

7.0 EFFECTS FOUND NOT TO BE SIGNIFICANT

Section 15128 of the State CEQA Guidelines requires an EIR to contain a statement briefly indicating the reasons that various possible significant effects of a project were determined not to be significant and were, therefore, not discussed in detail in the EIR. Pursuant to Section 15128 of the CEQA Guidelines, the following issue areas were determined not to have the potential to cause adverse effects, and therefore have not been addressed in detail in the EIR.

7.1 AGRICULTURAL RESOURCES AND FORESTRY

The proposed project site is currently the location of an approved and on-going development, is fully graded, and does not contain land that is designated as prime agricultural soils by the Soils Conservation Service, nor does it contain prime farmlands designated by the California Department of Conservation. The site is not subject to, nor is it near, a Williamson Act contract site pursuant to Sections 51200-51207 of the California Government Code. Therefore, impacts associated with agricultural resources are not considered significant.

The project area is urban and not designated as a prime farmland, unique farmland, or a farmland of statewide importance. No agricultural lands are located on or adjacent to the site. The site is designated as developed land and is not designated as farmland under the *Farmland Mapping and Monitoring Program* of the California Department of Conservation or the City of San Diego's Progress Guide and General Plan. Thus, no impact on important farmlands would occur with the proposed project.

7.2 MINERAL RESOURCES

The project site is the location of an approved urban development. The site not designated as a mineral resource area. The proposed project would not result in the loss of availability of any mineral resources that would be a value to the region.

7.3 RECREATION

As the project does not propose an increase in residential units. An increase in local or regional population would not occur as a direct result of project implementation. As proposed project would not result in an increase in population, the project would not increase the use of recreational facilities such that substantial physical deterioration of the facility would occur. The proposed project would result in no impacts to recreation.

7.4 POPULATION AND HOUSING

The project does not propose housing and would not result in an increase in population. The project proposes commercial services and office space that would serve the surrounding communities and the local region. The project would not induce substantial population growth in an area. Additionally, the project does not propose the extension of roads or other infrastructure and, therefore, does not have the potential to indirectly increase population or housing. Furthermore, the project does not displace substantial numbers of existing housing, which could necessitate the construction of replacement housing elsewhere. Therefore, the project does not have the potential to result in environmental effects associated with population and housing.

8.0 GROWTH INDUCEMENT

8.1 EXISTING CONDITIONS

Growth inducement is usually associated with projects that foster economic or population growth, or construct additional housing, which either directly or indirectly results in the construction of new infrastructure facilities. According to Section 15126.2(d) of the CEQA Guidelines, *“It must not be assumed that growth in any area is necessarily beneficial, detrimental, or of little significance to the environment.”*

The approximately 34.39-acre project site is located within the Miramar Ranch North Community Plan Area and is designated for Industrial uses. The project proposes to change the land use designation to Regional Commercial/Residential Prohibited. Because the Community Plan would be amended, this would result in an amendment to the City’s General Plan as the Community Plan functions as the land use plan for the Miramar Ranch North community of the City.

The project site is identified as a location for Prime Industrial Land in the City. Prime Industrial Lands are defined in the Economic Prosperity Element of the City’s General Plan as *“areas that support export-oriented base sector activities such as warehouse distribution, heavy or light manufacturing, research and development uses. These areas are part of even larger areas that provide a significant benefit to the regional economy and meet General Plan goals and objectives to encourage a strong economic base.”* In order to develop the site with the proposed mix of commercial and office uses, the project would remove the Prime Industrial Lands identification from the project site, requiring that the General Plan be amended to reflect this change.

The project site is zoned IL-2-1, which allows for light industrial and corporate office uses on the project site. The project would rezone a portion of the project site from IP-2-1 (Industrial-Park) to CR-2-1 (Commercial-Regional) to allow development as a mixed used retail commercial and office development.

The Watermark project site was a part of the larger Scripps Gateway project, originally approved in 1998. The Watermark portion of the Scripps Gateway project is identified as the location of the industrial park uses, originally approved as a PID permit, and was zoned M-IP (now the IP-2-1 zone) as part of the original approvals. Subsequently amended in 2001, current entitlements on the project site allow development of the MedImpact corporate campus to be comprised of seven buildings for use as office, employee training, a cafeteria, exercise facility, and childcare facility (for employee use only) for a total of 658,456 square feet. The existing approvals allow for the construction of two Class A office buildings, totaling 350,743 square feet, as the new corporate headquarters for MedImpact Healthcare Systems, Inc. The first of the two buildings (approximately 155,000 square feet) and parking structure have been constructed on the project site.

Although the project proposes new entitlements, the site would still develop with urban uses in a similar manner as anticipated by the Community Plan and existing entitlements. Growth inducing impacts would not occur, as analyzed below.

8.2 Impact Analysis

Thresholds of Significance

The City of San Diego's Significance Thresholds provides guidance to determine potential significance for growth inducement. Based on the Thresholds, a significant impact could occur if a project would:

- Induce substantial population growth in an area, either directly (for example by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure).

Issue 1

Would the proposed project:

- *Induce substantial population growth in an area, (for example, by proposing new homes and commercial or industrial businesses beyond the land use density/intensity envisioned in the community plan)?*
- *Substantially alter the planned location, distribution, density, or growth rate of the population of an area?*
- *Include extensions of roads or other infrastructure not assumed in the community plan or adopted Capital Improvements Project list, when such infrastructure exceeds the needs of the project and could accommodate future developments?*

Impact Analysis

The proposed project does not include the provision for residential units. Further, the project is an infill development, located within the existing circulation network and infrastructure on land previous graded for projects under the existing entitlements. The proposed project would not foster population growth, either directly or indirectly. The project may foster economic growth for the City, by providing a retail center to serve the Miramar Ranch North community. However, this economic growth would not trigger population growth, as the new economic opportunities serve the existing community.

The proposed project would alter the project site to allow for development of the Watermark project. No new impacts are anticipated, with the exception of direct and cumulative traffic impacts and impacts to air quality impacts associated with construction. Those impacts would be mitigated on a similar level as would be required for development projects in the City. A discussion of the project's direct impacts to these environmental issue areas, as well as mitigation measures to reduce those impacts if determined to be significant are included in the following sections of this EIR:

- Section 5.2, *Transportation/Traffic Circulation/Parking (Direct and Cumulative)*
- Section 5.4, *Air Quality (Direct – construction)*

Significance of Impacts

The proposed project would not result in a substantial increase to the urban development anticipated in the Miramar Ranch Community Plan for the project site. The project is in keeping with anticipated growth for the area. The project does not propose the extension of public services or roadways that could potential result in indirect growth impacts.

Mitigation Measures

Previous sections of this EIR present mitigation measures that would reduce to below a level of significance environmental issues associated with Air Quality (short-term/construction) and Public Utilities (Solid Waste). Impacts associated with traffic would remain significant and unmitigated even with implementation of recommended mitigation measures. Therefore, the decision-maker must consider project alternatives to further reduce or avoid significant unmitigable impacts or adopt a Statement of Overriding Considerations that explain why the project can be approved in light of its significant and unmitigable impacts.

9.0 SIGNIFICANT IRREVERSIBLE ENVIRONMENTAL CHANGES

As required by Section 15126.2(c) of the CEQA Guidelines, the significant irreversible environmental changes of a project shall be identified. Irreversible commitments of non-renewable resources are evaluated to assure that their use is justified. Irreversible environmental changes typically fall into three categories: primary impacts, such as the use of nonrenewable resources; secondary impacts, such as highway improvements which provide access to previously inaccessible areas; and environmental accidents associated with a project.

Future development would occur on the project site as a result of the proposed project, which would entail the commitment of energy and natural resources. The primary energy source would be fossil fuels, representing an irreversible commitment of this resource. Construction of the project would also require the use of construction materials, including cement, concrete, lumber, steel, etc., and labor. These resources would also be irreversibly committed.

Once constructed, use of the Watermark project would entail a further commitment of energy resources in the form of fossil fuels and electricity. This commitment would be a long-term obligation since the proposed structures are likely to have a useful life of 20 to 30 years or more. However, as discussed in Section 5.6, *Energy*, of this EIR, the impacts of increased energy usage are not considered significant adverse environmental impacts.

10.0 ALTERNATIVES

In accordance with Section 15126.6(a) of the CEQA Guidelines, an EIR must contain a discussion of "*a range of reasonable alternatives to a project, or the location of a project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives.*" Section 15126.6(f) further states that "*the range of alternatives in an EIR is governed by the 'rule of reason' that requires the EIR to set forth only those alternatives necessary to permit a reasoned choice.*" Thus, the following discussion focuses on project alternatives that are capable of eliminating significant environmental impacts or substantially reducing them as compared to the proposed project, even if the alternative would impede the attainment of some project objectives, or would be more costly. In accordance with Section 15126.6(f)(1) of the State CEQA Guidelines, among the factors that may be taken into account when addressing the feasibility of alternatives are: (1) site suitability; (2) economic viability; (3) availability of infrastructure; (4) general plan consistency; (5) other plans or regulatory limitations; (6) jurisdictional boundaries; and (7) whether the proponent can reasonably acquire, control, or otherwise have access to the alternative site.

As required in CEQA Guidelines Section 15126.6(a), in developing the alternatives to be addressed in this section, consideration was given regarding an alternative's ability to meet most of the basic objectives of the proposed project. These objectives are presented in Section 3.0, *Project Description*, of this EIR and are re-printed below for reference:

- Create a coherent and signature design statement at a community gateway to Miramar Ranch North.
- Provide flexibility in the allocation of commercial office and retail development based on market demand and consistent with limitations established by the Traffic Impact Analysis prepared for the project.
- Allow for retail uses currently unavailable in the surrounding market area.
- Implement design guidelines that would ensure high quality design and aesthetics, creating a landmark for the community.
- Provide quasi-public space for community use in the form of a pedestrian plaza as a focal point for the project, which would function as a lively gathering place for visitors, employees, and neighbors.
- Implement transportation (vehicular, bicycle, and pedestrian) improvements that would improve operations of the current roadway and bicycle network and would encourage pedestrian use.

Based on the analysis contained in Section 5.0 of this EIR, the proposed project would result in significant impacts to: Transportation/Traffic Circulation/Parking (direct and cumulative) and Air Quality (direct relative to construction). Mitigation measures have been identified which would reduce direct and cumulative impacts to below a level of significance for all significant impacts except: Transportation/Traffic Circulation/Parking (direct and cumulative). The alternatives identified in this analysis are intended to further reduce or avoid significant environmental impacts associated with the proposed project.

In accordance with Section 15126.6(c) of the State CEQA Guidelines, the following analysis of project alternatives is preceded by a brief description of the rationale for selecting the alternatives to be discussed. In addition, alternatives are identified that were considered but rejected.

10.1 Alternatives Considered But Rejected

The following alternative was considered for the proposed project. This alternative was rejected from further consideration due to a lack of meeting the project objectives.

Alternative Location Alternative

The Watermark project is proposed to serve as a regional commercial center and provide shopping opportunities that are not provided by local neighborhood and community retail, with Class A office buildings (MedImpact) designed as a corporate campus. According to the *Watermark Fiscal Revenue Generation Study* (The London Group, July 2012), the growth in the I-15 corridor has increased the demand for specialty retailers that is being served by the emergence of lifestyle retail centers. The project has been designed to fit on a much smaller footprint than the traditional regional center that includes multiple anchor tenants. Its location would provide easy access to I-15 for employees and would attract users from the I-15 corridor communities and the region at large. The site is also located between two major regional centers to serve an emerging clientele in this area along the I-15 corridor and would provide an increase in corporate office space.

There are no other sites or areas within Miramar Ranch North or adjoining communities appropriately located and of sufficient size that could develop in a manner similar to that proposed by the Watermark project. Additionally, there are no other sites under the applicant's control along the I-15 corridor of sufficient size to allow development of a mixed-use commercial center that meets the project's objectives. There are no other leaseable areas or buildings that would meet the locational and size criteria for the project.

In accordance with CEQA Guidelines Section 15126.6(f)(2), alternative locations for the proposed project would be considered if “*any of the significant effects of the project would be avoided or substantially lessened by putting the project in another location. Only locations that would avoid or substantially lessens any of the significant effects of the project would need to be considered for inclusion in the EIR.*” Moving the Watermark project to an alternative site in the community or other areas of the City would not avoid or substantially lessen the project's impacts and could result in greater environmental effects. For example, the project is proposed for a graded site that is slated for development in the Miramar Ranch North Community Plan. The site has easy access to public streets and freeways. Given traffic congestion in the City and County, traffic impacts from any alternative site would have the potential to impact circulation segments, intersections, and freeways. A similar level of intensity as the proposed project constructed at another site in the City or County could have the same level of impacts relative to air quality and GHG emissions. However, the project site has a potential advantage over other sites from an environmental resources standpoint, as the project site does not possess sensitive biological or important cultural resources. Other sites in the City or County may contain significant sensitive resources, and development on another site could result in impacts to biological resources and impacts to cultural resources, which would not occur at the proposed project site.

For these reasons, there are no other feasible alternative locations for the Watermark project as proposed that would meet the project's objectives. Therefore, the Alternative Location Alternative has been rejected.

10.2 Alternatives Considered

Alternatives to the Watermark project are considered and discussed in this section. These include the "No Project" alternative that is mandated by CEQA and other alternatives that were developed in the course of project planning and environmental review for the proposed project. Specifically, the following project alternatives are addressed in this EIR:

- Alternative 1 – No Project/Development Under Existing Approvals Alternative
- Alternative 2 – Light Industrial Park Alternative
- Alternative 3 – Prime Industrial Lands Alternative
- Alternative 4 – Reduced Intensity – 17 Percent Reduction In Trips Alternative

Relative to the requirement to address a "No Project" alternative, CEQA Guidelines Section 15126.6(e) states that:

When the project is the revision of an existing land use or regulatory plan, policy or ongoing operation, the "no project" alternative will be the continuation of the existing plan, policy or operation into the future.

If the project is other than a land use or regulatory plan, for example a development project on identifiable property, the "no project" alternative is the circumstance under which the project does not proceed.

For the Watermark project, the No Project/Development Under Existing Approvals Alternative would develop the project site in accordance with the approved CUP/PID 991027. In other words, if the proposed Watermark project does not go forward, the existing entitlements as described in Section 2.3, *Project History*, of this EIR would remain in effect, and the project site could be developed in accordance with those existing approvals.

10.2.1 Alternatives Analysis

The impacts of each alternative are analyzed in this section of the EIR. The review of alternatives includes an evaluation to determine if any specific environmental characteristic would have an effect that is "*substantially less*," than the proposed project. A significant effect is defined in Section 15382 of the CEQA Guidelines as "*a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project.*" As presented in Section 5.0, *Environmental Analysis*, this EIR has determined that the proposed project could result in significant environmental impacts associated with Transportation/Traffic Circulation/Parking (direct and cumulative), and Air Quality (direct during construction). All other environmental issue areas were found not to result in significant impacts.

The discussion of project alternatives in this section provides:

- A description of the alternative considered;
- The identification of the impacts of the alternative;
- A comparative analysis of the impacts of the alternative under consideration and the

proposed project. The focus of this comparative analysis is to determine if the alternative is capable of eliminating or substantially reducing the significant environmental effects of the proposed project;

- An analysis of whether the alternatives are feasible (as defined by State CEQA Guidelines, Section 15364), meet the objectives of the project (described in Section 3.0 of this EIR), and remain under consideration.

Table 10-1, *Comparison of Alternatives to Proposed Project*, presented at the end of this section provides a comparison of environmental issues for all alternatives analyzed in this section.

10.2.2 Alternative 1 – No Project/Development Under Existing Approvals Alternative

Under the No Project/Development Under Existing Approvals Alternative, the proposed project would not proceed. Instead, the project site would develop under existing approvals. Therefore, the No Project/Development Under Existing Approvals Alternative involves development of the 34.39-acre site as permitted under the approved CUP/PID No. 99-1027. The approved CUP/PID No. 99-1027 allows development of corporate office structures and ancillary buildings on the project site, including the construction of seven buildings for use as office, employee training, cafeteria, exercise facility, and child daycare facility for a total of 658,456 square feet. This alternative also assumes that no additional grading would be required to construct the existing entitlements.

A Final EIR for the Scripps Gateway project (dated July 16, 1998) was certified for the existing approvals/previous project (LDR No. 92-0466; SCH No. 92101036). That EIR concluded that the Scripps Gateway project could result in significant impacts associated with Land Use, Landform Alteration/Visual Quality, Biological Resources, Noise, Archaeological Resources, Hydrology/Water Quality, Traffic Circulation, Public Services/Facilities, Traffic, Air Quality, and Paleontological Resources. Mitigation measures incorporated into the Scripps Gateway project reduce all significant impacts to below a level of significance, with the exception of Land Use (MSCP) (direct and cumulative), Landform Alteration/Visual Quality (direct and cumulative), Biological Resources (cumulative), Hydrology/Water Quality (cumulative), Traffic Circulation (cumulative), and Air Quality (cumulative).

Environmental Analysis

Land Use. The Watermark project proposes an amendment to the Miramar Ranch North Community Plan to change the land use from Industrial to Retail Commercial/Residential Prohibited and to rezone a portion of the project site from IP-2-1 to CR-2-1. The proposed project would also remove the General Plan's Prime Industrial Land identification from the project site. As presented in Section 5.1, *Land Use*, of this EIR, while the existing development (Corporate Office) on a portion of the project site (Area B) implements the recommendations of the Community Plan, the proposed project requires a Community Plan Amendment to change the land use designation from Industrial to Regional Commercial on Area A.

Also presented in Section 5.1, the proposed project does not implement the General Plan policies regarding Prime Industrial Lands and is inconsistent with the General Plan, in that the project proposes to remove the Prime Industrial Lands identification and amend the land use from Industrial to Regional Commercial to allow for development of a mixed-use project. Therefore, a

General Plan Amendment is required to remove Area A from the Prime Industrial Lands indication. The analysis presented in this EIR shows that this conversion would not significantly impact the availability of industrial land in the area, or adversely impact Prime Industrial Lands in San Diego. No significant environmental impacts would result from the project's proposal to remove the Prime Industrial Land identification to allow for the development of a mixed-use commercial center. The project's proposal to change the land use designation and remove the Prime Industrial Lands identification would result in secondary environmental effects. Secondary effects associated with the project's proposal to remove the Prime Industrial Lands identification and develop Area A as a mix of commercial uses would result in increased traffic and associated increase air quality emissions, greenhouse gas emissions, and noise levels.

