

These workers will contribute to the local economy on a daily basis with local spending on food, gasoline and goods and services.

EXHIBIT B
HOTEL OPERATING AGREEMENT

[Attached behind this cover page]

HOTEL OPERATING AGREEMENT

This Agreement is made this _____ day of _____, 2023.

Between: EXCEL ACQUISITION, LP AND/OR ASSIGNEE
10174 Old Grove Road
San Diego, CA 92131
("Operator")

And: CITY OF SANTEE
a Charter City
10601 N. Magnolia Ave
Santee CA 92071
("City")

Witness That Whereas:

- A. The City of Santee is authorized to collect transient occupancy taxes (TOT) from hotels and motels throughout the City pursuant to Revenue and Taxation Code Section 7280 and Santee Municipal Code Sections 3.16 et. seq. Such taxes are used for the general benefit and operations of the City of Santee; and
- B. City wishes to provide economic incentives for the operation of hotel facilities because providing such incentives encourages the operation of hotels which might not be otherwise viable and because the operation of quality hotels in the City furthers the economic climate for businesses and citizens in the City, provides employment, provides needed services, and generates transient occupancy tax revenue in excess of amounts made available in the form of incentives; and because City wishes to ensure that any new hotel facility remain in operation for a minimum of ten (10) years; and
- C. Operator has represented that it will operate either a Marriott TownPlace Suites or a Hilton Home2 Suites (hereinafter referred to as the "Hotel") consisting of approximately 97 rooms, a breakfast seating area, a pool with deck, and approximately 60 parking spaces on the site known as Parcel 4 of Parcel Map 18857, (identified in this Agreement as "the Hotel"). The Hotel is more precisely described on **Exhibit A**, which is attached and incorporated by this reference.
- D. Operator will enter into a 10-year franchise agreement with Marriott or Hilton for the operation of the Hotel. The Franchise Agreement will contain requirements which Operator must follow in the management, staffing, operation, furnishing and maintenance of the Hotel.

NOW THEREFORE, it is mutually agreed by and between Operator and City as follows:

- 1. Term. This Agreement shall commence automatically on the date which the City Manager executes this Agreement, and end on the earlier of a) the receipt of the 40th Incentive Payment, effectively a 10-year term, or b) after the Incentive Payments reach the Cap Amount in Section 2(C) below ("Term"). The City Manager shall not execute this Agreement until the Hotel has received a Certificate of Occupancy and Operator has

provided written notice that the Hotel shall be open and fully operational within thirty (30) days of the notice.

2. City Payment. In exchange for the Operator's covenants and commitments set forth in this Agreement, City shall make incentive payments ("Incentive Payments" and each, an "Incentive Payment") to Operator, as follows:

A. Time of Incentive Payment:

- i. The Incentive Payment shall be made on a quarterly basis no later than the 60th day from the end of each calendar quarter, following the Commencement of Operations (as defined and required in Section 8) and repeating every quarter during the Term in the amount described in Section 2(B) of this Agreement.
- ii. Incentive Payments shall be remitted to the Operator within 30 days of a written request from the Operator, receipt of the quarterly TOT payment from the Operator and upon submission by the Operator of proof of full satisfaction of Sections 8 and 11, when applicable.

B. Amount of Incentive Payment:

- i. During the Term, the Incentive Payment shall equal 85% of the net TOT revenue collected by the Operator and received by the City from the operation of the Hotel during each respective calendar quarter.

C. Incentive Payment Cap:

- i. During the Term, Operator will receive no more than \$2,500,000.00 cumulatively in Incentive Payments ("Cap Amount"). Once Operator is in receipt of Incentive Payments totaling the Cap Amount, the City's obligation to make Incentive Payments will cease but Operator shall be obligated to continue to perform under this Agreement until the 10th anniversary of this Agreement.

- D. No Accrual of Interest for Disputed Incentive Payment(s). The City and Operator agree that any disputed amount shall not accrue interest during the pendency of any Negotiation Period or subsequent legal proceeding (including any appeals filed in connection therewith), unless the court makes a determination upon recommendation of the referee that the City acted in bad faith with regard to the dispute, in which case, any amount ultimately adjudged to be owing by the City shall be deemed to have accrued interest at the rate of four percent (4%) simple interest per annum, commencing on the ninetieth (90th) day following the date the payment was due to Operator. Operator hereby waives, to the maximum legal extent, the right to the imposition of any different rate of interest in accordance with any provision of law.