The No Project/Development Under Existing Approvals Alternative would be consistent with the Miramar Ranch North Community Plan, because it would result in development of the project site as anticipated by the existing project approvals. This alternative would be consistent with the City's General Plan relative to Prime Industrial lands. The existing approvals call for development of a corporate headquarters for MedImpact and would include additional office space suitable for corporate headquarters, an employee training area, cafeteria, exercise facility, and child daycare facility. Such uses meet the General Plan's intent for Prime Industrial Lands. According to the Economic Prosperity element of the General Plan, Prime Industrial Lands are "*intended to protect valuable employment land for base sector industries*" (City of San Diego General Plan, Economic Prosperity element, page EP-7). "*Base sector industries primarily include the functions of manufacturing, research and development, assembly, and corporate headquarters*" (City of San Diego General Plan, Economic Prosperity element, page EP-6). The No Project/Development Under Existing Approvals Alternative would not result in environmental impacts beyond those already anticipated with the approved entitlements (LDR No. 99-1027).

Transportation/Traffic/Circulation/Parking. The proposed project would result in a target development intensity of an additional 151,369 square feet of commercial office space (beyond what currently exists and is approved for MedImpact on Lots 1 and 2), 316,000 square feet of commercial retail space, 43,917 square feet of movie theatre, and a 130-room hotel. The proposed project results in a maximum 18,552 cumulative ADT with 583 trips in the AM peak hour and 1,726 trips in the PM peak hour. The proposed project results in direct and cumulatively significant traffic impacts associated with roadway segments and intersections. No significant impacts to freeways and freeway ramps would occur with the proposed project. Mitigation measures are provided that would reduce impacts to intersections to below a level of significance; significant impacts at some roadway segments would not be fully reduced to below a level of significance and, therefore, would remain unmitigated. Including the traffic that would be generated by the existing MedImpact facilities on Lot 1 and the approved but not yet built development of the MedImpact facilities that can occur on Lot 1 and 2 (3,243 cumulative ADT, with 438 trips in the AM peak hour and 438 trips in the PM peak hour), the proposed project would result in 21,765 total cumulative ADT~~would occur~~, with 1,021 total trips in the AM peak hour and 2,164 total trips in the PM peak hour. Driveway trips with the proposed project (including the trips associated with the existing MedImpact facilities on Lot 1 and the approved but not yet built MedImpact facilities that can occur on Lot 2) would be 24,557 ADT, with 1,080 trips in the AM peak hour and 2,440 trips in the PM peak hour.

Under the No Project/Development Under Existing Approvals Alternative, a total of 658,456 square feet of office development could occur. Traffic associated with that level of development

would be 6,240 cumulative ADT, with 750 ADT in the AM peak hour and 750 ADT in the PM peak hour. (Driveway trips would be 5,594 ADT, with 792 trips in the AM peak hour and 816 trips in the PM peak hour would be the same as cumulative trips under this alternative). Therefore, this alternative would generate 15,525 less cumulative ADT than the proposed project, with 271 less AM peak hour trips and 1,414 less PM peak hour trips. Traffic volumes under this alternative would result in less traffic impacts. Because the project proposes retail commercial uses that generate traffic in off-peak periods of the day, the proposed project would alter peak hour travel, creating a better balance of trips in the AM and PM peak. Under this alternative, the project site would develop with employment-base uses, and traffic generation would be the typical workday traffic, with employees entering the site in the morning and leaving in the evening. This alternative would not provide retail commercial and restaurant uses at the project site, and neighborhood trips to those services could potentially occur outside the community. Therefore, this alternative could result in increased trips to neighborhood services.

Visual Quality and Neighborhood Character. The proposed project would not result in significant impacts to visual quality and neighborhood character. The Watermark project proposes a mixed-use development, with commercial retail uses, restaurants, a movie theater, hotel, office buildings, parking structures, surface parking, and hardscape and landscape areas. As concluded in Section 5.3, *Visual Quality and Neighborhood Character*, of this EIR, the proposed project would be in conformance with the Community Plan's goals and guidelines for aesthetic development at this location in the Miramar Ranch North community. The project creates a coherent and signature design statement at this gateway to the Miramar Ranch North community. Architectural Design Guidelines are proposed, which seek to maintain the high level of architectural quality established with the existing MedImpact campus by maintaining complementary architectural vocabulary for the mixed-use project. The proposed project offers greater architectural detail and color palette than what is existing in nearby commercial developments and would not result in a significant incompatibility with the surrounding neighborhood.

Visual quality and neighborhood character impacts would be the same under this alternative. The approved CUP/PID has been designed to be internally compatible and compatible with the surrounding community. Like the proposed project, significant impacts associated with visual quality and neighborhood character would not result.

Air Quality. The proposed project results in significant air quality impacts associated with construction. The project would implement measures which would reduce to below a level of significance all construction related air quality impacts. Relative to vehicular emissions, the project would not generate emissions above significance thresholds and would, therefore, not result in a significant impacts associated with operations.

Air quality impacts associated with project operations (i.e., vehicle trips) would be less under the No Project/Development Under Existing Approvals Alternative. This alternative would generate less project trips than the proposed project and, therefore, would result in less vehicular emissions and less operational air quality impacts than the proposed project. A similar level of construction impacts associated with air quality would occur under this alternative.

Global Climate Change. The proposed project would generate GHG emissions that would contribute to global climate change. However, the project would not result in a significant

contribution relative to greenhouse gas emissions; therefore, a significant impact on global climate change would not occur.

The No Project/Development Under Existing Approvals Alternative would also generate GHG emissions that would contribute to global climate change; however, less GHG emissions would be generated due to less trips generated under this alternative. Similar to the proposed project, however, impacts would not be cumulatively significant.

Energy. The proposed project would increase demand for energy in the project area and SDG&E's service area. However, no adverse effects on non-renewable resources are anticipated. The project would follow UBC and Title 24 requirements for energy efficiency and would incorporate sustainable design features directed at reducing energy consumption.

The No Project/Development Under Existing Approvals Alternative would also not have a significant impact on energy. Energy consumption for the No Project/Development Under Existing Approvals alternative would be similar to the proposed project. The proposed project would implement sustainable design measures which would help to reduce its consumption of energy. The No Project/Development Under Existing Approvals Alternative would not provide for sustainable design features. Therefore, this alternative would not have the potential to reduce dependency on nonrenewable resources to the extent that the proposed project does.

Noise. The proposed project would not result in significant direct noise impacts. Noise generated from the No Project/Development Under Existing Approvals Alternative would be less than the proposed project, because this alternative would generate less trips.

Biological Resources. The proposed project would not result in direct significant impacts to biological resources, as the proposed project would not impact native habitat or sensitive plant or wildlife species. Additionally, all impacts to biological resources that occurred on the site prior to grading have been mitigated as part of the original Scripps Gateway project. The No Project/Development Under Existing Approvals Alternative would also not result in impacts to biological resources.

Historical Resources. No cultural resources have been identified on the project site. Additionally, the project site has been graded in accordance with previous project approvals associated with the MedImpact project, leaving the Watermark project site in a completely altered state. The Watermark project would not result in significant impacts to historical resources. The No Project/Development Under Existing Approvals Alternative would also not have the potential to impact historical resources.

Geologic Conditions. Under the No Project/Development Under Existing Approvals Alternative, impacts associated with geologic conditions on the site would be the same as the proposed project. The proposed project would not have any significant impacts associated with the site's geologic conditions.

Paleontological Resources. The No Project/Development Under Existing Approvals Alternative would not have a potential to impact paleontological resources, as no additional grading would occur. The project site is underlain by the Compacted Fill and Santiago Peak Volcanics

(metavolcanics) formation. Both of these formations have a zero potential to produce paleontological resources. Therefore, implementation of this alternative would not have the potential to significantly impact paleontological resources. When compared to the proposed project, this alternative result in the same effects on paleontological resources.

Hydrology/Water Quality. The proposed project would not result in significant impacts associated with hydrology, drainage, and water quality. The project would result in a slight increase in storm water runoff; however, storm drains constructed on-site would be adequate to handle the slight increase in run-off. The project would be required to implement BMPs to ensure compliance with local and State regulations relative to water quality.

The No Project/Development Under Existing Approvals Alternative would also not result in significant impacts on the hydrology, drainage, or water quality, as the approved development that could occur under this alternative was designed to be consistent with local and State requirements at the time of project approval. Development of the site under the No Project/Development Under Existing Approvals Alternative would occur in conformance with the approved subdivision map, which resulted in the construction of storm drain facilities of adequate size and design to handle storm water runoff from the site. When compared with the proposed project, impacts associated with hydrology and water quality under this alternative would be the same as the proposed project.

Health and Safety. Neither the proposed project nor the No Project/Development Under Existing Approvals Alternative would result in impacts associated with health and safety. There are no on-site toxic soils, and hazardous materials do not occur on-site or in the project vicinity.

Public Services and Facilities. The proposed project would not result in significant impacts to public services and facilities, and the construction of new facilities or expansion of existing services is not required. The No Project/Development Under Existing Approvals Alternative would have a similar impact on public services and facilities, and adequate services and facilities are available to serve both the proposed project and the No Project/Development Under Existing Approvals Alternative.

Public Utilities. Public utilities exist in the project area which would serve the proposed project, and no new or expanded facilities are required. Adequate water supplies are available to serve the proposed project. Similarly, the No Project/Development Under Existing Approvals Alternative would be served by existing utilities, and no new or expanded utilities would be needed.

Cumulative Effects. The proposed project would result in cumulative impacts associated with traffic. The No Project/Development Under Existing Project Approvals Alternative would result in the same impacts, although at a reduced level. Therefore, the No Project/Development Under Existing Approvals Alternative would result in a reduction in cumulative impacts.

Evaluation of Alternative

The No Project/Development Under Existing Approvals Alternative results in development of the project site as a corporate office campus in accordance with existing approvals in effect on the project site. When compared to the proposed project, the No Project/Development Under Existing Approvals Alternative would result in less overall traffic volumes but could create increased trips to neighborhood services. The No Project/Development Under Existing Approvals Alternative would

result in less vehicular emissions, resulting in less impacts associated with air quality and GHG emissions. Significant air quality impacts associated with construction would occur, similar to the proposed project. Additionally, this alternative would generate less noise associated with less trips than would occur with the proposed project. The No Project/Development Under Existing Approvals Alternative would result in the same level of impacts as the proposed project relative to Land Use, Visual Quality and Neighborhood Character, Energy, Historic Resources, Geologic Conditions, Paleontological Resources, Hydrology/Water Quality, Health and Safety, Public Services and Facilities, and Public Utilities.

The No Project/Development Under Existing Approvals Alternative would meet some of the project objectives. Specifically, the No Project/Development Under Existing Approvals Alternative would create a coherent and signature design statement as a community gateway to Miramar Ranch North and would result in a project of high quality design and aesthetics, creating a landmark for the community. The No Project/Development Under Existing Approvals Alternative would not provide quasi-public space for community use in the form of a pedestrian plaza as a focal point for the project, which would function as a lively gathering place for visitors, employees, and neighbors and would not implement transportation (vehicular, bicycle, and pedestrian) improvements that would improve operations of the current roadway and bicycle network and would encourage pedestrian use. Additionally, the No Project/Development Under Existing Approvals Alternative would not provide flexibility in the allocation of commercial office and retail development based on market demand and consistent with limitations established by the Traffic Impact Analysis prepared for the project and would not provide for retail uses currently unavailable in the surrounding market area.

10.2.3 Alternative 2 – Light Industrial Park

The Light Industrial Park alternative would include the on-going development of the MedImpact facilities, including the constructed facilities on Lot 1 and the approved facilities for Lot 2, but would develop the remainder of the site with a mix of manufacturing, wholesale distribution, warehousing, and recreational vehicle storage area screened by mini-warehousing facilities as identified in the Miramar Ranch North Community Plan. Under this alternative, this mix of light industrial uses/mini storage uses would occur on the approximately 21 developable acres outside Area B (MedImpact Lots 1 and 2). The Light Industrial Park Alternative would include one- and two-story buildings that would be available for manufacturing, wholesale distribution, mini storage, and warehouse uses and would include an open and screened recreational vehicle storage area. For the purposes of this alternative, it is assumed that, similar to the proposed project, architectural design guidelines would be developed to ensure high quality design of structures within the project.

The project site is currently zoned IP-2-1. The IP-2-1 zone allows a range of light industrial uses but does not include moving and storage facilities (such as mini storage) and warehouses. Therefore, this alternative would include a rezone from the IP-2-1 zone to the IL-2-1 zone to accommodate the range of light industrial/mini storage uses as outlined in the Community Plan and described for this alternative. Additionally, because this alternative would include uses that are not considered Prime Industrial Lands uses, like the proposed project, an amendment to the General Plan would be required to remove the Prime Industrial Lands identification from the project site.

Environmental Analysis

Land Use. The Watermark project proposes an amendment to the Miramar Ranch North Community Plan to change the land use from Industrial to Retail Commercial/Residential Prohibited and to rezone a portion of the project site from IP-2-1 to CR-2-1. The proposed project would also remove the General Plan's Prime Industrial Lands identification from the project site.

As presented in Section 5.1, *Land Use*, of this EIR, the proposed project requires an amendment to the Miramar Ranch North Community Plan. The Watermark project proposes to develop a mix of uses including light industrial office, community-serving commercial, a movie theatre, and social gathering space. The Community Plan recommends this site develop with light industrial uses such as manufacturing, wholesale distribution, and warehousing, and also identifies that commercial recreation facilities should be considered within the vicinity of the I-15/Scripps Poway Parkway/Mercy Road interchange. Possible facilities include sports clubs, a hotel/motel, restaurants, and a family movie theater. The proposed project is consistent in that development would include a mixture of light industrial (office) and commercial uses. As presented in Section 5.1, the proposed project is inconsistent with the General Plan, in that the project proposes to remove the Prime Industrial Land identification to allow for mixed-use development, and requires a General Plan and Community Plan Amendment to remove the Prime Industrial Lands indication from Area A of the project. The analyses in Section 5.1 show that this conversion would not significantly impact the availability of industrial land in the area, or adversely impact Prime Industrial Lands in San Diego. No significant environmental impacts would result from the project's proposal to convert Prime Industrial Land to a mixed-use commercial center. The project's proposal to change the land use designation and remove the Prime Industrial Lands identification would result in secondary environmental effects. Secondary effects associated with the project's proposal to remove the Prime Industrial Lands identification and develop Area A as a mix of commercial uses would result in increased traffic and associated increase air quality emissions, greenhouse gas emissions, and noise levels.

While the Light Industrial Park Alternative would be consistent with the Community Plan which recommends the project site develop with manufacturing, distribution, mini storage, and warehouse uses, and would include an open and screened recreational vehicle storage area, this alternative would not be consistent with other recommendations of the Miramar Ranch Community Plan. This alternative would not provide the range of recommended services for the Mercy Interchange Gateway and would not develop the site as the community gateway anticipated by the Community Plan.

This alternative would not be consistent with the General Plan because it would include uses that are not considered Prime Industrial Lands uses. Like the proposed project, this alternative would require an amendment to the General Plan to remove the Prime Industrial Lands identification from the project site. However, similar to the proposed project, no significant environmental impacts are anticipated to result from the removal of the Prime Industrial Lands identification.

This alternative would require a rezone from IP-2-1 to IL-2-1 to allow the mix of light industrial/mini storage uses outlined in the Community Plan and as described for this alternative. However, no significant environmental impacts are anticipated with the change in zone.

Transportation/Traffic/Circulation/Parking. Assuming a target development intensity of an additional 151,369 square feet of commercial office space (beyond what currently exists and is approved for MedImpact on Lots 1 and 2), 316,000 square feet of commercial retail space, 43,917 square feet of movie theatre, and a 130-room hotel, the proposed project results in a maximum 18,552 cumulative ADT with 583 trips in the AM peak hour and 1,726 trips in the PM peak hour. The proposed project results in direct and cumulatively significant traffic impacts associated with roadway segments and intersections. No significant impacts to freeways and freeway ramps would occur with the proposed project. Mitigation measures are provided that would reduce impacts to intersections to below a level of significance; significant impacts at some roadway segments would not be fully reduced to below a level of significance and, therefore, would remain unmitigated. Including the traffic that would be generated by the existing MedImpact facilities on Lot 1 and the approved but not yet built development of the MedImpact facilities that can occur on Lots 1 and 2 (3,243 cumulative ADT, with 438 trips in the AM peak hour and 438 trips in the PM peak hour), the proposed project would result in 21,765 total cumulative ADT~~would occur~~, with 1,021 total trips in the AM peak hour and 2,164 total trips in the PM peak hour. Driveway trips with the proposed project (including the trips associated with the existing MedImpact facilities) on Lot 1 and the approved but not yet built MedImpact facilities that can occur on Lot 2 would be 24,557 ADT, with 1,080 trips in the AM peak hour and 2,440 trips in the PM peak hour.

Under this alternative, a total of 350,743 square feet of office space could occur (i.e., the development of Area B (i.e., Lots 1 and 2) as one existing MedImpact office building and associated parking structure plus the previously approved development for Lot 2) plus an additional 21 acres of light industrial/mini storage uses. Traffic associated with that level of development (including the MedImpact facilities in Area B) would be 7,443 cumulative ADT with ~~942-948~~ trips in the AM peak hour and ~~942-990~~ trips in the PM peak hour. (Driveway trips would be the same as cumulative trips for this alternative.) Therefore, this alternative would generate 14,352 less cumulative ADT than the proposed project, with 79 less AM peak hour trips and 1,222 less PM peak hour trips.

This alternative would result in less overall traffic volumes and would avoid significant traffic impacts associated with the proposed project. However, this alternative would have a higher percentage of commuter trips than the proposed project, and these trips would typically travel a greater distance. Additionally, this alternative would not provide the balancing of traffic that occurs with the proposed project. Because this alternative would not provide retail commercial and restaurant uses at the project site, neighborhood trips to those services could potentially occur outside the community. Therefore, this alternative could result in less overall trips and a potential to increase trips to neighborhood services.

Visual Quality and Neighborhood Character. The proposed project would not result in significant impacts to visual quality and neighborhood character. The Watermark project proposes a mixed-use development, with commercial retail uses, restaurants, a movie theater, hotel, office buildings, parking structures, surface parking, and hardscape and landscape areas. As concluded in Section 5.3, *Visual Quality and Neighborhood Character*, of this EIR, the proposed project would be in conformance with the Community Plan's goals and guidelines for aesthetic development at this location in Miramar Ranch North. The project creates a coherent and signature design statement at this gateway to the Miramar Ranch North community. Architectural Design Guidelines are proposed, which seek to maintain consistency with the architectural quality established with the existing MedImpact campus by maintaining complementary architectural vocabulary for the mixed-

use project. The proposed project offers greater architectural detail and color palette than what is existing in nearby commercial developments and would not result in a significant incompatibility with the surrounding neighborhood.

Visual quality and neighborhood character impacts would occur under this alternative that would not be associated with the proposed project. This alternative would create mini storage facilities and open areas for storage of recreational vehicles. The nature of these types of light industrial uses could create an inconsistent architectural style with the office facilities developed for MedImpact. Additionally, large areas of open surface parking would occur under this alternative. Because this alternative would include open storage facilities and a greater amount of surface parking, it could be regarded as less compatible with surrounding residential development to the north, east, and south, and the commercial retail development to the west and would not create the gateway statement anticipated in the community plan. Therefore, visual quality and neighborhood character impacts would be greater under this alternative.

Air Quality. The proposed project results in significant air quality impacts associated with construction. The project would implement measures which would reduce to below a level of significance all construction related air quality impacts. Relative to vehicular emissions, the project would not generate emissions above significance thresholds and would, therefore, not result in significant impacts associated with operations.

Air quality associated with operation impacts (vehicle trips) would be reduced under the Light Industrial Park Alternative. Relative to construction, impacts would be the same or slightly less.

The alternative has the potential to result in greater impacts associated with uses such as manufacturing, distribution, mini storage, and warehouse uses, that would be allowed under this alternative. These light industrial uses could involve a greater amount of diesel trucks accessing. Additionally, light industrial uses, and in particular research and development uses, use toxic substances and hazardous materials which would not occur with the proposed project. For these reasons, air quality impacts would be considered greater under this alternative than the proposed project. Adherence to local, County, and State regulations would ensure that impacts with regards to toxic/hazardous emissions are not significant. Nonetheless, this increase in pollutants would not occur with the proposed project.

Global Climate Change. The proposed project would generate GHG emissions that would contribute to global climate change. However, the project would not result in a significant contribution relative to greenhouse gas emissions; therefore, a significant impact on global climate change would not occur.

The Light Industrial Park Alternative would also generate GHG emissions that would contribute to global climate change, albeit at a reduced level because trips generated under this alternative would be less. However, this alternative could increase diesel fuel particulates, increasing the amount of diesel emissions. It is not anticipated that diesel emissions from a single project would result in cumulatively significant impacts to global climate change. Therefore, similar to the proposed project, impacts would not be cumulatively significant.

Energy. The proposed project would increase demand for energy in the project area and SDG&E's service area. However, no adverse effects on non-renewable resources are anticipated. The project would follow UBC and Title 24 requirements for energy efficiency and would incorporate sustainable design features directed at reducing energy consumption. The Light Industrial Park Alternative would also not have a significant impact on energy.

Noise. The proposed project would not result in significant noise impacts. The Light Industrial Park Alternative could result in an increase in noise levels in the immediate environment due to an increase in truck traffic accessing the site. Such increases in noise would be at a nuisance level and are not anticipated to be significant. Therefore, like the proposed project, the Light Industrial Park Alternative would not result in significant direct noise impacts.

Biological Resources. The proposed project would not result in direct significant impacts to biological resources, as the proposed project would not impact native habitat or sensitive plant or wildlife species. Additionally, all impacts to biological resources that occurred on the site prior to grading have been mitigated as part of the original Scripps Gateway project. The Light Industrial Park Alternative would also not result in impacts to biological resources.

Historical Resources. No cultural resources have been identified on the project site. Additionally, the project site has been graded in accordance with previous project approvals associated with the Scripps Gateway project, leaving the Watermark project site in a completely altered state. The Watermark project would not result in significant impacts to historical resources. The Light Industrial Park Alternative would also not have the potential to impact historical resources.

Geologic Conditions. The project site has been graded in conformance with the approved subdivision map, adhering to all relevant requirements to ensure that the site is suitable for urban-level development. The proposed project would not have any significant impacts associated with the site's geologic conditions. The Light Industrial Park Alternative would also not result in significant impacts associated with the site's geologic conditions.

Paleontological Resources. The project site is underlain by the Compacted Fill and Santiago Peak Volcanics (metavolcanics) formation. Both of these formations have a zero potential to produce paleontological resources. Additionally, grading for the proposed project would occur in areas of the site that have been graded in accordance with previous approvals. Therefore, implementation of the proposed project would not have the potential to significantly impact paleontological resources.

The Light Industrial Park Alternative would also not have a potential to impact paleontological resources. Development would occur within the graded portions of the site on formations that are not known to exhibit the potential for significant paleontological resources. When compared to the proposed project, this alternative would result in the same effects on paleontological resources.

Hydrology/Water Quality. The proposed project would not result in significant impacts associated with hydrology, drainage, and water quality. The project would result in a slight increase in storm water runoff; however, storm drains constructed on-site would be adequate to handle the slight increase in run-off. The project would be required to implement BMPs to ensure compliance with local and State regulations relative to water quality. The Light Industrial Park Alternative would be subject to the same storm water runoff controls as the proposed project. Implementation of

project specific construction and post construction BMPs would ensure that, similar to the proposed project, this alternative would not result in significant impacts on the hydrology or drainage. Therefore, when compared with the proposed project, impacts associated with hydrology and water quality under this alternative would be the same as the proposed project.

Health and Safety. The proposed project would not result in impacts associated with health and safety. There are no on-site toxic soils, and hazardous materials do not occur on-site or in the project vicinity.

The potential for health and safety impacts could increase with the Light Industrial Park alternative. Light industrial uses, particularly manufacturing and research and development, can employ hazardous materials. Accidental spills and/or release of hazardous materials or the generation of toxic fumes would create a health and safety risk not associated with the proposed project. The State and County regulate use and disposal of hazardous materials. This alternative would be required to adhere to State and County regulations. With adherence to these regulations, significant impacts would be avoided.

Public Services and Facilities. The proposed project would not result in significant impacts to public services and facilities, and the construction of new facilities or expansion of existing services is not required. Adequate services and facilities are available to serve both the proposed project and the Light Industrial Park Alternative.

Public Utilities. Public utilities exist in the project area which would serve the proposed project, and no new or expanded facilities are required. Adequate water supplies are available to serve the proposed project. Similarly, the Light Industrial Park Alternative would be served by existing utilities, and no new or expanded utilities would be needed. Both the proposed project and the Light Industrial Park Alternative would be required to comply with City and State regulations with regard to solid waste. Impacts would be the same under this alternative as with the proposed project.

Cumulative Effects. The proposed project would result in cumulative impacts associated with traffic. The Light Industrial Park Alternative would also result in cumulative impacts associated with traffic but at a reduced level, because less trips would be generated under this alternative. The alternative has the potential to result in greater impacts associated with cumulative air quality and GHG emissions. Light industrial uses under this alternative include warehousing, wholesale distribution, and manufacturing, which would involve a greater amount of diesel trucks accessing the site and would include diesel emissions above those that would occur with the project. Additionally, light industrial uses, and in particular research and development uses, use toxic substances and hazardous materials which would not occur with the proposed project. For these reasons, cumulative air quality and GHG impacts would be considered greater under this alternative than the proposed project.

Evaluation of Alternative

The Light Industrial Park Alternative results in a project that implements the range of light industrial and mini storage uses in the Miramar Ranch North Community Plan, including manufacturing, wholesale distribution, warehousing, and recreational vehicle storage area screened by mini-warehousing facilities and would not require an amendment to change the existing land use

designation in the Community Plan. This alternative would require a rezone from the existing IP-2-1 zone to the IL-2-1 zone to allow the range of light industrial/mini storage uses outlined in the Community Plan. This alternative would be inconsistent with the General Plan because it would include uses that are not considered Prime Industrial Lands uses, and would require an amendment to the General Plan and Community Plan to remove the Prime Industrial Lands indication from the project site. However, similar to the proposed project, no significant environmental impacts are anticipated to result from the removal of the Prime Industrial Lands identification.

Overall traffic volumes would be reduced under this alternative; however, this alternative would not provide the balancing of traffic that occurs with the proposed project. Because this alternative would not provide retail commercial and restaurant uses at the project site, neighborhood trips to those services could potentially occur outside the community. Therefore, this alternative would result in less overall trips and could create increased trips to neighborhood services.

While visual quality impacts would not be regarded as significant under this alternative, this alternative would not provide for the gateway statement anticipated by the Community Plan for this area of Miramar Ranch North. The nature of types of light industrial, warehousing and mini storage uses associated with this alternative would contrast with the high quality office facilities developed for MedImpact. Additionally, large areas of open surface parking would occur under this alternative. This alternative would be less compatible with surrounding development and would not create the gateway statement anticipated in the community plan. As such, the visual effect of this alternative would not be as desirable, and neighborhood character compatibility would be reduced.

Relative to air quality and GHG emissions, this alternative has the potential to result in greater impacts. Air quality associated with operational impacts (vehicle trips) would be reduced under the Light Industrial Park Alternative. Relative to construction, impacts would be similar. Warehousing and manufacturing uses which would occur under this alternative would involve a greater amount of diesel trucks accessing the site and would include diesel emissions above those that would occur with the project. Additionally, light industrial uses, and in particular research and development uses, use toxic substances and hazardous materials which would not occur with the proposed project. For these reasons, air quality impacts and the project's contribution to global climate change would be considered greater under this alternative than the proposed project.

Noise impacts under this alternative would be greater than the proposed project. The Light Industrial Park Alternative could result in an increase in noise levels in the immediate environment due to an increase in truck traffic (in particular, heavy trucks) accessing the site. While such increases in noise would be at a nuisance level and are not anticipated to be significant, this level of noise would not occur with the proposed project.

Relative to Hydrology/Water Quality, similar to the proposed project, the Light Industrial Park alternative would also not result in significant impacts on the hydrology or drainage. However, this alternative could result in increased impacts associated with water quality, due to the increase in impervious surfaces associated with open parking areas and the use of hazardous materials in manufacturing. Required adherence to State and County regulations would ensure that significant impacts are avoided.

The potential for health and safety impacts could increase with the Light Industrial Park alternative. Light industrial uses, particularly manufacturing and research and development, can employ hazardous materials. Accidental spills and/or release of hazardous materials or the generation of toxic fumes would create a health and safety risk not associated with the proposed project.

The Light Industrial Park Alternative would result in less cumulative impacts associated with traffic and vehicular emissions, but would result in greater impacts to cumulative air quality and GHG emissions, due to diesel truck emissions and emissions that could be generated light industrial uses that use toxic substances and hazardous materials. For these reasons, cumulative air quality and GHG impacts would be considered greater under this alternative than the proposed project.

The same level of impacts as the proposed project would result under this alternative relative to Energy, Historic Resources, Geologic Conditions, Paleontological Resources, and Public Services and Facilities, and Public Utilities. None of those issues areas were found to result in significant impacts with the proposed project.

This alternative would not meet most of the project objectives. Specifically, this alternative would not create a coherent and signature design statement at a community gateway to Miramar Ranch North. It would not provide flexibility in the allocation of commercial office and retail development based on market demand and consistent with limitations established by the Traffic Impact Analysis prepared for the project and would not allow for retail uses currently unavailable in the surrounding market area. This alternative would not have the same potential to create a landmark statement for the community as would occur under the proposed project. This alternative would not provide quasi-public space for community use in the form of a pedestrian plaza as a focal point for the project, which would function as a lively gathering place for visitors, employees, and neighbors. This alternative would be required to implement transportation improvements that would improve operations of the current roadway but may not provide for the same level of improvements for bicycle and pedestrian use as the proposed project.

10.2.4 Alternative 3 – Prime Industrial Lands

The project site is identified as a location for Prime Industrial Lands in the City. Prime Industrial Lands are defined in the Economic Prosperity Element of the City's General Plan as "*areas that support export-oriented base sector activities such as warehouse distribution, heavy or light manufacturing, research and development uses. These areas are part of even larger areas that provide a significant benefit to the regional economy and meet General Plan goals and objectives to encourage a strong economic base.*" In order to develop the site with the proposed mix of commercial and office uses, the project would remove the Prime Industrial Lands identification from Area A of the project site and change the land use designation for that area from industrial to Regional Commercial, requiring that the General Plan be amended to reflect this change.

While the EIR concludes that the proposed land use changes would not result in significant environmental impacts associated with Land Use, the project would be inconsistent with the Prime Industrial Lands indication and requires a General and Community Plan Amendment. The Prime Industrial Lands alternative would include the existing development of the MedImpact facilities on previously approved Lot 1 and future development as approved for Lot 2 and would develop the remainder of the site in land uses consistent with the General Plan's identification of the project site as a Prime Industrial Lands, such as warehouse distribution, heavy or light manufacturing, and research

and development uses.

The Prime Industrial Lands Alternative would include low-rise buildings that would be available for research and development, manufacturing, warehouse distribution, heavy or light industrial, and research and development uses consistent with the General Plan's Prime Industrial Lands identification. Similar to Alternative 2 – *Light Industrial Park*, this alternative would result in approximately 21 acres of light industrial uses plus the approved 350,743 square feet of commercial office uses associated with the MedImpact facilities (Lots 1 and 2). For this alternative, it is assumed that, similar to the proposed project, architectural design guidelines would be developed to ensure a consistent architecture of structures within the project, and that light industrial buildings would be compatible with the existing MedImpact office building and parking structure.

This alternative would not require a Community Plan Amendment or an amendment to the General Plan, as land uses described under this alternative would be consistent with the land uses allowed in the Community Plan and in Prime Industrial Lands. This alternative would not require a rezone, as all uses described for this alternative would be permitted in the existing zone (IP-2-1) for the project site.

Environmental Analysis

Land Use. The Watermark project proposes an amendment to the Miramar Ranch North Community Plan to change the land use from Industrial to Retail Commercial/Residential Prohibited and to rezone a portion of the project site from IP-2-1 to CR-2-1. The proposed project would also remove the General Plan's Prime Industrial Lands identification from the project site.

As presented in Section 5.1, *Land Use*, of this EIR, the proposed project is consistent with the intent and requirements of the Miramar Ranch North Community Plan. The Watermark proposes to develop a mix of uses including light industrial office, community-serving commercial, a movie theatre, and social gathering space. The Community Plan recommends this site develop with light industrial uses such as manufacturing, wholesale distribution, and warehousing, and also identifies that commercial recreation facilities should be considered within the vicinity of the I-15/Scripps Poway Parkway/Mercy Road interchange. Possible facilities include sports clubs, a hotel/motel, restaurants, and a family movie theater. The proposed project is consistent in that development would include a mixture of light industrial (office) and commercial uses.

Also, as presented in Section 5.1, the proposed project is inconsistent with the General Plan, in that the project proposes to remove the Prime Industrial Land indication to allow for the mixed of commercial and retail uses, and requires a General Plan/Community Plan Amendment to remove the Prime Industrial Lands indication from Area A of the project. However, the analyses show that this conversion would not significantly impact the availability of industrial land in the area, or adversely impact Prime Industrial Lands in San Diego. No significant environmental impacts would result from the project's proposal to convert Prime Industrial Lands to a mixed-use commercial center. The project's proposal to change the land use designation and remove the Prime Industrial Lands identification would result in secondary environmental effects. Secondary effects associated with the project's proposal to remove the Prime Industrial Lands identification and develop Area A as a mix of commercial uses would result in increased traffic and associated increase air quality emissions, greenhouse gas emissions, and noise levels.

The Prime Industrial Lands identification was placed on the site after approval of the MedImpact project that allows construction of 658,456 square feet on the 34.39-acre project site, but prior to construction of the existing MedImpact facilities. Subsequently, an SCR for MedImpact was approved, and construction has been completed on Lot 1. Development of Lot 2 will proceed under the existing entitlements. Therefore, with approval of the MedImpact project, the ability to construct the site with Prime Industrial Land uses has been precluded, unless the existing approvals are retracted. Therefore, adoption of this alternative would require that existing approvals be rescinded.

The Prime Industrial Lands Alternative would be consistent with the General Plan, because it does not involve a change to the Prime Industrial Lands identification; and no environmental impacts, including secondary impacts, would result. ~~However, no significant environmental impacts would result from the project's proposal to remove the Prime Industrial Lands identification.~~

Transportation/Traffic/Circulation/Parking. Assuming a target development intensity of an additional 151,369 square feet of commercial office space beyond what currently exists and is approved for MedImpact on Lots 1 and 2, 316,000 square feet of commercial retail space, 43,917 square feet of movie theatre, and a 130-room hotel, the proposed project results in a maximum 18,552 cumulative ADT with 583 trips in the AM peak hour and 1,726 trips in the PM peak hour. The proposed project results in direct and cumulatively significant traffic impacts associated with roadway segments and intersections. No significant impacts to freeways and freeway ramps would occur with the proposed project. Mitigation measures are provided that would reduce impacts to intersections to below a level of significance; significant impacts at some roadway segments would not be fully reduced to below a level of significance and, therefore, would remain significant and unmitigated. Including the traffic that would be generated by the existing MedImpact facilities on Lot 1 and the approved but not yet built development of the MedImpact facilities that can occur on Lots 1 and 2 (3,243 cumulative ADT, with 438 trips in the AM peak hour and 438 trips in the PM peak hour), the proposed project would result in 21,765 total cumulative ADT would occur, with 1,021 total trips in the AM peak hour and 2,164 total trips in the PM peak hour. Driveway trips with the proposed project (including the trips associated with the existing MedImpact facilities on Lot 1 and the approved but not yet built MedImpact facilities that can occur on Lot 2) would be 24,557 ADT, with 1,080 trips in the AM peak hour and 2,440 trips in the PM peak hour.

Under this alternative, a total of 350,743 square feet of commercial office space could occur (i.e., the existing MedImpact approvals for Lots 1 and 2) plus an additional 21 acres Prime Industrial Lands uses. Traffic associated with that level of development (including the MedImpact facilities in Area B) would be 7,443 cumulative ADT with ~~942~~948 trips in the AM peak hour and ~~942~~990 trips in the PM peak hour. (Driveway trips would be the same as cumulative trips for this alternative.) Therefore, this alternative would generate 14,352 less cumulative ADT than the proposed project, with 79 less AM peak hour trips and 1,222 less PM peak hour trips.