- E. Incentive Payment Paid From Any Source of City Funds. Any Incentive Payment due pursuant to this Agreement may be payable from any source of any funds of the City legally available for such purpose. The City covenants to reasonably consider such actions as may be necessary to include all payments owed hereunder in each of its annual budgets during the Term and to reasonably consider the necessary annual budgetary appropriations for all such payments.

- F. Making Incentive Payment Is A Contingent Obligation of City. The City's obligations under Section 2 are contingent on a fiscal quarter to fiscal quarter basis and, for each quarter within the Term, the City's obligations to make any payments to Operator under this Agreement are expressly contingent upon Operator, for the entirety of such quarter, completely fulfilling its material obligations under this Agreement.
3. Use and Operation of the Site. Operator covenants and agrees for itself, its successors, assigns, and every successor in interest to the Site, as follows:
- A. To commence operations of the Hotel as defined in Section 8 in accordance with the Franchise Agreement.
- B. For the term of this Agreement to continuously use and operate the Hotel in accordance with the following: During such Operating Period, the Hotel shall be operated under the name of Franchisor (Marriott TownPlace Suites or Hilton Home2 Suites). In addition, the City shall have the right, acting in its reasonable discretion, to approve any proposed changes in the Franchisor and/or Operator of the Hotel, provided that such proposed franchisor and/or proposed operator shall operate the Hotel at a quality standard not less than that imposed by the Franchisor pursuant to the Franchise Agreement initially executed hereunder, and provided further that such proposed franchisor and/or proposed operator shall have the financial capability and operating experience equivalent to or greater than the Franchisor and/or Operator, as the case may be, and shall consent to continue to operate, or cause the operation, as the case may be, of the Hotel in the condition and at a quality level substantially equivalent to the condition and quality level, as the case may be, as existed as of the date of Commencement of Operation.
- C. Operator's Covenant to Use Property In Accordance With Agreement. Operator covenants and agrees for itself, its successors and assigns and all voluntary and involuntary successors in interest to the Property or any part thereof, that the Property shall, for the Term, be put to no use other than operation of the Hotel, as more precisely described on Exhibit A.
4. Operator's Covenant Not to Discriminate. Operator covenants by and for itself, himself or herself, its, his or her heirs, executors, administrators, and assigns, and all Persons claiming under or through it, him or her, and this Agreement is made and accepted upon and subject to the following conditions:
- That there shall be no discrimination against or segregation of any Person or group of Persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the Property nor shall Company, itself, himself or herself, or any Person claiming under or through it, him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the Property.*
5. Compliance With Governmental Requirements. The Operator shall carry out the operation of the Hotel in conformity with all Governmental Requirements. Upon the request of the City, the Operator shall certify to the City that it is in compliance with the requirements of

this Section. "Governmental Requirements" means all applicable Federal, State, and Local laws, ordinances, statutes, codes, rules, regulations, orders and decrees, including all applicable state labor standards, the City zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the City's Municipal Code, and all applicable disabled and handicapped access requirements. If Applicable, Operator and its contractors and subcontractors shall comply with all governmental requirements applicable to public works, including without limitation the payment of prevailing wages in compliance with the CA Labor Code.

Operator acknowledges that the City has made no representation, express or implied, to Operator or any person associated with Company regarding whether laborers employed relative to the construction and installation of improvements on the Property must be paid the prevailing per diem wage rate for the labor classification, and Operator agrees that Operator shall be solely responsible for determining whether or not such laborers must be paid the prevailing *per diem* wage rate. Supplementing the indemnity set forth in Section 10 below, Operator shall defend, indemnify and hold harmless the City Indemnitees (as defined in Section 10) from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure of Operator to comply with such Laws relating to this Agreement, including but not limited to California Labor Code Section 1781.

6. Maintenance Covenants. During the term of this Agreement, the Operator covenants and agrees for itself, its successors, assigns, and every successor in interest to the Site or any part thereof, that the Operator shall maintain the Site and the Hotel to the curb line, in good condition conforming to all applicable local laws, and shall keep the Site free from any accumulation of debris or waste materials. The Operator shall maintain the landscaping required to be planted on the Site in a healthy condition in accordance with the approved landscape plan. The Site shall be maintained in compliance with the applicable provisions of the City Municipal Code. The foregoing covenants shall run with the land. Operator agrees to maintain the Property as provided herein and the violation of this covenant, whether or not civil or criminal action is commenced for such violation, shall be a breach of this Agreement.
7. Minimum Quality With Respect to the Hotel. During the term of this Agreement, the furniture, fixtures and equipment for each guest room, and hotel common areas shall be at least equivalent in quality to the furniture, fixtures and equipment in the Marriott or Hilton Standards Manual or any successor document. Operator agrees to provide City with a copy of the current Marriott or Hilton Standards Manual or any successor document.
8. Commencement of Hotel Operations. Operator shall have the Hotel open for business in such a manner as to generate transient occupancy tax no later than June 8, 2027 unless extended by a separate written agreement between the Parties ("Commencement of Operations"). Notwithstanding the above, if the Entitlement Date for the Hotel, as defined in Section 3.5(f) of the Disposition and Development Agreement between the parties dated February 15, 2022 ("DDA"), is extended pursuant to Section 3.5(f)(1)(iii) of the DDA due to challenges or appeals of the project entitlements, then the Commencement of Operations shall be extended by an equivalent amount of time. Operator shall at all times during this Agreement shall operate the Hotel in a commercially reasonable and productive manner.
9. Payment of Transient Occupancy Taxes. The specific and timely performance of all obligations of Operator to pay Transient Occupancy Taxes under the Santee Municipal

Code is a material part of this Agreement, and this Agreement shall not alter any provision of the Santee Municipal Code or the California Revenue and Taxation Code pertaining to transient occupancy taxes, and all such taxes shall be due and payable at all times according to law. Nothing in this Agreement shall relieve Operator of its obligations to file all returns and other reports in a timely manner, and to remit the full amount of transient occupancy taxes due and payable to the City pursuant to Section 3.16.010 *et. seq.* of the Santee Municipal Code (the "TOT Law").

10. Operator's Indemnity. The Operator shall Indemnify the City, its elected and appointed officials, its officers and employees, attorneys, contractors, and volunteers (together, the "City Indemnitees") from and against any and all liabilities, including without limitation all claims, losses, damages, penalties, fines, and judgments, associated investigation and administrative expenses, and defense costs, including but not limited to reasonable attorneys' fees, court costs and costs of alternative dispute resolution, ("Liabilities") of any kind or nature relating to the subject matter of this Agreement or the implementation thereof, including without limitation, the obligations to proceed in accordance with the Governmental Requirements as set forth in section 5, and for any damages to property or injuries to persons, including accidental death (and attorney's fees and costs), which may be caused by acts or omissions of the Operator under this Agreement, whether such activities or performance thereof be by the Operator or by anyone directly or indirectly employed or contracted by the Operator and whether such damage shall accrue or be discovered before or after termination of this Agreement. The Operator shall not be liable for property damage or bodily injury if and to the extent such property damage or bodily injury is directly and proximately caused by the sole or gross negligence or willful misconduct of the City Indemnitees.

The Operator shall have the obligation to defend any such action covered by this Section; provided, however, if and to the extent that Operator determines in its reasonable discretion that such action is meritorious or that the interests of the parties justify a compromise or a settlement of such action, after consultation with and reasonable consent from the City, Operator shall compromise or settle such action in a way that fully protects City from any Liabilities. In this regard, Operator's obligation to defend shall include the right to hire (subject to the reasonable written approval by the City) attorneys and experts necessary to defend, the right to process and settle reasonable claims, the right to enter into reasonable settlement agreements and pay amounts as required by the terms of such settlement, and the right to pay any judgments assessed against Operator and/or City. If Operator defends any such action, as set forth above, it shall Indemnify the City Indemnitees from and against any Liabilities assessed or awarded against any of them by way of judgment, order, decree, settlement, or stipulation.

All rights, duties and obligations of this indemnification shall survive the termination or expiration of this Agreement.

11. Taxes and Assessments. At all times, the Operator shall pay, prior to delinquency, all ad valorem real estate taxes and assessments on the Hotel, subject to the Operator's right to contest in good faith any such taxes. The Operator shall remove or have removed any levy, lien, or attachment made on the Site or any part thereof with respect to real estate taxes and assessments on the Site accruing after the commencement of the Term, or assure the satisfaction thereof within a reasonable time. The Operator shall not apply for or receive any exemption from the payment of property taxes or assessments on any interest in or to the Site or the Hotel.