This alternative would result in less overall traffic volumes and would avoid significant traffic impacts associated with the proposed project. However, this alternative would have a higher percentage of commuter trips than the proposed project, and these trips would typically travel a greater distance. Additionally, this alternative would not provide the balancing of traffic that occurs with the proposed project. Because this alternative would not provide retail commercial and restaurant uses at the project site, neighborhood trips to those services could potentially occur

outside the community. Therefore, this alternative would result in less overall trips and the potential for increased trips to neighborhood services.

Visual Quality and Neighborhood Character. The proposed project would not result in significant impacts to visual quality and neighborhood character. The Watermark project proposes a mixed-use development, with commercial retail uses, restaurants, a movie theater, hotel, office buildings, parking structures, surface parking, and hardscape and landscape areas. As concluded in Section 5.3, *Visual Quality and Neighborhood Character*, of this EIR, the proposed project would be in conformance with the Community Plan's goals and guidelines for aesthetic development at this location in Miramar Ranch North. The project creates a coherent and signature design statement at this gateway to the Miramar Ranch North community. Architectural Design Guidelines are proposed, which seek to maintain a consistency of architecture established with the existing MedImpact campus by maintaining complementary architectural vocabulary for the mixed-use project. The proposed project offers greater architectural detail and color palette than what is existing in nearby commercial developments and would not result in a significant incompatibility with the surrounding neighborhood.

The Prime Industrial Lands Alternative would alter the site design to include low-rise light industrial buildings and warehouse distribution. Although this alternative would require a consistent architectural style, it would change the aesthetics of the project from a cohesive mix of building types, elevation, and heights to that of an active industrial park, with predominately low-rise structures, open surface parking, and truck bays for distributing products. The nature of these types of light industrial uses would contrast with the architecture of the office facilities developed for MedImpact. While visual quality and neighborhood character impacts would not be significant under this alternative, greater areas of open surface parking would occur under this alternative. Because this alternative would include warehouse distribution and a greater amount of surface parking, it could be regarded as less compatible with surrounding residential development to the north, east, and south would not create the gateway statement anticipated in the community plan. Therefore, visual quality and neighborhood character impacts would be greater under this alternative.

Air Quality. The proposed project results in significant air quality impacts associated with construction. The project would implement measures which would reduce to below a level of significance all construction related air quality impacts. Relative to vehicular emissions, the project would not generate emissions above significance thresholds and would, therefore, not result in significant impacts associated with operations.

Air quality associated with operation impacts (vehicle trips) would be reduced under the Prime Industrial Lands alternative, because less trips would be generated. Relative to construction, impacts would be similar.

The alternative has the potential to result in greater impacts associated with proposed uses. Light industrial uses under this alternative include warehouse distribution, manufacturing, and research and development. Warehouse distribution and manufacturing could involve a greater amount of diesel trucks accessing the site. Additionally, Prime Industrial Lands uses, and in particular research and development uses, use toxic substances and hazardous materials which would not occur with the proposed project. Adherence to local, County, and State regulations would ensure that impacts

with regards to toxic/hazardous emissions are not significant. Nonetheless, this increase in pollutants would not occur with the proposed project.

Global Climate Change. The proposed project would generate GHG emissions that would contribute to global climate change. However, the project would not result in a significant contribution relative to greenhouse gas emissions; therefore, a significant impact on global climate change would not occur.

The Prime Industrial Lands Alternative would also generate GHG emissions that would contribute to global climate change, albeit at a reduced level because trips generated under this alternative would be less. However, this alternative could increase diesel fuel particulates, increasing the amount of diesel emissions. It is not anticipated that diesel emissions from a single project would result in cumulatively significant impacts to global climate change. Therefore, similar to the proposed project, impacts would not be cumulatively significant.

Energy. The proposed project would increase demand for energy in the project area and SDG&E's service area. However, no adverse effects on non-renewable resources are anticipated. The project would follow UBC and Title 24 requirements for energy efficiency and would incorporate sustainable design features directed at reducing energy consumption. The Prime Industrial Lands Alternative would also not have a significant impact on energy.

Noise. The proposed project would not result in significant noise impacts. The Prime Industrial Lands alternative could result in a increase in noise levels in the immediate environment due to an increase in truck traffic accessing the site. Such increases in noise would be at a nuisance level and are not anticipated to be significant. Therefore, like the proposed project, the Prime Industrial Lands Alternative would not result in significant direct noise impacts.

Biological Resources. The proposed project would not result in direct significant impacts to biological resources, as the proposed project would not impact native habitat or sensitive plant or wildlife species. Additionally, all impacts to biological resources that occurred on the site prior to grading have been mitigated as part of the original Scripps Gateway project. The Prime Industrial Lands Alternative would also not result in impacts associated with biological resources.

Historical Resources. No cultural resources have been identified on the project site. Additionally, the project site has been graded in accordance with previous project approvals associated with the Scripps Gateway project, leaving the Watermark project site in a completely altered state. The Watermark project would not result in significant impacts to historical resources. The Prime Industrial Lands Alternative would also not have the potential to impact historical resources.

Geologic Conditions. The project site has been graded in conformance with the approved subdivision map, adhering to all relevant requirements to ensure that the site is suitable for urban-level development. The proposed project would not have any significant impacts associated with the site's geologic conditions. The Prime Industrial Lands Alternative would also not result in significant impacts associated with the site's geologic conditions.

Paleontological Resources. The project site is underlain by the Compacted Fill and Santiago Peak Volcanics (metavolcanics) formation. Both of these formations have a zero potential to produce

paleontological resources. Additionally, grading for the proposed project would occur in areas of the site that have been graded in accordance with previous approvals. Therefore, implementation of the proposed project would not have the potential to significantly impact paleontological resources. The Prime Industrial Lands Alternative would also not have a potential to impact paleontological resources. Development would occur within the graded portions of the site on formations that are not known to exhibit the potential for significant paleontological resources. When compared to the proposed project, this alternative results in the same effects on paleontological resources.

Hydrology/Water Quality. The proposed project would not result in significant impacts associated with hydrology, drainage, and water quality. The project would result in a slight increase in storm water runoff; however, storm drains constructed on-site would be adequate to handle the slight increase in run-off. The project would be required to implement BMPs to ensure compliance with local and State regulations relative to water quality. The Prime Industrial Lands Alternative would be subject to the same storm water runoff controls as the proposed project. Implementation of project specific construction and post construction BMPs would ensure that, similar to the proposed project, this alternative would not result in significant impacts on the hydrology or drainage. Therefore, when compared with the proposed project, impacts associated with hydrology and water quality under this alternative would be the same as the proposed project.

Health and Safety. The proposed project would not result in impacts associated with health and safety. There are no on-site toxic soils, and hazardous materials do not occur on-site or in the project vicinity.

The potential for health and safety impacts could increase with the Prime Industrial Lands Alternative. Light industrial uses, particularly manufacturing and research and development, can employ hazardous materials. Accidental spills and/or release of hazardous materials or the generation of toxic fumes would create a health and safety risk not associated with the proposed project.

The Prime Industrial Lands Alternative would also not result in significant impacts on the hydrology or drainage. However, this alternative could result in increased impacts associated with water quality. Hazardous materials are often associated with light industrial uses, particularly manufacturing and research and development. The State and County regulate use and disposal of hazardous materials. Larger areas of open parking would occur under this alternative, increasing the amount of impervious surfaces. Like the proposed project, this alternative would be required to adhere to State and County regulations. With adherence to these regulations, significant impacts would be avoided. Impacts associated with water quality would be the same as the proposed project under this alternative.

Public Services and Facilities. The proposed project would not result in significant impacts to public services and facilities, and the construction of new facilities or expansion of existing services is not required. Adequate services and facilities are available to serve both the proposed project and the Prime Industrial Lands Alternative.

Public Utilities. Public utilities exist in the project area which would serve the proposed project, and no new or expanded facilities are required. Adequate water supplies are available to serve the proposed project. Similarly, the Prime Industrial Lands alternative would be served by existing

utilities, and no new or expanded utilities would be needed. Both the proposed project and the Light Industrial Park Alternative would be required to comply with City and State regulations with regard to solid waste. Impacts would be the same under this alternative as with the proposed project. Impacts would be the same under this alternative as with the proposed project.

Cumulative Effects. The proposed project would result in cumulative impacts associated with traffic. The Prime Industrial Lands Alternative would also result in the same cumulative impacts associated with traffic but at a reduced level, because less trips would be generated under this alternative. The alternative has the potential to result in greater impacts associated with cumulative air quality and GHG emissions. Prime Industrial Lands uses under this alternative include research and development and manufacturing, which would involve a greater amount of diesel trucks accessing the site and would include diesel emissions above those that would occur with the project. Additionally, Prime Industrial Lands uses, and in particular research and development uses, use toxic substances and hazardous materials which would not occur with the proposed project. For these reasons, cumulative air quality and GHG impacts would be considered greater under this alternative than the proposed project.

Evaluation of Alternative

The Prime Industrial Lands Alternative would implement the General Plan's identification for development of Prime Industrial Lands and results in less development on the project site. However, the uses that would occur under this alternative could result in greater impacts associated with air quality, GHG emissions, noise, use of toxic substances, and hazardous materials.

Overall traffic volumes would be reduced under this alternative. The project site would develop solely as an employment center, with traffic entering the site during AM peak hours and leaving the site during PM peak hours. Because this alternative would not provide retail commercial and restaurant uses at the project site, neighborhood trips to those services could potentially occur outside the community. Therefore, this alternative would result in less overall trips and could increase trips to neighborhood services.

While visual quality impacts would not be regarded as significant under this alternative, this alternative would not provide for the gateway statement anticipated by the Community Plan for this area of Miramar Ranch North. This alternative would result in an active industrial park, with predominately low-rise structures, open surface parking, and truck bays for distributing products. As such, the visual effect of this alternative would not be as desirable, and neighborhood character compatibility would be reduced.

Relative to air quality and GHG emissions, this alternative has the potential to result in greater impacts. Air quality associated with operational impacts (vehicle trips) would be reduced under the Prime Industrial Lands alternative. Relative to construction, impacts would be the same or slightly less. Manufacturing uses which would occur under this alternative would involve a greater amount of diesel trucks accessing the site and would include diesel emissions above those that would occur with the project. Additionally, Prime Industrial Lands uses, and in particular research and development uses, use toxic substances and hazardous materials which would not occur with the proposed project. For these reasons, air quality impacts and the project's contribution to global climate change would be considered greater under this alternative than the proposed project.

Noise impacts under this alternative would be greater than the proposed project. The Prime Industrial Lands Alternative would result in an increase in noise levels in the immediate environment due to an increase in truck traffic (in particular, heavy trucks) accessing the site. While such increases in noise would be at a nuisance level and are not anticipated to be significant, this level of noise would not occur with the proposed project.

The potential for health and safety impacts could increase with the Prime Industrial Lands Alternative. Light industrial uses, particularly manufacturing and research and development, can employ hazardous materials. Accidental spills and/or release of hazardous materials or the generation of toxic fumes would create a health and safety risk not associated with the proposed project.

Relative to hydrology/water quality, similar to the proposed project, the Prime Industrial Lands Alternative would also not result in significant impacts on the hydrology or drainage. However, this alternative could result in increased impacts associated with water quality, due to the increase in impervious surfaces associated with open parking areas and the use of hazardous materials in manufacturing and research and development. Required adherence to State and County regulations would ensure that significant impacts are avoided.

The Prime Industrial Lands Alternative would result in less cumulative impacts associated with traffic and vehicular emissions, but would result in greater impacts cumulative air quality and GHG emissions, due to diesel truck emissions and emissions that could be generated Prime Industrial Lands uses that use toxic substances and hazardous materials. For these reasons, cumulative air quality and GHG impacts would be considered greater under this alternative than the proposed project. The same level of impacts as the proposed project would result under this alternative relative to Energy, Historic Resources, Geologic Conditions, Paleontological Resources, and Public Services and Facilities. None of those issues areas were found to result in significant impacts with the proposed project.

This alternative would not meet most of the project objectives. Specifically, this alternative would not create a coherent and signature design statement at a community gateway to Miramar Ranch North. It would not provide flexibility in the allocation of commercial office and retail development based on market demand and consistent with limitations established by the Traffic Impact Analysis prepared for the project and would not allow for retail uses currently unavailable in the surrounding market area. Although this alternative would implement design guidelines that would ensure consistent architectural design, it does not have the same potential to create a landmark statement for the community as would occur under the proposed project. This alternative would not provide quasi-public space for community use in the form of a pedestrian plaza as a focal point for the project, which would function as a lively gathering place for visitors, employees, and neighbors. This alternative would be required to implement transportation (vehicular, bicycle, and pedestrian) improvements that would improve operations of the current roadway and bicycle network and would encourage pedestrian use.

10.2.5 Alternative 4 – *Reduced Intensity – 17 Percent Reduction in Trips*

A reduced intensity alternative is addressed to evaluate a project alternative that would attain most of the project's goals but reduce project traffic to a point where there would be no unmitigated traffic impacts. It was determined that a 17 percent reduction in trips would avoid unmitigated traffic

impacts; all traffic impacts that would result under this alternative could be mitigated to below a level of significance.

The Reduced Intensity – 17 Percent Reduction in Trips Alternative would include the existing MedImpact facilities on previously approved Lot 1, the future approved development on Lot 2, and development of the remainder of the site in a manner similar to the proposed project but without development of the hotel (approximately 90,540 square feet) and the office building (approximately 132,007 square feet). (See Table 10.1, *Alternative 4 – Reduced Intensity – 17 Percent Reduction in Trips Development Intensity*.)

Table 10-1. Alternative 4 – Reduced Intensity – 17 Percent Reduction in Trips Development Intensity

USE	DEVELOPMENT INTENSITY		
	APPROVED	PROPOSED	
		Development Intensity Range	Target Development Intensity
Commercial Office	350,743 sq. ft.	N/A	350,743
Commercial Retail	--	0 – 500,000 sq. ft.	316,000 sq. ft.
Entertainment (Theater)	--	0 – 45,000 sq. ft.	43,917 sq. ft.
		TOTAL	710,660 sq. ft.

The proposed *Watermark Site Plan* (see Figure 3-5) shows a hotel located in the southwest corner of the project site (Building L). This alternative would eliminate the hotel and provide surface parking where the hotel would have occurred. Under the proposed Site Plan, office uses would occur on floors two through 6 of Building M. Because this alternative would eliminate office uses in Building M, Building M would change from a six-story retail/office building to a two-story retail building. Figure 10-1, *Reduced Intensity: 17 Percent Reduction in Trips Alternative Site Plan*, shows the Site Plan resulting from this alternative. With the elimination of these elements, this alternative would result in approximately 17 percent less total trips than under the proposed project (15,341 with this alternative compared to 18,552 resulting from the proposed project when considering the new development).

Environmental Analysis

Land Use. As presented in Section 5.1, *Land Use*, of this EIR, while the existing development (Corporate Office) on a portion of the project site (Area B) implements the recommendations of the Community Plan, the proposed project requires a Community Plan Amendment to change the land use designation from Industrial to Regional Commercial on Area A. The proposed project is consistent with the intent and requirements of the Miramar Ranch North Community Plan. The Watermark proposes to develop a mix of uses including light industrial office, community-serving commercial, a movie theatre, and social gathering space. The Community Plan recommends this site develop with light industrial uses such as manufacturing, wholesale distribution, and warehousing, and also identifies that commercial recreation facilities should be considered within the vicinity of the I-15/Scripps Poway Parkway/Mercy Road interchange. Possible facilities include sports clubs, a hotel/motel, restaurants, and a family movie theater. The proposed project is consistent in that development would include a mixture of light industrial (office) and commercial uses.



SITE AREA 'A'
SITE AREA 'B'

Figure 10-1. Reduced Intensity – 17 Percent Reduction in Trips Alternative Site Plan

Also as presented in Section 5.1 of this EIR, the proposed project is inconsistent with the Prime Industrial Lands indication of the General Plan and requires a General Plan and Community Plan Amendment to remove the Prime Industrial Lands identification from Area A. The analyses show that this conversion would not significantly impact the availability of industrial land in the area, or adversely impact Prime Industrial Lands in San Diego. No significant environmental impacts would result from the project's proposal to convert Prime Industrial Lands to a mixed-use commercial center. The project's proposal to change the land use designation and remove the Prime Industrial Lands identification would result in secondary environmental effects. Secondary effects associated with the project's proposal to remove the Prime Industrial Lands identification and develop Area A as a mix of commercial uses would result in increased traffic and associated increase air quality emissions, greenhouse gas emissions, and noise levels.

The Reduced Intensity – 17 Percent Reduction in Trips Alternative would result in the same impacts as the proposed project. Although less trips would result from this alternative, it would provide a similar project with a similar design and character.

Transportation/Traffic/Circulation/Parking. Assuming a target development intensity of an additional 151,369 square feet of commercial office space beyond what currently exists and is approved for MedImpact on Lots 1 and 2, 316,000 square feet of commercial retail space, 43,917 square feet of movie theatre, and a 130-room hotel, the proposed project results in a maximum 18,552 cumulative ADT with 583 trips in the AM peak hour and 1,726 trips in the PM peak hour. The proposed project results in direct and cumulatively significant traffic impacts associated with roadway segments and intersections. No significant impacts to freeways and freeway ramps would occur with the proposed project. Mitigation measures are provided that would reduce impacts to intersections to below a level of significance; significant impacts at some roadway segments would not be fully reduced to below a level of significance and, therefore, would remain unmitigated. Including the traffic that would be generated by the existing MedImpact facilities on Lot 1 and the approved but not yet built development of the MedImpact facilities that can occur on Lots 1 and 2 (3,243 cumulative ADT, with 438 trips in the AM peak hour and 438 trips in the PM peak hour), the proposed project would result in 21,765 total cumulative ADT would occur, with 1,021 total trips in the AM peak hour and 2,164 total trips in the PM peak hour. Driveway trips with the proposed project (including the trips associated with the existing MedImpact facilities on Lot 1 and the approved but not yet built MedImpact facilities that can occur on Lot 2) would be 24,557 ADT, with 1,080 trips in the AM peak hour and 2,440 trips in the PM peak hour.