12. Default and Remedies.

A. Operator Default.

- i. Any one or all of the following events shall constitute a default by Operator:
 - a) Any intentionally misleading statement, misrepresentation or warranty of Operator herein or in any other writing at any time furnished by Operator to the City that materially harms the City or materially diminishes the benefit of the Agreement to the City;
 - b) Nonperformance when due of any of the obligations described herein, or failure to perform any obligation or covenant contained herein, after any applicable cure periods;
 - c) The filing by or against Operator of a petition for relief under the U.S. Bankruptcy Code (11 U.S.C. §§ 101 *et seq.*), the making of an assignment for the benefit of creditors, the appointment of a receiver or trustee with respect to all or a portion of Operator's assets, or the seeking of relief under any bankruptcy or debtor relief law;
- ii. Upon the occurrence of a default(s), the City may immediately suspend and stop any further or pending Incentive Payments and shall provide written notice to Operator, and the Operator shall thereafter have sixty (60) days to cure such default(s). In the event Operator fails to so cure, the City shall have all of the rights and remedies prescribed at law or in equity, including but not limited to the TOT Law. Furthermore, the City may terminate this Agreement on written notice to the Operator and shall thereafter have no further obligation to disburse any Incentive Payment.

B. City Default.

- i. Any one or all of the following events shall constitute a default by City:
 - a) Failure to make any payment when due under this Agreement.

13. Relationship Between City and Operator. It is hereby acknowledged that the relationship between the City and the Operator is not that of a partnership or joint venture and that the City and the Operator shall not be deemed or construed for any purpose to be the agent of the other. Accordingly, except as expressly provided herein or in the Attachments hereto, the City shall have no rights, powers, duties or obligations with respect to the development, operation, maintenance or management of the Hotel. The Operator agrees to indemnify, hold harmless and defend the City, to the same extent as set forth in Section 10 above, from any claim made against the City arising from a claimed relationship of partnership or joint venture between the City and the Operator with respect to the development, operation, maintenance or management of the Site or the Hotel.

14. City Approvals and Actions. The City shall maintain authority of this Agreement and the authority to implement this Agreement through the City Manager (or his or her duly authorized representative). The City Manager shall have the administrative authority, but not the obligation, to make approvals, issue interpretations, waive provisions, and/or enter into amendments of this Agreement on behalf of the City so long as such actions do not

materially or substantially change the uses or development permitted on the Site, or add to the costs incurred or to be incurred by the City as specified herein, and such approvals, interpretations, waivers and/or amendments may include extensions of time to perform. Notwithstanding the foregoing, the City Manager may, in her sole discretion, seek the approval of the City Council for any modification of this Agreement. All other material and/or substantive interpretations, waivers, or amendments shall require the consideration, action and written consent of the City Council.

15. Assignment. Pursuant to the terms of the Disposition and Development Agreement between the Parties dated February 15, 2022, the Operator shall have the right to assign its rights and obligations under this Agreement to another person or entity without prior written consent of the City after the Certificate of Occupancy has been issued for the Hotel. Notwithstanding the foregoing, Operator shall not assign or transfer this Agreement, in whole or in part, without first providing written notice to the City and receiving a written consent of the transfer from the City. If the City fails to consent to the transfer within thirty (30) days, it shall be deemed to have granted its consent. Notwithstanding the foregoing, an Assignment of this Agreement may only be made to a new Operator in conjunction with the sale or transfer of the Hotel unless the assignee is a subsidiary or affiliate in which the Operator owns a majority interest. Operator, within five (5) days of the effectiveness of such assignment, shall deliver a copy of the fully executed assignment agreement to the City. Failure to notify the City and wait for the consent or to deliver the executed assignment agreement to the City in accordance with this Section shall be a default under this Agreement.
16. Successors and Assigns. All of the terms, covenants and conditions of this Agreement shall be binding upon the Operator and its permitted successors and assigns. Whenever the term "Operator" is used in this Agreement, such term shall include any other permitted successors and assigns as herein provided.
17. Legal Advice. Each party represents and warrants to the other the following: they have carefully read this Agreement, and in signing this Agreement, they do so with full knowledge of any right which they may have; they have received independent legal advice from their respective legal counsel as to the matters set forth in this Agreement, or have knowingly chosen not to consult legal counsel as to the matters set forth in this Agreement; and, they have freely signed this Agreement without any reliance upon any agreement, promise, statement or representation by or on behalf of the other party, or their respective agents, employees, or attorneys, except as specifically set forth in this Agreement, and without duress or coercion, whether economic or otherwise.
18. Entire Agreement; Amendment. This Agreement and its Attachments are the entire understanding of the parties, and there are no other terms or conditions, written or oral, controlling this matter. In the event of any conflict between this Agreement and any of its Attachments, the provisions of this Agreement shall prevail. If the parties desire to amend this Agreement, the amendment must be executed by all parties in writing.
19. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provisions of this Agreement.
20. Headings. The titles and headings of the various sections of this Agreement are intended solely for reference and are not intended to explain, modify or place any interpretation upon any provision of this Agreement.