Under this alternative, a total of 350,743 square feet of office space could occur (i.e., the development of previously Approved Lot 1 as one existing MedImpact office building and associated parking structure plus previously approved Lot 2) plus 316,000 square feet of commercial retail uses and a movie theater (43,917 square feet). Traffic associated with that level of development would be 18,584 cumulative ADT, with 685 AM peak hour trips and 1,784 PM peak hour trips. Driveway trips under this alternative would be 21,541 ADT, with 793 trips in the AM peak hour and 2,098 trips in the PM peak hour. Therefore, this alternative would generate approximately 3,211 less ADT than the proposed project, 336 less AM peak hour trips, and 380 less PM peak hour trips.

This alternative would result in impacts to traffic and circulation similar to the proposed project, albeit at a slightly reduced level, and would require approximately the same level of mitigation. This alternative would eliminate the unmitigated traffic impacts associated with the project.

Visual Quality/Neighborhood Character. The proposed project would not result in significant impacts to visual quality and neighborhood character. As concluded in Section 5.3, *Visual Quality and Neighborhood Character*, of this EIR, the proposed project would be in conformance with the Community Plan's goals and guidelines for aesthetic development at this location in Miramar Ranch North. The project creates a coherent and signature design statement at this gateway to the Miramar Ranch North community. Architectural Design Guidelines are proposed, which seek to maintain the consistency in architectural design established with the existing MedImpact campus by maintaining complementary architectural vocabulary for the mixed-use project. The proposed project offers greater architectural detail and color palette than what is existing in nearby commercial developments and would not result in a significant incompatibility with the surrounding neighborhood.

This alternative would result in eliminating the hotel building (Building L) and office space which would have occurred on floors two through six of a mixed office/retail building (Building M). Surface parking would occur where Building L was planned, and Building M would be reduced in height from six stories to two stories. All other aspects of the project would remain the same. From a visual quality/neighborhood character perspective, this alternative would appear similar to the proposed project. Like the proposed project, this alternative would create a coherent and signature design statement at this gateway to the Miramar Ranch North community and would maintain consistency with the architectural quality established with the existing MedImpact campus by maintaining complementary architectural vocabulary for the mixed-use project. Therefore, visual quality/neighborhood character impacts would be the same as the proposed project and would not be significant.

Air Quality. The proposed project results in significant air quality impacts associated with construction emissions. The project would implement measures which would reduce to below a level of significance all construction related air quality impacts. Relative to vehicular emissions, the project would not generate emissions above significance thresholds and would, therefore, not result in significant impacts associated with operations.

Air quality associated with operation impacts (vehicle trips) would be reduced by approximately 17 percent under this alternative. Relative to construction, impacts would be the same or slightly less. Therefore, air quality impacts would be considered less under this alternative than the proposed project.

Global Climate Change. The proposed project would generate GHG emissions that would contribute to global climate change. However, the project would not result in a significant contribution relative to greenhouse gas emissions; therefore, a significant impact on global climate change would not occur.

The Reduced Intensity – 17 Percent Reduction in Trips alternative would also generate GHG emissions that would contribute to global climate change, albeit at a reduced level because traffic

generated under this alternative would be less. Therefore, similar to the proposed project, impacts would not be cumulatively significant.

Energy. The proposed project would increase demand for energy in the project area and SDG&E's service area. However, no adverse effects on non-renewable resources are anticipated. The project would follow UBC and Title 24 requirements for energy efficiency and would incorporate sustainable design features directed at reducing energy consumption. The Reduced Intensity – 17 Percent Reduction in Trips alternative would also not have a significant impact on energy.

Noise. The proposed project would not result in significant noise impacts. The Reduced Intensity – 17 Percent Reduction in Trips alternative would result in a slight decrease in noise levels in the immediate environment due to a reduction in project trips. Like the proposed project, the Reduced Intensity – 17 Percent Reduction in Trips alternative would not result in significant direct noise impacts.

Biological Resources. The proposed project would not result in direct significant impacts to biological resources, as the proposed project would not impact native habitat or sensitive plant or wildlife species. Additionally, all impacts to biological resources that occurred on the site prior to grading have been mitigated as part of the original Scripps Gateway project. The Reduced Intensity – 17 Percent Reduction in Trips Alternative would also not result in impacts associated with biological resources.

Historical Resources. No cultural resources have been identified on the project site. Additionally, the project site has been graded in accordance with previous project approvals associated with the approved MedImpact project, leaving the Watermark project site in a completely altered state. The Watermark project would not result in significant impacts to historical resources. The Reduced Intensity – 17 Percent Reduction in Trips Alternative would also not have the potential to impact historical resources.

Geologic Conditions. The project site has been graded in conformance with the approved subdivision map, adhering to all relevant requirements to ensure that the site is suitable for urban-level development. The proposed project would not have any significant impacts associated with the site's geologic conditions. The Reduced Intensity – 17 Percent Reduction in Trips Alternative would also not result in significant impacts associated with the site's geologic conditions.

Paleontological Resources. The project site is underlain by the Compacted Fill and Santiago Peak Volcanics (metavolcanics) formation. Both of these formations have a zero potential to produce paleontological resources. Additionally, grading for the proposed project would occur in areas of the site that have been graded in accordance with previous approvals. Therefore, implementation of the proposed project would not have the potential to significantly impact paleontological resources.

The Reduced Intensity – 17 Percent Reduction in Trips Alternative would also not have a potential to impact paleontological resources. Development would occur within the graded portions of the site on formations that are not known to exhibit the potential for significant paleontological resources. When compared to the proposed project, this alternative results in the same effects on paleontological resources.

Hydrology/Water Quality. The proposed project would not result in significant impacts associated with hydrology, drainage, and water quality. The project would result in a slight increase in storm water runoff; however, storm drains constructed on-site would be adequate to handle the slight increase in run-off. The project would be required to implement BMPs to ensure compliance with local and State regulations relative to water quality.

The Reduced Intensity – 17 Percent Reduction in Trips Alternative would also not result in significant impacts on the hydrology or drainage. This alternative would be required to implement BMPs to ensure compliance with local and State regulations, similar to the proposed project. Therefore, when compared with the proposed project, impacts associated with hydrology and water quality under this alternative would be the same as the proposed project.

Health and Safety. The proposed project would not result in impacts associated with health and safety. There are no on-site toxic soils, and hazardous materials do not occur on-site or in the project vicinity. The potential for health and safety impacts would be the same with the Reduced Intensity – 17 Percent Reduction in Trips Alternative.

Public Services and Facilities. The proposed project would not result in significant impacts to public services and facilities, and the construction of new facilities or expansion of existing services is not required. Adequate services and facilities are available to serve both the proposed project and the Reduced Intensity – 17 Percent Reduction in Trips Alternative.

Public Utilities. Public utilities exist in the project area and would serve the proposed project; no new or expanded facilities are required. Adequate water supplies are available to serve the proposed project. Similarly, the Reduced Intensity – 17 Percent Reduction in Trips Alternative would be served by existing utilities, and no new or expanded utilities would be needed. Impacts would be the same under this alternative as with the proposed project.

Cumulative Effects. The proposed project would result in cumulative impacts associated with traffic. The Reduced Intensity – 17 Percent Reduction in Trips Alternative would result in the same cumulative impacts but at a slightly reduced level, because less project trips would be generated under this alternative.

Evaluation of Alternative

For the most part, the Reduced Intensity – 17 Reduction in Trips Alternative would have similar impacts and require the same mitigation as the proposed project. This alternative would result in similar uses as the proposed project, but at a reduced level. An Amendment to the Miramar Ranch North Community Plan would still be required to change the land use designation from Industrial to Retail Commercial/Residential Prohibited. Like the proposed project, the General Plan would be amended to remove the Prime Industrial Lands identification from the project site. Traffic impacts would be reduced by 17 percent, and there would be a concomitant reduction in emissions resulting in a slight reduction in impacts associated with air quality, GHG emissions, and noise. While the Site Plan under this alternative would be modified to eliminate the hotel and the office component of a retail/office building, views of the site would not be substantially different than the proposed project, and impacts associated with Visual Quality and Neighborhood Character would be the same as the proposed project. Impacts relative to all other environmental issue areas would be the same as the proposed project. This alternative would meet the project objectives, but would not provide

for the level of office space proposed under the project and would not include a hotel.

10.3 ENVIRONMENTALLY SUPERIOR ALTERNATIVE

The environmental analysis of alternatives presented above is summarized in Table 10-1, *Comparison of Alternatives to Proposed Project*. CEQA requires that the EIR identify the environmentally superior alternative among all of the alternatives considered, including the proposed project. If the No Project alternative is selected as environmentally superior, then the EIR shall also identify an environmentally superior alternative among the other alternatives.

For the Watermark Project, the No Project/Development Under Existing Approvals Alternative would result in development of the project site as approved under the existing entitlements. When compared to the proposed project, the No Project/Development Under Existing Approvals Alternative would result in less overall traffic volumes, but increased trips to neighborhood services. The No Project/Development Under Existing Approvals Alternative would result in a less vehicular emissions, resulting in less impacts associated with air quality and GHG emissions. Additionally, this alternative would generate less noise associated with the less in traffic. Because the No Project/Development Under Existing Approvals Alternative would result in less environmental impacts than the proposed project, it would be considered the environmentally superior alternative.

Of the other alternatives evaluated in this EIR, either the Light Industrial Park or Prime Industrial Lands Alternative could also be considered environmentally superior to the proposed project. The Light Industrial Park and Prime Industrial Lands Alternatives result in similar impacts. However, neither of these alternatives would accomplish the project's main goals and objectives. When compared to the proposed project, the Light Industrial Park and Prime Industrial Lands Alternatives would result in greater overall impacts to the aesthetics of the Miramar Ranch North community and would not create a statement gateway for the community. These alternatives would also not be in compliance with the Community Plan's recommendation for a mix of land uses in this area and would not provide services and amenities to serve nearby residential neighborhoods. Due to the nature of manufacturing and research and development uses that would occur with either of these alternatives, these alternatives would result in the use of hazardous materials that could create health and safety risks and impact to urban runoff; and greater impacts to Air Quality, Global Climate Change, Noise, Hydrology/Water Quality, and Health and Safety would occur. With regards to Transportation/Traffic Circulation/Parking, both the Light Industrial Park and Prime Industrial Lands alternative results in less overall traffic volumes than the proposed project; however, these alternatives would not provide for mixed-use development that could reduce trips and trip length for the surrounding residential community. The Light Industrial Park and Prime Industrial Lands alternatives would result in the same level of impacts as the proposed project relative to Energy, Biological Resources, Historic Resources, Geologic Conditions, Paleontological Resources, Public Services and Facilities, and Public Utilities.

The Reduced Intensity – 17 Percent Reduction in Trips alternative meet the project objectives but would not reduce traffic impacts to the degree that either the Light Industrial Park or Prime Industrial Lands alternative would. The Reduced Intensity – 17 Percent Reduction in Trips alternative would be similar in design and uses as the proposed project but would not provide for the same amount of office space as the proposed project and does not include a hotel, which is included in the proposed project.

Table 10-2. Impact Comparison of Alternatives to Proposed Project

Environmental Issue Area	Proposed Project	Alternative 1 – No Project/ Development Under Existing Approvals	Alternative 2 – Light Industrial Park	Alternative 3 – Prime Industrial Lands	Alternative 4 – Reduced Intensity – 17 Percent Reduction in Trips
<p>Land Use</p>	<p>Implements intent of Community Plan. Not consistent with Prime Industrial Lands identification in General Plan. No significant environmental impacts.</p>	<p>Would not provide for retail uses currently unavailable in the surrounding market area and would not provide services and amenities to serve nearby residential neighborhood. No significant environmental impacts.</p>	<p>Would not be consistent with the General Plan. Would not create a coherent and signature design statement. Would not provide quasi-public space for community use Would not provide for retail uses currently unavailable in the surrounding market area and would not provide services and amenities to serve nearby residential neighborhood. No significant environmental impacts.</p>	<p>Consistent with the General Plan. Would not create a coherent and signature design statement. Would not provide quasi-public space for community use Would not provide for retail uses currently unavailable in the surrounding market area and would not provide services and amenities to serve nearby residential neighborhood. No significant environmental impacts.</p>	<p>Same as proposed project.</p>
<p>Transportation/ Traffic Circulation/ Parking</p>	<p>Direct and Cumulatively significant traffic impacts associated with street segments and intersections. All intersection impacts mitigated to below a level of significance. Impacts to some street segments would remain significant and unmitigated. No significant impacts</p>	<p>Less overall traffic volumes; could result in increased trips to neighborhood services.</p>	<p>Less overall traffic volumes; could result in increased trips to neighborhood services.</p>	<p>Less overall traffic volumes; could result in increased trips to neighborhood services.</p>	<p>Less overall traffic volumes; requires the same mitigation as proposed project but avoids unmitigated traffic impacts.</p>
<p>Visual Quality/ Neighborhood Character</p>	<p>No significant impacts</p>	<p>Same as proposed project.</p>	<p>Greater impacts than proposed project. Less aesthetically pleasing project. Does not create gateway statement for community.</p>	<p>Greater impacts than proposed project. Less aesthetically pleasing project. Does not create gateway statement for community.</p>	<p>Same as proposed project.</p>

10.0 ALTERNATIVES

Environmental Issue Area	Proposed Project	Alternative 1 – No Project/ Development Under Existing Approvals	Alternative 2 – Light Industrial Park	Alternative 3 – Prime Industrial Lands	Alternative 4 – Reduced Intensity – 17 Percent Reduction in Trips
Air Quality	Short-term, temporary construction impacts.	Operation impacts would be less due to less traffic generated by Alternative. Construction impacts would be similar.	Greater impacts than proposed project, due to increase in diesel emissions and use of toxic/hazardous material resulting in the potential for greater impacts to air quality.	Greater impacts than proposed project, due to increase in diesel emissions and use of toxic/hazardous material resulting in the potential for greater impacts to air quality.	Slightly less air quality impacts due to less overall traffic volumes. Construction impacts would be the same.
Global Climate Change	No significant impacts.	Less than proposed project due to reduced traffic volumes.	Greater impacts than proposed project, due to increase in diesel emissions and use of toxic/hazardous material resulting in the potential for greater contribution to cumulative global climate change impacts.	Greater impacts than proposed project, due to increase in diesel emissions and use of toxic/hazardous material resulting in the potential for greater contribution to cumulative global climate change impacts.	Slightly less GHG Emissions due to less overall traffic volumes.
Energy	No significant impacts.	Same as proposed project. However, Alternative would not implement same level of sustainable design features.	Same as proposed project.	Same as proposed project.	Same as proposed project.
Noise	No significant impacts.	Less impacts than proposed project. Generates less traffic, resulting in an less vehicular noise.	Greater impacts than proposed project, due to increase in noise levels in the immediate environment due to an increase in truck traffic accessing the site. While such increases in noise would be at a nuisance level and are not anticipated to be significant, this level of noise would not occur with the proposed project.	Greater impacts than proposed project, due to increase in noise levels in the immediate environment due to an increase in truck traffic accessing the site. While such increases in noise would be at a nuisance level and are not anticipated to be significant, this level of noise would not occur with the proposed project.	Same as proposed project.
Biological Resources	No significant impacts.	Same as proposed project.	Same as proposed project.	Same as proposed project.	Same as proposed project.
Historical Resources	No significant impacts.	Same as proposed project.	Same as proposed project.	Same as proposed project.	Same as proposed project.
Geologic Conditions	No significant impacts.	Same as proposed project.	Same as proposed project.	Same as proposed project.	Same as proposed project.

10.0 ALTERNATIVES

Environmental Issue Area	Proposed Project	Alternative 1 – No Project/ Development Under Existing Approvals	Alternative 2 – Light Industrial Park	Alternative 3 – Prime Industrial Lands	Alternative 4 – Reduced Intensity – 17 Percent Reduction in Trips
Paleontological Resources	No significant impacts.	Same as proposed project.	Same as proposed project.	Same as proposed project.	Same as proposed project.
Hydrology/Water Quality	No significant impacts.	Same as proposed project.	Same as proposed project. Greater impacts than proposed project. Manufacturing and research and development would result in use of hazardous materials in urban runoff.	Same as proposed project. Greater impacts than proposed project. Manufacturing and research and development would result in use of hazardous materials in urban runoff.	Same as proposed project.
Health and Safety	No significant impacts.	Same as proposed project.	Greater impacts than proposed project. Manufacturing and research and development would result in use of hazardous materials that could create health and safety risk.	Greater impacts than proposed project. Manufacturing and research and development would result in use of hazardous materials that could create health and safety risk.	Same as proposed project.
Public Services and Facilities	No significant impacts.	Same as proposed project.	Same as proposed project.	Same as proposed project.	Same as proposed project.
Public Utilities	No significant impacts.	Same as proposed project.	Same as proposed project.	Same as proposed project.	Same as proposed project.
Cumulative Effects	Cumulatively significant and unmitigated impacts associated with traffic.	Less impacts than the proposed project. Results in less traffic, reducing contributions to cumulatively significant traffic impacts.	Less and greater impacts than the proposed project. Results in less traffic, reducing contributions to cumulatively significant traffic impacts. Result in greater impacts relative to air quality, GHG emissions, hydrology/water quality, and health and safety.	Less and greater impacts than the proposed project. Results in less traffic, reducing contributions to cumulatively significant traffic impacts. Result in greater impacts relative to air quality, GHG emissions, hydrology/water quality, and health and safety.	Slightly less impacts due to less overall traffic volumes and associated reduction in air quality and GHG emissions.

11.0 MITIGATION MONITORING AND REPORTING PROGRAM

CEQA, Section 21081.6, requires that a mitigation monitoring and reporting program (MMRP) be adopted upon certification of an EIR to ensure that the mitigation measures are implemented. The mitigation monitoring and reporting program specifies what the mitigation is, the entity responsible for monitoring the program, and when in the process it should be accomplished.

The proposed project is described in the Watermark EIR. The EIR, incorporated herein as referenced, focused on issues determined to be potentially significant by San Diego. The issues addressed in the EIR include land use, transportation/traffic circulation/parking, visual quality and neighborhood character, air quality, global climate change, energy, noise, biological resources, historical/cultural resources, geology and soils, paleontological resources, hydrology/water quality, health and safety, public utilities, and public facilities and services.

PRC section 21081.6 requires monitoring of measures proposed to mitigate significant environmental effects. Issues related to transportation/traffic circulation/parking, air quality (construction), noise (biology), biological resources, and public utilities (solid waste) were determined to be potentially significant and require mitigation as described in this EIR. One issue area – transportation/traffic circulation/parking– will remain significant and not fully mitigated even with implementation of mitigation measures. The environmental analysis concluded that all of the potentially significant impacts could be avoided or reduced through implementation of recommended mitigation measures.

The mitigation monitoring and reporting program for the proposed project is under the jurisdiction of San Diego and other agencies as specified in the table below. The mitigation monitoring and reporting program for the proposed project addresses only the issue areas identified above as potentially significant. The following is an overview of the mitigation monitoring and reporting program to be completed for the project.

11.1 Monitoring Activities

Monitoring activities would be accomplished by individuals identified in the attached MMRP table. While specific qualifications should be determined by San Diego, the monitoring team should possess the following capabilities:

- Interpersonal, decision-making, and management skills with demonstrated experience in working under trying field circumstances;
- Knowledge of and appreciation for the general environmental attributes and special features found in the project area;
- Knowledge of the types of environmental impacts associated with construction of cost-effective mitigation options; and
- Excellent communication skills.

11.0 MITIGATION MONITORING AND REPORTING PROGRAM

11.2 Program Procedures

Prior to any construction activities, meetings should take place between all the parties involved to initiate the monitoring program and establish the responsibility and authority of the participants. Mitigation measures that need to be defined in greater detail would be addressed prior to any project plan approvals in follow-up meetings designed to discuss specific monitoring effects.

An effective reporting system must be established prior to any monitoring efforts. All parties involved must have a clear understanding of the mitigation measures as adopted and these mitigations must be distributed to the participants of the monitoring effort. Those that would have a complete list of all the mitigation measures adopted by San Diego would include San Diego and its Mitigation Monitor. The Mitigation Monitor would distribute to each Environmental Specialist and Environmental Monitor a specific list of mitigation measures that pertain to his or her monitoring tasks and the appropriate time frame that these mitigations are anticipated to be implemented.

In addition to the list of mitigation measures specified in the table below, the monitors would have mitigation monitoring report (MMR) forms, with each mitigation measure written out on the top of the form. Below the stated mitigation measure, the form shall have a series of questions addressing the effectiveness of the mitigation measure. The monitors shall complete the MMR and file it with the MMC Section following the monitoring activity. The MMC shall then include the conclusions of the MMR into an interim and final comprehensive construction report to be submitted to the City of San Diego. This report shall describe the major accomplishments of the monitoring program, summarize problems encountered in achieving the goals of the program, evaluate solutions developed to overcome problems, and provide a list of recommendations for future monitoring programs. In addition, and if appropriate, each Environmental Monitor or Environmental Specialist shall be required to fill out and submit a daily log report to the Mitigation Monitor. The daily log report would be used to record and account for the monitoring activities of the monitor. Weekly and/or monthly status reports, as determined appropriate, shall be generated from the daily logs and compliance reports and shall include supplemental material (e.g., memoranda, telephone logs, and letters).

11.3 Summary of Project Impacts and Mitigation Measures

A. GENERAL REQUIREMENTS – PART I Plan Check Phase (prior to permit issuance)

1. Prior to the issuance of a Notice To Proceed (NTP) for a subdivision, or any construction permits, such as Demolition, Grading or Building, or beginning any construction related activity on-site, the Development Services Department (DSD) Director's Environmental Designee (ED) shall review and approve all Construction Documents (CD), (plans, specification, details, etc.) to ensure the MMRP requirements are incorporated into the design.
2. In addition, the ED shall verify that the MMRP Conditions/Notes that apply ONLY to the construction phases of this project are included VERBATIM, under the heading, "**ENVIRONMENTAL/MITIGATION REQUIREMENTS.**"

11.0 MITIGATION MONITORING AND REPORTING PROGRAM

3. These notes must be shown within the first three (3) sheets of the construction documents in the format specified for engineering construction document templates as shown on the City website:

<http://www.sandiego.gov/development-services/industry/standtemp.shtml>

4. The **TITLE INDEX SHEET** must also show on which pages the “Environmental/Mitigation Requirements” notes are provided.
5. **SURETY AND COST RECOVERY** – The Development Services Director or City Manager may require appropriate surety instruments or bonds from private Permit Holders to ensure the long term performance or implementation of required mitigation measures or programs. The City is authorized to recover its cost to offset the salary, overhead, and expenses for City personnel and programs to monitor qualifying projects.

B. GENERAL REQUIREMENTS – PART II Post Plan Check (After permit issuance/Prior to start of construction)

1. **PRE CONSTRUCTION MEETING IS REQUIRED TEN (10) WORKING DAYS PRIOR TO BEGINNING ANY WORK ON THIS PROJECT.** The PERMIT HOLDER/OWNER is responsible to arrange and perform this meeting by contacting the CITY RESIDENT ENGINEER (RE) of the Field Engineering Division and City staff from MITIGATION MONITORING COORDINATION (MMC). Attendees must also include the Permit holder’s Representative(s), Job Site Superintendent and the following consultants: **Not applicable.**

Note: Failure of all responsible Permit Holder’s representatives and consultants to attend shall require an additional meeting with all parties present.

CONTACT INFORMATION:

- a) The PRIMARY POINT OF CONTACT is the **RE** at the **Field Engineering Division – 858-627-3200**
 - b) For Clarification of ENVIRONMENTAL REQUIREMENTS, applicant t is also required to call **RE and MMC at 858-627-3360**
2. **MMRP COMPLIANCE:** This Project, Project Tracking System (PTS) Number 180357 and/or Environmental Document Number 180537, shall conform to the mitigation requirements contained in the associated Environmental Document and implemented to the satisfaction of the DSD’s Environmental Designee (MMC) and the City Engineer (RE). The requirements may not be reduced or changed but may be annotated (i.e. to explain when and how compliance is being met and location of verifying proof, etc.). Additional clarifying information may also be added to other relevant plan sheets and/or specifications as appropriate (i.e., specific locations, times of monitoring, methodology, etc.

11.0 MITIGATION MONITORING AND REPORTING PROGRAM

Note: Permit Holder’s Representatives must alert RE and MMC if there are any discrepancies in the plans or notes, or any changes due to field conditions. All conflicts must be approved by RE and MMC BEFORE the work is performed.

3. **OTHER AGENCY REQUIREMENTS:** Evidence of compliance with all other agency requirements or permits shall be submitted to the RE and MMC for review and acceptance prior to the beginning of work or within one week of the Permit Holder obtaining documentation of those permits or requirements. Evidence shall include copies of permits, letters of resolution or other documentation issued by the responsible agency: **Not Applicable**

4. **MONITORING EXHIBITS:** All consultants are required to submit, to RE and MMC, a monitoring exhibit on a 11x17 reduction of the appropriate construction plan, such as site plan, grading, landscape, etc., marked to clearly show the specific areas including the **LIMIT OF WORK**, scope of that discipline’s work, and notes indicating when in the construction schedule that work will be performed. When necessary for clarification, a detailed methodology of how the work will be performed shall be included.

NOTE: Surety and Cost Recovery – When deemed necessary by the Development Services Director or City Manager, additional surety instruments or bonds from the private Permit Holder may be required to ensure the long term performance or implementation of required mitigation measures or programs. The City is authorized to recover its cost to offset the salary, overhead, and expenses for City personnel and programs to monitor qualifying projects.

5. **OTHER SUBMITTALS AND INSPECTIONS:** The Permit Holder/Owner’s representative shall submit all required documentation, verification letters, and requests for all associated inspections to the RE and MMC for approval per the following schedule:

DOCUMENT SUBMITTAL/INSPECTION CHECKLIST		
Issue Area	Document Submittal	Associated Inspection/Approvals/Notes
General	Consultant Qualification Letters	Prior to Preconstruction Meeting
General	Consultant Construction Monitoring Exhibits	Prior to or at Preconstruction Meeting
Traffic	Traffic Reports	Traffic Features Site Observation
Waste Management	Waste Management Reports	Waste Management Inspections
Bond Release	Request for Bond Release Letter	Final MMRP Inspections Prior to Bond Release Letter

11.0 MITIGATION MONITORING AND REPORTING PROGRAM

C. SPECIFIC MMRP ISSUE AREA CONDITIONS/REQUIREMENTS

The following table (Table 11-1, *Mitigation Monitoring and Reporting Program*) summarizes the potentially significant project impacts and lists the associated mitigation measures and the monitoring efforts necessary to ensure that the measures are properly implemented. All the mitigation measures identified in the EIR are stated herein.

11.0 MITIGATION MONITORING AND REPORTING PROGRAM

Table 11-1. Mitigation Monitoring and Reporting Program

Potential Significant Impact	Mitigation Measure(s)	Timeframe of Mitigation	Monitoring, Enforcement, and Reporting Responsibility
Transportation/Traffic Circulation/Parking			
<p>The project would result in significant direct impacts at five roadway segments and one arterial segment location. Segments with significant impacts are:</p> <ul style="list-style-type: none"> • Scripps Poway Parkway - I-15 Northbound Ramps / Scripps Highlands Drive • Scripps Poway Parkway - Scripps Highlands Drive / Scripps Summit Drive • Scripps Poway Parkway – Scripps Summit Drive / Spring Canyon Road • Scripps Poway Parkway – Spring Canyon Road / Scripps Creek Drive • Scripps Poway Parkway – Scripps Creek Drive / Cypress Canyon Road/Scripps Poway Parkway – Cypress Canyon Road / Angelique Street <p>Cumulatively significant impacts would also occur at six roadway segments and one arterial segment as shown below:</p> <ul style="list-style-type: none"> • Scripps Poway Parkway - I-15 Northbound Ramps / Scripps Highlands Drive • Scripps Poway Parkway - Scripps Highlands Drive / Scripps Summit Drive • Scripps Poway Parkway – Scripps Summit Drive / Spring Canyon Road • Scripps Poway Parkway – Spring Canyon Road / Scripps Creek Drive • Scripps Poway Parkway – Scripps Creek Drive / Cypress Canyon Road • Scripps Poway Parkway – Cypress Canyon Road / Angelique Street • Scripps Poway Parkway – Angelique Street / Pomerado Road 	<p>MM 5.2-1 Prior to issuance of the first construction permit, owner/permittee shall assure by permit and bond the reconfiguration to shift the westbound through lanes on Scripps Poway Parkway to the north and provide additional queuing length for westbound traffic on Scripps Poway Parkway to the interchange. The "back-to-back" left turn lanes will be eliminated and additional queuing for traffic turning left from Scripps Poway Parkway to southbound I-15 will be provided. Reduction in the width of raised median on Scripps Poway Parkway east of the interchange will be required. All work to be done to the satisfaction of the City Engineer.</p> <p>MM 5.2-2 Prior to issuance of the first construction permit, owner/permittee shall assure by permit and bond the provision of a triple left-turn at Scripps Poway Parkway and Scripps Highlands Drive intersection by re-striping the northbound leg to take a thru-lane and make a shared left-thru lane. The pedestrian crossing on the west leg of the intersection will be removed. Additionally, a northbound right-turn overlap will be provided. All work to be done to the satisfaction of the City Engineer.</p>	<p>Completed by Certificate of Occupancy</p> <p>Completed by Certificate of Occupancy</p>	<p>San Diego</p> <p>San Diego</p>

11.0 MITIGATION MONITORING AND REPORTING PROGRAM

<p>The project would result in significant direct and cumulative impacts at the following two intersections:</p> <ul style="list-style-type: none"> • Scripps Poway Parkway / Scripps Highlands Drive • Mercy Road / I-15 Southbound Ramps 			
Air Quality			
<p>Temporary construction emissions are considered significant.</p>	<p>MM 5.4-1. Standard dust control measures would be employed during construction. These standard dust control measures include the following:</p> <ul style="list-style-type: none"> • Watering active grading sites a minimum of three times daily • Apply soil stabilizers to inactive construction sites • Replace ground cover in disturbed areas as soon as possible • Control dust during equipment loading/unloading (load moist material, ensure at least 12 inches of freeboard in haul trucks) • Reduce speeds on unpaved roads to 15 mph or less • Water unpaved roads a minimum of three times daily <p>These dust control measures would reduce the amount of fugitive dust generated during construction to below a level of significance.</p>	<p>Grading Permit</p>	<p>San Diego</p>

12.0 REFERENCES

A list of the reference materials consulted in the course of the EIR's preparation is included in this section.

- Federal Aviation Administration. *Determinations of No Hazard to Air Navigation*. (October 5, 2009).
- Fuscoe Engineering. *Sewer Study Amendment – The Watermark*. (December 2011).
- Fuscoe Engineering. *Drainage Study – The Watermark*. (June 25, 2012).
- Fuscoe Engineering. *Preliminary Water Quality Technical Report*. (June 22, 2012).
- GEOCON, Inc. *Updated Geotechnical Investigation Report – The Watermark*. (February 2009).
- KLR Planning. *Collocation/Conversion Suitability Analysis*. (September 2011).
- KLR Planning. *Prime Industrial Lands Criteria Analysis*. (September 2011).
- Lnd Consulting, Inc. *Noise Study – The Watermark*. (March 2012).
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- MCAS Miramar. *ALUCP Consistency Letter*. (May 29, 2009).
- REC Consultants, Inc. *Watermark Biological Resources Report*. (June 25, 2012).
- San Diego, City of. *General Plan*. (March 2008).
- San Diego, City of. *Development Services Department, Significance Determination Thresholds*. (January 2011).
- San Diego, City of. *Land Development Code*.
- San Diego, City of. *Miramar Ranch North Community Plan*. (Adopted March 1980; Amended September 1998).
- San Diego, City of. *MSCP Subarea Plan*. (1997).
- San Diego, City of. *Water Supply Assessment Report* (March 5, 2012)
- San Diego, City of. *Environmental Impact Report Guidelines* (1992; Revised 2005).
- San Diego Natural History Museum – Department of Paleontological Services. *Final Paleontological Mitigation Report – Scripps Gateway* (January 30, 2001).
- Scientific Resources Associated. *Air Quality Technical Report for the Watermark Project*. (July 2011).
- Scientific Resources Associated. *Greenhouse Gas Evaluation*. (July 10, 2012).
- Urban Systems Associates, Inc. *Traffic Impact Analysis for Watermark*. (November 12, 2012).

13.0 INDIVIDUALS AND AGENCIES CONSULTED

Agencies and individuals contacted during preparation of the EIR are identified in this section.

CITY OF SAN DIEGO

Environmental Analysis Section

- Cathy Winterrowd, Deputy Director
- Martha Blake, Senior Planner
- Elizabeth Shearer-Nguyen, Senior Planner

Development Services Department

- Renee Mezo, Development Services Project Manager
- Ann French-Gonsalves, Senior Traffic Engineer
- Ismail Elhamad, Associate Traffic Engineer

Development Services Department: Planning Division

- Maxx Stalheim, Senior Planner
- Tony Kempton, Associate Planner
- Toni Dillon, Community Development Specialist

Environmental Services Department

- Lisa Wood, Senior Planner
- James Nguyen, CEQA Intern for Environmental Services Department
- Eric Turner, CEQA Intern for Environmental Services Department

SAN DIEGO POLICE DEPARTMENT

- Ken Hubbs, Police Lieutenant

SAN DIEGO FIRE-RESCUE DEPARTMENT

- Larry Trame, Assistant Fire Marshal

SAN DIEGO GAS & ELECTRIC

- Rick Vincent, Senior Customer Project Planner

COX COMMUNICATION

- Willie Padilla, CADD Network Support

14.0 CERTIFICATION

This document has been completed by the City of San Diego's Environmental Analysis Section, under the direction of the Development Services Department Environmental Review Manager. This Program EIR is based on independent analysis and determination made pursuant to the San Diego Land Development Code Section 128.0103.

Provided below is a list of City of San Diego staff, as well as the environmental and technical consultants, who assisted in preparing this document.

CITY OF SAN DIEGO – DEVELOPMENT SERVICES DEPARTMENT

- Cathy Winterrowd, Deputy Director
- Martha Blake, Senior Planner
- Elizabeth Shearer-Nguyen, Associate Planner
- Renee Mezo, Development Services Project Manager
- Ann French-Gonsalves, Senior Traffic Engineer
- Maxx Stalheim, Senior Planner
- Tony Kempton, Associate Planner
- Toni Dillon, Community Development Specialist

EIR PREPARATION AND MANAGEMENT

KLR PLANNING

- Karen L. Ruggels, Project Manager
- Brittany Erin Ruggels, Environmental Analyst/Planner

THE WATERMARK TRAFFIC IMPACT STUDY

Urban Systems Associates, Inc.

- Andy Schlaefli
- Justin Schlaefli
- Jacob Swim

AIR QUALITY TECHNICAL REPORT

Scientific Resources Associated

- Valorie Thompson, PhD

NOISE ANALYSIS

Ldn Consulting, Inc.

- Jeremy Loudin

BIOLOGICAL SURVEY REPORT

REC Consulting, Inc.

- Elyssa Robertson

DRAINAGE STUDY

Fusco Engineering

- Michael Wolfe, R.C.E.
- Bryan Smith, P.E., Q.S.D.

PRELIMINARY WATER QUALITY TECHNICAL REPORT

Fusco Engineering

- Michael Wolfe, R.C.E.
- Bryan Smith, P.E., Q.S.D.

SEWER STUDY AMENDMENT

Fusco Engineering

- Michael Wolfe, R.C.E.
- Bryan Smith, P.E., Q.S.D.

UPDATE GEOTECHNICAL INVESTIGATION

GEOCON

- Rodney Mikesell, GE

ARCHITECT

ANDREW HULL STEVENSON ARCHITECTS

- Andy Stevenson, AIA

EXHIBIT “A”

DRAFT

**FINDINGS OF FACT AND
STATEMENT OF OVERRIDING CONSIDERATIONS REGARDING
FINAL ENVIRONMENTAL IMPACT REPORT
FOR THE WATERMARK PROJECT**

**City of San Diego Project No. 180357
SCH. No. 2010091079**

The attached Findings of Fact and Statement of Overriding Considerations (SOC) are draft and may be modified as the PROJECT proceeds through the hearing process.

1. Per the California Environmental Quality Act (CEQA) Section 15132, the Findings and SOC are not considered part of the environmental document but are made after the decision makers have considered the final environmental document.
2. These Findings and SOC have been submitted by the project applicant as candidate findings to be made by the decision-making body.
3. The Environmental Analysis Section of the City’s Development Services Department does not recommend that the discretionary body either adopt or reject these Findings and SOC. They have been attached to allow the readers of this document an opportunity to review potential reasons for approving the PROJECT despite the significant unmitigable effects identified in the Environmental Impact Report (EIR).