21. Choice of Law. This Agreement is governed by the laws of the State of California. Venue for all actions arising from this Agreement shall be exclusively in the state or federal courts located in San Diego County, California.
22. Notices to Parties. Any statements, communications or notices to be provided pursuant to this Agreement must be sent to the attention of the persons who have signed below at the addresses first written above. Each party agrees to promptly send notice of any changes of contact or other information to the other party at the addresses first written above.
23. Non-Liability of Officials and Employees of the City. No member, elected or appointed official or employee of the City shall be personally liable hereunder, in the event of any default or breach by the City or for any amount which may become due to the Operator or its successors by the City, or on any obligations of the City under the terms of this Agreement.
24. Non-Interest of Officials and Employees of the City in Agreement. No member of the City Council of City and no other officer, employee or agent of the City who exercises any functions or responsibilities in connection with the carrying out of the City's work shall have any personal interest, direct or indirect, in this Agreement.
25. Attorneys' Fees. In any action between the parties to interpret, enforce, reform, modify, rescind, or otherwise in connection with any of the terms or provisions of this Agreement, the prevailing party in the action (including appeals) shall be entitled, in addition to damages, injunctive relief, or any other relief to which it might be entitled, reasonable costs and expenses including, without limitation, litigation costs and reasonable attorneys' fees.
26. No Waiver. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
27. Time. Time is of the essence in this Agreement and each and all of its provisions.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties below are authorized to act on behalf of their organizations and have executed this Agreement as of the date set forth below.

EXCEL ACQUISITION, LP AND/OR ASSIGNEE.

Date: _____

Signature

Name & Title (please print)

Date: _____

CITY OF SANTEE

Marlene Best, City Manager

(The above signature must be notarized)

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY
Shawn Hagerty, City Attorney

By: _____

EXHIBIT A
Project Description

The Project shall consist of the following minimum elements:

Hotel: A 4-story hotel consisting of a approximately 97 rooms (plus or minus 5% depending upon site restrictions and Hilton or Marriott requirements for room type/size and amenities), a breakfast seating area, a pool with deck, and approximately 60 parking spaces.

MEETING DATE April 26, 2023

ITEM TITLE COMMUNITY RISK ASSESSMENT AND LONG-RANGE MASTER PLAN STAFF UPDATES; FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA")

DIRECTOR/DEPARTMENT Justin Matsushita, Fire Chief *J*

SUMMARY

This is an informational item regarding the Community Risk Assessment and Long-Range Master Plan prepared by AP Triton, LLC.

At the April 13, 2022 Council meeting, the City Council authorized the execution of a Professional Services Agreement with AP Triton, LLC to prepare a comprehensive analysis, which included a community risk assessment, evaluation of current conditions, future delivery models for current and future fire station locations and development.

Staff, as well as a representative from AP Triton, LLC, presented the findings and recommendations of the Community Risk Assessment and Long-Range Master Plan on March 22, 2023.

Staff will provide an update on the progress and plan for implementation, related to the recommendations from the Community Risk Assessment and Long-Range Master Plan. Information will be provided for Council's consideration and further direction.

FINANCIAL STATEMENT *HY*

The fiscal impact is currently undeterminable and will depend on the direction to be provided by the City Council and the future actions that may be taken as a result of that direction.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *KV for MB*

Receive presentation and provide further direction to staff.

ATTACHMENT

None

MEETING DATE April 26, 2023

ITEM TITLE RECOMMENDATION FROM THE SALARY SETTING ADVISORY COMMITTEE REGARDING COMPENSATION FOR THE MAYOR AND CITY COUNCIL AND FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)

DIRECTOR/DEPARTMENT Annette Ortiz, CMC, City Clerk

SUMMARY

In accordance with the Santee City Charter, the Salary Setting Advisory Committee convened on April 4, 2023 to review the compensation and benefits of the Mayor and City Council in order to make a recommendation regarding the appropriate level of salary and benefits changes. The Committee considered the City Council’s current and historical salary and benefits in comparison to the salaries and benefits of other elected city officials in the County. Below is the Committee’s recommendation, which will be presented to the City Council:

- Increase Mayor and Council Salary 5% in Fiscal Year 2023-24 and 2% in Fiscal Year 2024-25.
- Increase auto allowance to \$550.00 per month for the Mayor and \$450.00 per month for Council Members.
- No increase to technology allowance.

The last increase in salary for the Mayor and Council was made pursuant to Resolution 053-2021:

	Salary Increase FY 2021-22	Salary Increase FY 2022-23	Auto Allowance Effective Date: July 1, 2021	Tech. Allowance Effective Date: July 1, 2021
Mayor	1.5%	1.5%	\$450.00 month	\$90.00 month
City Council	1.5%	1.5%	\$400.00 month	\$90.00 month

The attached staff report provides the section from the City Charter that outlines the salary setting process for the Mayor and City Council, and provides a comparison of salaries, auto allowance and technology allowance for elected city officials in San Diego County.

FINANCIAL STATEMENT *HJ*

The total cost of the Committee’s recommendation is \$13,300.00, \$10,400.00 in year one and \$2,900.00 in year two. Any increases approved for the next fiscal year will be included in the Fiscal Year 2023-24 Proposed Budget. Increases approved for year two will be included in the Fiscal Year 2024-25 Proposed Budget.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *KV for MB*

Receive recommendation and provide direction to staff.

ATTACHMENT

Staff Report



STAFF REPORT

RECOMMENDATION FROM THE SALARY SETTING ADVISORY COMMITTEE REGARDING COMPENSATION FOR THE MAYOR AND CITY COUNCIL

CITY COUNCIL MEETING

April 26, 2023

With regard to compensation of the Mayor and City Council, general law cities operate under State law (Government Code §36516 et seq.), which authorizes a city council to enact an ordinance approving a salary increase up to 5% per calendar year, to be effective at the beginning of a new term of office.

Historically, the Santee City Council adopted such an Ordinance according to the Government Code up until January 20, 2009, when Santee officially became a Charter City and established a Salary Setting Advisory Committee to make recommendations regarding the appropriate level of salary and benefits for the Mayor and City Council. Specifically, City Charter Article IV, Section 400 provides:

The City Council shall, from time to time, establish a Salary Setting Advisory Committee to make recommendations regarding the appropriate level of salary and benefits for the Mayor and the City Council. The City Council may establish the appropriate composition, membership and procedures for the Salary Setting Advisory Committee. The City Council shall not adjust the salary and benefits of the Mayor or the City Council in a manner not otherwise expressly authorized by the laws of the State of California applicable to general law cities unless and until it establishes the Salary Setting Advisory Committee and receives a recommendation from the Committee.

Essentially, as a charter city, Santee may follow either of the two processes to set salaries:

1. Santee City Charter § 400 – Salary Setting Advisory Committee Recommendation
 - a. The Committee must first make a recommendation before the Council can act to adjust the salary in a manner not expressly authorized by state law. In other words, if the Council receives a recommendation from the Committee, salary increases could exceed the State's limit of 5% per year.
 - b. Council does not have to approve the Committee's recommendation; Council can set salaries different from the recommendation but only after receiving the recommendation.
 - c. Salary increases can go into effect at any time, but cannot be retroactive. For example, the City Council may want to apply an increase on July 1 to coincide with the beginning of the new fiscal year.
2. State Law – California Government Code § 36516
 - a. Does not require a recommendation from the Committee.

- b. Allows for regular salary adjustments, not to exceed 5% for each calendar year from the date of the last adjustment, but cannot be compounded.
- c. Salary increases cannot be automatic; the City Council must adopt a new Ordinance each year.
- d. No increase may take effect until the beginning of a new term of office.

Following the April 4, 2023, Salary Setting Advisory Committee Meeting, the Committee is recommending the following changes based on the five Committee Members that were present:

- Increase Mayor and Council Salary 5% in Fiscal Year 2023-24 and 2% in Fiscal Year 2024-25, with four members voting aye, Committee Member Damoor voting no. Committee Members Bisignano and Savage were absent.
- Increase the auto allowance to \$550.00 per month for the Mayor and \$450.00 per month for Council Members, with four members voting aye, Committee Member Damoor voting no and Committee Members Bisignano and Savage were absent.
- No increase to technology, with all members voting aye, Committee Members Bisignano and Savage were absent.

**Comparison of Other Cities in San Diego County
Monthly Salaries**

as of March 2023

Sorted by Mayor

CITY	Council Salary	Mayor Salary	Population
1. Escondido	2,088.43	5,895.09 ⁽¹⁾	153,177
2. National City	1,546.71	5,211.00 ⁽¹⁾	55,450
3. El Cajon	2,194.00	3,167.00	108,237
4. Vista	2,955.00	3,067.00	99,746
5. Santee	1,780.64	3,000.93	60,022
6. Carlsbad	2,187.61	2,287.61	116,358
7. Oceanside	1,932.75	2,107.92	174,578
8. La Mesa	1,000.00	2,000.00	62,339
9. Poway	1,373.16	1,922.43	49,150
10. Encinitas	1,719.70	1,819.70	62,754
11. Imperial Beach	641.00	1,441.00	26,080
12. Lemon Grove	802.99	1,405.21	28,320
13. San Marcos	977.64	977.64	98,148
14. Solana Beach	860.00	960.00	12,962
15. Coronado	913.50	913.50	24,697
16. Del Mar	300.00	300.00	3,922
San Diego	11,253.67	18,756.17	1,410,791
Chula Vista	5,040.75	12,601.87	283,438