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I. INTRODUCTION

A. Findings of Fact and Statement of Overriding Considerations

The California Environmental Quality Act (CEQA) (Pub. Res. Code §§ 21000, *et seq.*) and the State CEQA Guidelines (Guidelines) (14 Cal. Code Regs §§ 15000, *et seq.*) promulgated thereunder, require that the environmental impacts of a project be examined before a project is approved. Specifically, regarding findings, Guidelines Section 15091 provides:

- (a) No public agency shall approve or carry out a project for which an Environmental Impact Report (EIR) has been certified which identifies one or more significant environmental effects of the project unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding. The possible findings are:
 1. Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR.
 2. Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
 3. Specific economic, legal, social, technological, or other considerations make infeasible the mitigation measures or project alternatives identified in the final EIR.
- (b) The findings required by subdivision (a) shall be supported by substantial evidence in the record.
- (c) The finding in subdivision (a)(2) shall not be made if the agency making the finding has concurrent jurisdiction with another agency to deal with identified feasible mitigation measures or alternatives. The finding in subdivision (a)(3) shall describe the specific reasons for rejecting identified mitigation measures and project alternatives.
- (d) When making the findings required in subdivision (a)(1), the agency shall also adopt a program for reporting on or monitoring the changes which it has either required in the project or made a condition of approval to avoid or substantially lessen significant environmental effects. These measures must be fully enforceable through permit conditions, agreements, or other measures.
- (e) The public agency shall specify the location and custodian of the documents or other materials which constitute the record of the proceedings upon which its decision is based.
- (f) A statement made pursuant to Section 15093 does not substitute for the findings required by this section.

The “changes or alterations” referred to in Section 15091(a)(1) above, that are required in, or incorporated into, the project which mitigate or avoid the significant environmental effects of the project, may include a wide variety of measures or actions as set forth in Guidelines Section 15370, including:

- (a) Avoiding the impact altogether by not taking a certain action or parts of an action.
- (b) Minimizing impacts by limiting the degree or magnitude of the action and its implementation.
- (c) Rectifying the impact by repairing, rehabilitating, or restoring the impacted environment.
- (d) Reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action.
- (e) Compensating for the impact by replacing or providing substitute resources or environments.

Regarding a Statement of Overriding Considerations, Guidelines Section 15093 provides:

- (a) CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered “acceptable.”
- (b) When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the final EIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the final EIR and/or other information in the record. The statement of overriding considerations shall be supported by substantial evidence in the record.
- (c) If an agency makes a statement of overriding considerations, the statement should be included in the record of the project approval and should be mentioned in the notice of determination. This statement does not substitute for, and shall be in addition to, findings required pursuant to Section 15091.

Having received, reviewed and considered the Final Environmental Impact Report for the General Plan Amendment, Community Plan Amendment, Rezone, Vesting Tentative Map (VTM), Planned Development Permit, Conditional Use Permit, and Street Vacation for the Watermark Project, City of San Diego Project No. 180357/State Clearinghouse No. 2010091079 (Final EIR), as well as all other information in the record of proceedings on this matter, the following Findings of Fact and Statement of Overriding Considerations (Findings) are hereby adopted by the City of San Diego (City) in its capacity as the CEQA Lead Agency. These Findings set forth the environmental basis for current and subsequent discretionary actions to be undertaken by the City and responsible agencies for the implementation of the proposed project.

B. Record of Proceedings

For purposes of CEQA and these Findings, the Record of Proceedings for the proposed project consists of the following documents and other evidence, at a minimum:

- The Notice of Preparation (NOP) and all other public notices issued by the City in conjunction with the proposed project;
- The Final EIR for the proposed project;

- The Draft EIR;
- All documents and public testimony from the January 13, 2010, scoping meeting;
- All written comments submitted by agencies or members of the public during the public review comment period on the Draft EIR;
- All responses to written comments submitted by agencies or members of the public during the public review comment period on the Draft EIR;
- All written and verbal public testimony presented during a noticed public hearing for the proposed project at which such testimony was taken;
- The Mitigation Monitoring and Reporting Program (MMRP);
- The reports and technical memoranda included or referenced in Responses to Comments and/or in the Final EIR;
- All documents, studies, EIRs, or other materials incorporated by reference in the Draft EIR and the Final EIR;
- Matters of common knowledge to the City, including but not limited to federal, state and local laws and regulations;
- Any documents expressly cited in these Findings; and
- Any other relevant materials required to be in the record of proceedings by Public Resources Code Section 21167.6(e).

All project approvals for the Scripps Gateway project, including the Scripps Gateway Final EIR (LDR No. 92-0466/ SCH No. 92101036), CUP/PID No. 99-1027, and CUP No. 174323/PDP No. 174234 Extension of Time.

- All ordinances and resolutions adopted in connection with the Watermark project.
- All project application materials.

C. Custodian and Location of Records

The documents and other materials which constitute the administrative record for the City's actions related to the project are located at the City of San Diego, Development Services Center, 1222 First Avenue, Fifth Floor, San Diego, CA 92101. The City Development Services Center is the custodian of the administrative record for the project. Copies of these documents, which constitute the record of proceedings, are and at all relevant times have been and will be available upon request at the offices of the City Development Services Center. This information is provided in compliance with Public Resources Code Section 21081.6(a)(2) and Guidelines Section 15091(e).

II. PROJECT SUMMARY

A. Project Location

The regional and local setting of the project is discussed in Section 2.0, *Environmental Setting*, of the Final EIR. The proposed Watermark project is located in the Miramar Ranch North community of the City of San Diego, within San Diego County. The Watermark project site is located in the southeast quadrant of Interstate 15 (I-15) and Scripps Poway Parkway. Situated south of Scripps Poway Parkway, east of I-15, a distance north of Mira Mesa Boulevard, and west of Scripps Highlands Drive, the Watermark project site encompasses approximately 34.39 acres, with 22.42 acres to be developed as a mix of office and retail (referenced in the EIR as “Area A” of the project site) and 11.97 acres remaining as the MedImpact office complex (referenced in the EIR as “Area B” of the project site). The I-15 freeway forms the project site’s western boundary. Single-family residential development within the Scripps Highlands neighborhood occurs east and south of the project site at elevations above the project site. Steep slopes vegetated in native habitat and preserved through an open space easement separate the Watermark site from the Scripps Highlands residential neighborhood on the south and east. North of the project is a small neighborhood commercial center (with hotels and restaurants), and office buildings are located to the northeast of the project site.

B. Project Background

The Watermark project site was a part of the larger Scripps Gateway project site (LDR No. 92-0466). Approved in July 1998, the Scripps Gateway project resulted in the subdivision of the original 242.1-acre property and zoning the property for residential, commercial retail, and industrial park uses through the approval of a General Plan/Community Plan Amendment, Tentative Map, Planned Industrial Development (PID), Planned Commercial Development (PCD), and Planned Residential Development permits and associated actions. Consistent with the original approvals, residential development has occurred east and south of the Watermark site, and retail commercial and office uses have occurred to the north.

The Watermark portion of the Scripps Gateway project is identified as the location of the industrial park uses, originally approved as a Planned Industrial Development (PID) permit, and was zoned M-IP (now the IP-2-1 zone) as part of the original approvals. A Final EIR for the Scripps Gateway project (dated July 16, 1998) was certified for the existing approvals/previous project (LDR No. 92-0466; SCH No. 92101036).

The PID portion of the Scripps Gateway project (i.e., the entire Watermark project site) was subsequently amended in 2001, granting approval for MedImpact to construct its corporate campus to be comprised of seven buildings for use as corporate office, employee training, a cafeteria, exercise facility, and childcare facility (for employee use only) for a total of 658,456 square feet. Public improvements and mass grading was completed at the MedImpact site in 2002. In early 2008, construction began on previously approved Lot 1 of the MedImpact site. Current project approvals included an approved Conditional Use Permit (CUP), PID Permit, Planned Development Permit (PDP), and Extension of Time (CUP/PID No. 99-1027; CUP No. 174323/PDP No. 174234 Extension of Time).

C. Project Description

To implement the Watermark project, the project applicant is requesting approval of an Amendment to the Miramar Ranch North Community Plan and associated General Plan Amendment to change the land use designation from Industrial/Business Park to Regional Commercial, a General Plan Amendment to remove the Prime Industrial Lands identification from a portion of the project site, a Rezone for a portion of the project site from IP-2-1 (Industrial-Park) to CR-2-1 (Commercial-Regional), a Vesting Tentative Map, a PDP with Design Guidelines, a Street Vacation for Scripps Gateway Court, and a CUP for a movie theater. The elements of these various project actions are described in detail in Section 3.0, *Project Description*, of this EIR.

Development is occurring on Lots 1 and 2 of the project site in accordance with existing project approvals for the MedImpact development. Existing project approvals include an approved CUP, PID Permit, PDP, and Extension of Time (CUP/PID No. 99-1027; and CUP No. 174323/PDP No. 174234 Extension of Time). An *Addendum to an Environmental Impact Report* No. 92-0466 was prepared for PID No. 99-1027. The existing approvals allow for the construction of two Class A office buildings, totaling 350,743 square feet, and four additional buildings as the new corporate headquarters for MedImpact Healthcare Systems, Inc. The first of the two buildings (approximately 155,000 square feet) and parking structure have been constructed on the site (Area B). Total development approved for MedImpact is 658,456 square feet. The proposed project includes changes to the approved MedImpact PID, which involves constructing a restaurant in the northeast corner of MedImpact Lot 1 and shared use of parking garages on MedImpact Lots 1 and 2.

Table 1, *Proposed Project Development Intensity*, shows the proposed development for the Watermark project, including the existing approvals in effect on the site. In order to allow flexibility in the mix of regional commercial office and/or retail uses in a manner that is reflective of market conditions for employment and retail serving uses, the Traffic Impact Analysis for Watermark (TIA), dated November 12, 2012, is based on a “target development intensity.” It is the target development intensity that forms the basis of analysis in this EIR. Depending on the needs of the marketplace at the time development occurs, other mixes of office and retail development could occur and may result in more or less than the target development intensity, provided that the overall development remains consistent with the TIA for both total traffic generated and the amount of peak-hour directional trips and that the development complies with the Watermark Architectural Design Guidelines. Therefore, the following table includes the target development intensity, as well as the minimum and maximum development intensity range, that could be developed subject to the limitations of the Traffic Impact Analysis.

Table 1. Proposed Project Development Intensity

USE	DEVELOPMENT INTENSITY		
	APPROVED (Lots 1 and 2)	PROPOSED ¹	
		Development Intensity Range	Target Development Intensity
Commercial Office	350,743 sq. ft. ²	400,000 – 658,456 sq. ft.	502,112 sq. ft.
Commercial Retail	--	0 – 500,000 sq. ft.	316,000 sq. ft.
Entertainment (Theater)	--	0 – 45,000 sq. ft.	43,917 sq. ft.
Hotel (130 rooms)	--	0 – 100,000 sq. ft.	90,540 sq. ft.
		<i>TOTAL</i>	<i>953,566 sq. ft.</i>

¹ Includes approved project of 350,743 square feet.

² Constructed on Lot 1 – 155,000 square feet.

The proposed PDP includes the development square footage for the Watermark project and would supplant the existing vested approvals in effect on the project site (see discussion above). For the purposes of the EIR, the approved on-going development approved for Area B will be considered as part of the existing conditions, unless as otherwise noted in the EIR.

D. Discretionary Actions

For the Watermark project, the following discretionary actions are required:

General Plan Amendment and Community Plan Amendment – The approximately 34.96-acre project site is located within the Miramar Ranch North Community Plan Area and is designated for Industrial/Business Park uses. The project proposes to change the land use designation to Regional Commercial. Because the Community Plan would be amended, this would result in an amendment to the City’s General Plan, as the Community Plan functions as the land use plan for the Miramar Ranch North community of the City.

The project site is identified as a location for Prime Industrial Lands in the City. Prime Industrial Lands are defined in the Economic Prosperity Element of the City’s General Plan as “*areas that support export-oriented base sector activities such as corporate headquarters, warehouse distribution, heavy or light manufacturing, research and development uses. These areas are part of even larger areas that provide a significant benefit to the regional economy and meet General Plan goals and objectives to encourage a strong economic base.*” In order to develop the site with the proposed mix of commercial and office uses, the project would remove the Prime Industrial Lands identification from Area A of the project site and would change the General Plan land use designation from Industrial to Regional Commercial for Area A. The General Plan would need to be amended to reflect these changes.

Rezone – A rezone is proposed for a portion of the site to change the existing IP-2-1 zone to CR-2-1.

Vesting Tentative Map (VTM) – In order to facilitate development of the Watermark project, a VTM is processed. The Watermark VTM details proposed grading for the project, as well as necessary infrastructure, and has been prepared in accordance with the guidelines of the State Subdivision Map Act and City of San Diego requirements.

Planned Development Permit (PDP) – The PDP approval would establish the Design Guidelines and development intensity ranges for the project and allows for minor variations to the regulations of the proposed CR-2-1 zones through proposed deviations. The deviations would provide for a superior project than could occur with a strict interpretation of the CR-2-1 zone regulations.

Conditional Use Permit (CUP) – A CUP is required for the proposed movie theater.

Street Vacation – The Street Vacation is required to vacate a Scripps Gateway Court. In its place, a private drive would provide vehicular, bicycle, and pedestrian access for the project to efficiently serve existing (MedImpact facilities on Area B) and proposed developments.

Environmental Impact Report – Concurrent with the Watermark discretionary actions, the EIR has been prepared in accordance with the provisions of the CEQA. The EIR (City of San Diego Project No. 180357/SCH No. 2010091079) evaluates the land use, circulation, and infrastructure improvements resulting from implementation of the Watermark project and the potential environmental impacts that would result from their implementation. Review and certification of this EIR by the decision maker would complete the environmental review for the project in accordance with CEQA and City regulations.

As described in Section 1.4, *Responsible and Trustee Agencies*, of this EIR, review by Caltrans, a State agency, would be required for the proposed project.

Caltrans - Project features which necessitate encroachment into freeway easements and access rights for improvements within Caltrans' rights-of-way would require coordination with Caltrans for those improvements.

Additionally, the project requires review by the Regional Water Quality Control Board (RWQCB) and the Federal Aviation Administration (FAA).

NPDES Permit – The project would comply with National Pollutant Discharge Elimination System (NPDES) requirements for discharge of storm water runoff associated with construction activity. Compliance also requires conformance with applicable Best Management Practices (BMPs) and development of a Storm Water Pollution Prevention Plan (SWPPP) and monitoring program plan. (Water quality is addressed in Section 5.12, *Hydrology/Water Quality*, of this EIR.)

Obstruction Evaluation/Airport Airspace Analysis, Part 77 Determination (Federal Aviation Administration) – The project's proximity to MCAS – Miramar requires notification to the Federal Aviation Administration (FAA) in order to conduct an Obstruction Evaluation/Airport Airspace analysis under Title 14 code of Federal Regulations, Part 77. The project has completed an initial request for the aeronautical study and has received Determination of No Hazard to Air Navigation for the project (see Appendix N). Individual structures would be required to file subsequent notification to the FAA at least 30 days before the earlier of a) the date proposed construction or alteration is to begin, or b) the date the application for a construction permit would be filed.

Additionally, the Watermark project was reviewed for consistency with the Marine Corps Air Station (MCAS) Miramar Airport Land Use Compatibility Plan (ALUCP) by the San Diego County Regional Airport Authority Airport Land Use Commission (ALUC). The project site is located within Review Area 2 of the Airport Influence Areas (AIA) for the MCAS Miramar ALUCP. Based on its letter dated August 9, 2010, the ALUC staff determined that a determination of consistency with the ALUC is not required pursuant to Policies 2.6.1(a)(2) and 2.6.1(b)(2) of the MCAS Miramar ALUCP.

E. Statement of Project Purpose and Objectives

Project Purpose

The purpose of the Watermark project is to create a viable mix of commercial retail, visitor commercial, office, and entertainment uses that would serve the adjacent residential neighborhoods, the Miramar Ranch North community, and adjacent communities. The project's location and proposed uses would serve to reduce trips to outlying areas for similar retail services while also expanding employment uses proximate to residential development.

Project Objectives

The project objectives associated with the Watermark project are as follows:

- Create a coherent and signature design statement at a community gateway to Miramar Ranch North.
- Provide flexibility in the allocation of commercial office and retail development based on market demand and consistent with limitations established by the Traffic Impact Analysis prepared for the project.
- Allow for retail uses currently unavailable in the surrounding market area.
- Implement design guidelines that would ensure high quality design and aesthetics, creating a landmark for the community.
- Provide quasi-public space for community use in the form of a pedestrian plaza as a focal point for the project, which would function as a lively gathering place for visitors, employees, and neighbors.
- Implement transportation (vehicular, bicycle, and pedestrian) improvements that would improve operations of the current roadway and bicycle network and would encourage pedestrian use.

III. ENVIRONMENTAL REVIEW AND PUBLIC PARTICIPATION

The City determined that the proposed project may have a significant effect on the environment and that a EIR should be prepared to analyze the potential impacts associated with approval and implementation of the proposed project. In accordance with CEQA Guidelines Section 15082(a), a Notice of Preparation (NOP), dated September 24, 2010, was prepared for the project and distributed to all Responsible and Trustee Agencies, as well as other agencies and members of the public who may have an interest in the project. The purpose of the NOP was to solicit comments on the scope and analysis to be included in the EIR for the proposed Watermark project. A copy of the NOP and letters received during its review are included in Appendix A to the EIR. In addition, comments were also gathered at a public scoping session held for the project on January 13, 2010 (see Appendix B). Based on an initial review of the project and comments received, the City of San Diego determined that the EIR for the proposed project should address the following environmental issues: Land Use; Transportation/Traffic Circulation/Parking; Visual Quality/Neighborhood Character; Air Quality; Global Climate Change; Energy; Noise; Biological Resources; Historical Resources; Geologic Conditions; Paleontological Resources; Hydrology/Water Quality; Health and Safety; Public Services and Facilities; Public Utilities; Growth Inducement; and Cumulative Effects.