⁽¹⁾Escondido and National City have a full time Mayor
San Diego and Chula Vista have full-time Mayor & City Council

**Comparison of Other Cities in San Diego County
Monthly Salaries**

as of March 2023

Sorted by Council

CITY	Council Salary	Mayor Salary	Population
1. Vista	2,955.00	3,067.00	99,746
2. Carlsbad	2,187.61	2,287.61	116,358
3. El Cajon	2,194.00	3,167.00	108,237
4. Escondido	2,088.43	5,895.09 ⁽¹⁾	153,177
5. Oceanside	1,932.75	2,107.92	174,578
6. Santee	1,780.64	3,000.93	60,022
7. Encinitas	1,719.70	1,819.70	62,754
8. National City	1,546.71	5,211.00 ⁽¹⁾	55,450
9. Poway	1,373.16	1,922.43	49,150
10. La Mesa	1,000.00	2,000.00	62,339
11. San Marcos	977.64	977.64	98,148
12. Coronado	913.50	913.50	24,697
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16. Del Mar	300.00	300.00	3,922
 San Diego	 11,253.67	 18,756.17	 1,410,791
Chula Vista	5,040.75	12,601.87	283,438

*⁽¹⁾Escondido and National City have a full time Mayor
San Diego and Chula Vista have full-time Mayor & City Council*

**Comparison of Other Cities in San Diego County
Auto Allowance**
as of Mach 2023

CITY	Council Auto Allowance	Mayor Auto Allowance
1. National City	none	750 ⁽¹⁾
2. Escondido	750	750 ⁽¹⁾
3. El Cajon	450	550
4. Santee	400	450
5. Carlsbad	350	450
6. Oceanside	350	400
7. La Mesa	350	400
8. Encinitas	350	350
9. Solana Beach	350	350
10. San Marcos	300	300
11. Poway	420	300
12. Coronado	150	225
13. Lemon Grove	175	175
14. Vista	none	none
15. Del Mar	none	none
16. Imperial Beach	none	none
San Diego	none	none
Chula Vista	550	1,000

⁽¹⁾ Full-time Mayor

San Diego and Chula Vista have full-time Mayor & City Council

**Comparison of Other Cities in San Diego County
Tech Allowance**
as of March 2023

CITY	Council Tech Allowance	Mayor Tech Allowance
1. Vista	\$90/mo	\$90/mo
1. Santee	\$90/mo	\$90/mo
3. Poway	\$50/mo	\$50/mo
4. Escondido	none ⁽¹⁾	none ⁽¹⁾
5. Carlsbad	none	none
6. National City	none	none
7. El Cajon	none	none
8. Oceanside	none	none
9. La Mesa	none	none
10. Encinitas	none	none
11. Solana Beach	none	none
12. San Marcos	none	none
13. Coronado	none	none
14. Lemon Grove	none	none
15. Del Mar	none	none
16. Imperial Beach	none	none
San Diego	unknown	unknown
Chula Vista	unknown	unknown

⁽¹⁾ Cellphone issued to Mayor and City Council

MEETING DATE April 26, 2023

ITEM TITLE APPOINTMENT OF SECOND ALTERNATE TO SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS); FINDING THE ACTION IS NOT A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

DIRECTOR/DEPARTMENT John W. Minto, Mayor

SUMMARY

Council Member Hall has requested a second alternate be appointed to San Diego Metropolitan Transit System (MTS). Currently, Council Member Hall is the representative and Vice Mayor Koval is the alternate. Policy LPM 2018-1 authorizes the City Council to make appointments to the City's Boards, Commissions, and Committees at any regular or special council meeting. This item requests that City Council appoint a second alternate to San Diego Metropolitan Transit System (MTS).

Mayor Minto will call for a vote on his recommendation and direct the City Clerk to send notice of the appointment. The term will begin on April 27, 2023 and expire on January 22, 2025.

ENVIRONMENTAL REVIEW

This action is an administrative activity of government, and is not a project subject to CEQA pursuant to State CEQA Guidelines section 15378.

FINANCIAL STATEMENT

None.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION

Take action on the Mayor's *John W. Minto* recommendation for a second alternate to San Diego Metropolitan Transit System (MTS).

ATTACHMENT

Current Local Appointment List – Council Committees

CITY OF SANTEE – LOCAL APPOINTMENT LIST
BOARDS, COMMISSIONS AND COMMITTEES

(February 2023)

Council Committees

CITY COUNCIL & SANTEE ELEMENTARY SCHOOL DISTRICT CONFERENCE COMMITTEE

Qualifications: Member of the City Council or School Board; terms are annual

	Appointed	Current Term Expiration
Representative – Council Member Rob McNelis	12/14/22	01/22/25
Representative – Council Member Dustin Trotter	12/14/22	01/22/25

EAST COUNTY ECONOMIC DEVELOPMENT COUNCIL

Qualifications: Member of the City Council; terms are annual

	Appointed	Current Term Expiration
Representative – Council Member Dustin Trotter	12/14/22	01/22/25
Alternate – Council Member Ronn Hall	12/14/22	01/22/25

GOODAN RANCH POLICY COMMITTEE

Qualifications: Three elected representatives from the County of San Diego, City of Poway and City of Santee; terms are annual

	Appointed	Current Term Expiration
Representative – Council Member Dustin Trotter	12/14/22	01/22/25
Alternate – Council Member Rob McNelis	12/14/22	01/22/25

HEARTLAND COMMUNICATIONS FACILITY COMMISSION*

Each public agency which is a party to this agreement has one seat on the Commission. The cities of El Cajon, Lemon Grove, Santee, and La Mesa, and the Alpine, Bostonia, Lakeside and San Miguel Fire Protection Districts jointly equip, maintain, operate and staff a facility, thereby providing emergency services of receiving and dispatching calls to said public agencies; term is per appointing agency

	Appointed	Current Term Expiration
Representative – Vice Mayor Laura Koval	12/14/22	01/22/25
Alternate – Council Member Rob McNelis	12/14/22	01/22/25

**Stipend Received*

HEARTLAND FIRE TRAINING FACILITY AUTHORITY COMMISSION*

Qualifications: Agency member Heartland Fire Training Facility Authority; term is per appointing agency

	Appointed	Current Term Expiration
Representative – Council Member Rob McNelis	12/14/22	01/22/25
Alternate – Council Member Ronn Hall	12/14/22	01/22/25

**Stipend Received*

LOCAL APPOINTMENTS LIST, REVISED FEBRUARY 2023

LEAGUE OF CALIFORNIA CITIES*

Qualifications: Member of the City Council; terms are annual.

	Appointed	Current Term Expiration
Representative – Mayor John W. Minto	12/14/22	01/22/25
Alternate – Council Member Ronn Hall	12/14/22	01/22/25

**Any Council Member may choose to attend any individual event*

MISSION TRAILS REGIONAL PARK TASK FORCE

Qualifications: Member of City Council; terms are annual

	Appointed	Current Term Expiration
Representative – Council Member Dustin Trotter	12/14/22	01/22/25
Alternate – Council Member Rob McNelis	12/14/22	01/22/25

SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG) Board of Directors*

Qualifications: Member of the City Council; terms are annual

	Appointed	Current Term Expiration
Representative – Mayor John W. Minto	12/14/22	01/22/25
Alternate – Vice Mayor Laura Koval	12/14/22	01/22/25
2 nd Alternate – Council Member Ronn Hall	12/14/22	01/22/25

**Stipend Received*

SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)*

Qualifications: Member of the City Council; terms are annual.

	Appointed	Current Term Expiration
Representative – Council Member Ronn Hall	12/14/22	01/22/25
Alternate – Vice Mayor Laura Koval	12/14/22	01/22/25

**Stipend Received*

SAN DIEGO RIVER CONSERVANCY BOARD

Qualifications: Member of the City Council; terms are annual.

	Appointed	Current Term Expiration
Representative – Council Member Dustin Trotter	12/14/22	01/22/25
Alternate – Vice Mayor Laura Koval	02/22/23	01/22/25

SANTEE-LAKESIDE EMERGENCY MEDICAL SERVICES AUTHORITY (SLEMSA)

Qualifications: Member of the City Council; term is per appointing agency.

	Appointed	Current Term Expiration
Representative – Vice Mayor Laura Koval	12/14/22	01/22/25
Representative – Council Member Dustin Trotter	12/14/22	01/22/25
Alternate – Mayor John W. Minto	12/14/22	01/22/25