The Draft EIR for the proposed project was then prepared and circulated for review and comment by the public, agencies and organizations for a 45-day public review period that began on February 28, 2013 and ended on April 14, 2013. A Notice of Completion (NOC) and copies of the EIR and technical appendices were provided to the State Clearinghouse, Office of Planning and Research (SCH No. 2010091079) on February 28, 2013. The Draft EIR and technical appendices were also directly sent to all applicable local, state, and federal agencies, including U.S. EPA, U.S. Fish & Wildlife Service, U.S. Army Corps of Engineers, Caltrans Planning, California Department of Fish & Game, Regional Water Quality Control Board, State Clearinghouse, California Air Resources Board, and the Native American Heritage Commission. A notice of availability of the Draft EIR for review was mailed to residents in the vicinity of the project site and non-residential property owners expressing an interest in the project. The notice of availability was also filed with the City Clerk and posted in the San Diego Daily Transcript, and the required notice was provided to the public

As noted, the public comment period on the Draft EIR concluded on April 14, 2013. The City received 28 letters of comment on the proposed project. The City prepared responses to those comments, which are incorporated into the Final EIR. On [date], the City of San Diego Planning Commission held a public hearing and recommended to the San Diego City Council approval of the project and certification of the Final EIR. On [date], the City Council held a public hearing to consider the project and, by a [] vote, certified the Final EIR, adopted these findings of fact, and the accompanying Statement of Overriding Considerations, and approved the Watermark project.

IV. GENERAL FINDINGS

The City hereby finds as follows:

- The City is the “Lead Agency” for the proposed project evaluated in the Final EIR.
- The Draft EIR and Final EIR were prepared in compliance with CEQA and the Guidelines.
- The City has independently reviewed and analyzed the Draft EIR and the Final EIR, and these documents reflect the independent judgment of the City Council and the City of San Diego.
- The City of San Diego’s review of the Draft EIR and the Final EIR is based upon CEQA, the CEQA Guidelines, and the City of San Diego California Environmental Quality Act Significance Determination Thresholds – Development Services Department (January 2011) (CEQA Significance Determination Thresholds).
- A Mitigation Monitoring and Reporting Program (MMRP) has been prepared for the proposed project, which the City has adopted or made a condition of approval of the proposed project. That MMRP is included as Section 11.0 of the Final EIR, is incorporated herein by reference and is considered part of the record of proceedings for the proposed project.
- The MMRP designates responsibility and anticipated timing for the implementation of mitigation. The City will serve as the MMRP Coordinator.
- In determining whether the proposed project has a significant impact on the environment, and in adopting these Findings pursuant to Section 21081 of CEQA, the City has complied with CEQA Sections 21081.5 and 21082.2.
- The impacts of the proposed project have been analyzed to the extent feasible at the time of certification of the Final EIR.
- The City has reviewed the comments received on the Draft EIR and Final EIR and the responses thereto and has determined that, in accordance with CEQA Guidelines Section 15088.5, neither the comments received nor the responses to such comments add significant new information regarding environmental impacts to the Draft EIR or Final EIR, no new impacts and/or mitigation measures have been identified, and that recirculation of the EIR is not necessary. The City has based its actions on full appraisal of all viewpoints, including all comments received up to the date of adoption of these Findings and Statement of Overriding Considerations, concerning the environmental impacts identified and analyzed in the Final EIR. The City has included new information in the Final EIR, but the new information merely clarifies and amplifies the information in the Draft EIR. This new information does not alter the EIR in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect. No significant new information is provided by the inclusion of this information that would require recirculation of the EIR.
- The City has made no decisions that constitute an irretrievable commitment of resources toward the proposed project prior to certification of the Final EIR, nor has the City previously committed to a definite course of action with respect to the proposed project;

- Copies of all the documents incorporated by reference in the Final EIR are and have been available upon request at all times at the offices of the City, custodian of record for such documents or other materials; and
- Having received, reviewed, and considered all information and documents in the record, the City hereby conditions the proposed project and finds as stated in these Findings.

V. SUMMARY OF IMPACTS

Section 5.0 of the Final EIR presents the *Environmental Analysis* of the proposed project. Based on the analysis contained in Section 5.0 of the Final EIR, the Final EIR concludes that the proposed Watermark project will have **no significant impacts** and require no mitigation with respect to the following issues:

- Land Use
- Transportation/Traffic Circulation/Parking
 - Freeway segments, metered freeway ramps
 - Effects on existing public access to beaches, parks, and open space areas
 - Congestion Management Program
 - Hazards
 - Emergency access
 - Public transit, bicycle, pedestrian plans policies, and programs
 - Parking
- Visual Quality/Neighborhood Character
- Air Quality
 - Plan consistency
 - Violation of air quality standard
 - Sensitive receptors
 - Objectionable odors
- Global Climate Change
- Energy
- Noise
- Biological Resources
- Historical Resources
- Geological Resources
- Paleontological Resources
- Hydrology/Water Quality
- Health and Safety
- Public Services and Facilities

- Public Utilities

Potentially **significant impacts of the proposed project will be mitigated to below a level of significance** with respect to the following issues:

- Transportation/Traffic Circulation/Parking (direct)
 - Intersections
- Air Quality (direct)
 - Particulate Matter (temporary – during construction)

No feasible mitigation measures are available to reduce impacts to below a level of significance for the following issues:

- Transportation/Traffic Circulation (direct and cumulative)
 - Street Segments

VI. FINDINGS REGARDING IMPACTS

A. Transportation/Traffic Circulation

Environmental Impact: The project would result in traffic generation in excess of specific community plan allocation and an increase in project traffic which is substantial in relation to the existing traffic load and capacity of the street system based on the City's CEQA Significance Determination Thresholds, resulting in a substantial impact upon existing or planned transportation systems.

Finding: The project would result in significant direct impacts to street segments and intersections. The impacts to intersections are considered significant but mitigable. Impacts to street segments are considered significant and unmitigable. Changes or alterations have been required in or incorporated into the project which will lessen the significant environment effects of the project related to traffic. These changes or alterations, however, will not reduce all transportation/traffic circulation impacts to below a level of significance and the project is expected to have a significant adverse impact on traffic. The City finds that there are no other feasible mitigation measures that will mitigate the impact to below a level of significance, and that specific economic, social, technological or other considerations make infeasible the alternatives identified in the Final EIR. As described in the Statement of Overriding Considerations, the City has determined that this impact is acceptable because of specific overriding considerations.

Facts in Support of Finding: Section 5.2 of the Final EIR, incorporated herein by reference, describes the project's impacts on traffic, including impacts to street segments, intersections, freeway segments, freeway ramp meters, and Congestion Management Program (CMP) arterials. Urban Systems Associates, Inc. (USAI) prepared a traffic study, titled Traffic Impact Analysis for Watermark (November 12, 2012) (Final EIR Appendix C), incorporated herein by reference, that examined the effects of the proposed Watermark project on the existing and planned circulation system based on the anticipated development of the project and build-out of the community.

In order to determine a scope of work for the Transportation Impact Study, staff of USAI completed a preliminary analysis and met with City Transportation staff. Based on the meeting, study area intersections and street segments were identified for the analysis and traffic generation and distribution was determined. The preliminary analysis was based on a SANDAG Series 11 travel forecast and both machine and manual traffic counts of the existing daily and peak hour traffic flow data for the study intersections and street segments.

The traffic generation of the Watermark project was based on trip generation rates found in the City of San Diego's May 2003 Trip Generation Manual. The project traffic was added to the Existing, Near Term and Horizon Year 2030 scenarios resulting in an impact analysis which analyzed six scenarios: Existing, Existing with Project, Near Term Without Project, Near Term With Project, Horizon Year 2030 Without Project, and Horizon Year 2030 With Project. The term Near Term is meant to discuss a condition occurring within the next several years to reflect the proposed project's opening day. This reflects the best information available for determining what traffic would be in the next several years. The analysis year used for transportation modeling purposes is the Year 2030. SANDAG Series 11 select zone analysis was used to determine the distribution of project traffic and future with project traffic volumes.

The study area for the proposed project included the following existing intersections and roadway segments:

Study Area Street Segments & Intersections

Street Segments	
Road	Segment
Black Mountain Road	Mercy Rd./Park Village Dr.
	Westview Parkway/Mercy Rd.
	Capricorn Way/Westview Parkway
Mercy Road	Black Mountain Rd/Kika Court
	Kika Court/Alemania Rd.
	Alemania Rd./I-15 SB Ramps
Scripps Poway Parkway	I-15 NB Ramps/Scripps Highlands Dr.
	Scripps Highlands Dr./Scripps Summit Dr.
	Scripps Summit Dr./Spring Canyon Rd.
	Spring Canyon Rd./Scripps Creek Dr.
	Scripps Creek Dr./Cypress Canyon Rd.
	Cypress Canyon Rd./Vail Court
	Angelique Street/Pomerado Rd.
	Pomerado Rd./Kirkham Rd.

Intersections	
Number	Intersection
1	Park Village Rd./Black Mountain Rd.
2	Mercy Rd./Black Mountain Rd.
3	Westview Pkwy/Black Mountain Rd.
4	Capricorn Way/Black Mountain Rd.
5	Kika Court/Mercy Rd.
6	Mercy Rd./Alemania Rd.
7	Mercy Rd./I-15 SB Ramps
8	Scripps Poway Pkwy/I-15 NB Ramps
9	Scripps Poway Pkwy/Scripps Highlands Dr.
10	Scripps Highlands Dr./Scripps Gateway Ct.
11	Scripps Poway Pkwy/Scripps Summit Dr.
12	Scripps Poway Pkwy/Spring Canyon Rd.
13	Scripps Poway Pkwy/Scripps Creek Dr.
14	Scripps Poway Pkwy/Cypress Canyon Rd.
15	Scripps Poway Pkwy/Springbook Dr.
16	Scripps Poway Pkwy/Pomerado Rd.
17	Scripps Poway Pkwy/Kirkham Dr.

Ramp meters at freeway entrances in the study area currently exist at:

- I-15/Mercy Road
- I-15/Scripps Poway Parkway

The study area also includes a freeway mainline analysis of I-15 at the following:

- SR-163/SR-52
- Miramar Road/SR-163

- Carroll Canyon Road/Miramar Road
- Carroll Canyon Road/Mira Mesa Boulevard
- Mira Mesa Boulevard/Scripps Poway Parkway
- Scripps Poway Parkway/Poway Road
- Poway Road/SR-56
- SR-56/Carmel Mountain Road
- Carmel Mountain Road/Camino Del Norte
- Camino Del Norte/Rancho Bernardo Road

The project site is adjacent to and shares access with the existing (Bldg. 1) and entitled (Bldg. 2) Med-Impact Single-Tenant Office buildings. This development has been considered an “other project” for offsite analysis (Bldg. 1 was under construction but not yet open at the time of existing traffic counts) and has been considered part of the “whole site” for access analysis purposes. The proposed development would be expected to generate a maximum 21,509 ADT at driveways with 648 trips in the AM peak hour (501 inbound and 148 outbound) and 2,003 trips in the PM peak hour (978 inbound and 1,025 outbound). The proposed development would be expected to generate a maximum 18,552 cumulative ADT with 583 trips in the AM peak hour (455 inbound and 127 outbound) and 1,726 trips in the PM peak hour (838 inbound and 888 outbound).

The project would result in significant direct impacts at five roadway segments and one arterial segment location. Segments with significant impacts are:

- Scripps Poway Parkway - I-15 Northbound Ramps / Scripps Highlands Drive
- Scripps Poway Parkway - Scripps Highlands Drive / Scripps Summit Drive
- Scripps Poway Parkway – Scripps Summit Drive / Spring Canyon Road
- Scripps Poway Parkway – Spring Canyon Road / Scripps Creek Drive
- Scripps Poway Parkway – Scripps Creek Drive / Cypress Canyon Road
- Scripps Poway Parkway – Cypress Canyon Road / Angelique Street

The project would result in significant direct impacts at the following two intersections:

- Scripps Poway Parkway / Scripps Highlands Drive
- Mercy Road / I-15 Southbound Ramps

Mitigation Measures: Mitigation measure 5.2-1 (MM 5.2-1) will be implemented to partially mitigate project impacts to roadway segments. This mitigation measures involves reconfiguration of the Scripps Poway Parkway/I-15 Interchange.

MM 5.2-1 Prior to issuance of the first construction permit, owner/permittee shall assure by permit and bond the reconfiguration to shift the westbound through lanes on Scripps Poway Parkway to the north and provide additional queuing length for westbound traffic on Scripps Poway Parkway to the interchange. The “back-to-back” left turn lanes will be eliminated and additional queuing for traffic turning left from Scripps Poway Parkway to southbound I-15 will be provided. Reduction in the width of raised median on Scripps Poway Parkway east of the interchange will be required. All work to be done to the satisfaction of the City Engineer.

In order to mitigate significant direct impacts to the intersections of Scripps Poway Parkway/Scripps Highlands Drive and Mercy Road/I-15 Southbound Ramps, the following measure would be implemented:

MM 5.2-2 Prior to issuance of the first construction permit, owner/permittee shall assure by permit and bond the provision of a triple left-turn at Scripps Poway Parkway and Scripps Highlands Drive intersection by re-striping the northbound leg to take a thru-lane and make it a shared left-thru lane. The pedestrian crossing on the west leg of the intersection will be removed. Additionally, a northbound right-turn overlap will be provided. All work to be done to the satisfaction of the City Engineer.

Implementation of these mitigation measures will reduce the project’s significant traffic impacts to intersections to below a level of significance. Significant, unmitigated impacts would remain for the following roadway segments:

<u>Road</u>	<u>Segment</u>
Scripps Poway Parkway	I-15 Northbound / Scripps Highland Drive
Scripps Poway Parkway	Scripps Highland Drive / Scripps Summit Drive
Scripps Poway Parkway	Scripps Summit Drive / Spring Canyon Road
Scripps Poway Parkway	Spring Canyon Road / Scripps Creek Drive
Scripps Poway Parkway	Scripps Creek Drive / Cypress Canyon Road
Scripps Poway Parkway	Cypress Canyon Road/ Angelique Street

Reference: Final EIR § 5.2.

Unmitigated Impacts and Infeasibility of Mitigation

The project proposes numerous improvements to mitigate direct impacts at intersections to below a level of significance; however, significant, unmitigated impacts would remain for the following roadway segments:

<u>Road</u>	<u>Segment</u>
Scripps Poway Parkway	I-15 Northbound / Scripps Highland Drive
Scripps Poway Parkway	Scripps Highland Drive / Scripps Summit Drive
Scripps Poway Parkway	Scripps Summit Drive / Spring Canyon Road
Scripps Poway Parkway	Spring Canyon Road / Scripps Creek Drive
Scripps Poway Parkway	Scripps Creek Drive / Cypress Canyon Road
Scripps Poway Parkway	Cypress Canyon Road/ Angelique Street

Currently, the segments of Scripps Poway Parkway west of Spring Canyon Road are constructed to their ultimate Community Plan classification. Additional widening beyond the current 6-lane prime arterial classification is impractical since no right-of-way is available and existing buildings would be affected.

The street segment analysis indicates the potential for impacts on Scripps Poway Parkway between Spring Canyon Road and Angelique Street. However, the more detailed arterial analysis indicates that these road segments would experience an acceptable LOS with the project in all conditions. Therefore, although disclosed as an impact, it is anticipated that an acceptable LOS will be maintained in the future and no widening would be necessary.

Reference: Final EIR § 5.2.

B. Air Quality

Environmental Impact: Exceed 100 pounds of particulate matter (dust).

Finding: The proposed project would result in significant air quality impacts associated with construction. Construction impacts would be temporary and for a short duration. Standard mitigation would lessen the potential impact of fugitive dust to below a level of significance.

Facts in Support of Finding: Emissions of pollutants such as fugitive dust and heavy equipment exhaust that are generated during construction are generally highest near the construction site. Emissions from the construction of the project were estimated using the CalEEMod Model. It was assumed that construction would require the following phases: fine grading, utilities installation, building construction, paving, and architectural coatings application. In addition to calculating emissions from heavy construction equipment, the URBEMIS Model contains calculation modules to estimate emissions of fugitive dust, based on the amount of earthmoving or surface disturbance required; emissions from heavy-duty truck trips or vendor trips during construction activities; emissions from construction worker vehicles during daily commutes; emissions of ROG from paving using asphalt; and emissions of ROG during application of architectural coatings. As part of the project design features, it was assumed that standard dust control measures (watering three times daily, using soil stabilizers on unpaved roads) and architectural coatings that comply with SDAPCD Rule 67.0 [assumed to meet a volatile organic compound (VOC) content of 150 grams per liter (g/l)] would be used during construction.

Project criteria pollutant emissions during construction would be temporary. Emissions of criteria pollutants during construction would be below the thresholds of significance for all project construction phases for all pollutants, with implementation of standard dust control measures.

Mitigation Measures:

MM 5.4-1. Standard dust control measures would be employed during construction. These standard dust control measures include the following:

- Watering active grading sites a minimum of three times daily
- Apply soil stabilizers to inactive construction sites
- Replace ground cover in disturbed areas as soon as possible
- Control dust during equipment loading/unloading (load moist material, ensure at least 12 inches of freeboard in haul trucks)
- Reduce speeds on unpaved roads to 15 mph or less
- Water unpaved roads a minimum of three times daily

These dust control measures would reduce the amount of fugitive dust generated during construction to below a level of significance.

Reference: Section 5.4

C. Cumulative Impacts

Environmental Impact: The Watermark project would result in significant cumulative traffic circulation impacts. Cumulative impacts associated with traffic circulation would be the same as those evaluated in Final EIR Section 5.2, *Transportation/Traffic Circulation/Parking as Horizon Year (Year 2030)*. As discussed in Section 5.2 and 6.0, *Cumulative Effects*, of the Final EIR, significant cumulative environmental impacts to traffic circulation will occur.

Finding: Mitigation measures would be implemented to partially mitigate the project's impacts on traffic. However, these mitigation measures would not fully mitigate street segment impacts, and impacts would remain significant and unmitigated, requiring that the decision-makers adopt a project alternative which reduces or avoids cumulatively significant impacts or adopt a Statement Overriding Considerations which finds the impact to be acceptable.

Facts in Support of Finding: The Traffic Impact Analysis includes an evaluation of cumulative impacts in the near-term and in Year 2030. That analysis includes anticipated build-out of the Miramar Ranch North Community Plan area and SANDAG's Series 11 growth projections, as well as other foreseeable projects that could affect traffic in the project area.

As evaluated in the EIR, the project would result in cumulatively significant impacts at six roadway segments and one arterial segment location. Segments where cumulatively significant impacts would occur are:

- Scripps Poway Parkway - I-15 Northbound Ramps / Scripps Highlands Drive
- Scripps Poway Parkway - Scripps Highlands Drive / Scripps Summit Drive
- Scripps Poway Parkway – Scripps Summit Drive / Spring Canyon Road
- Scripps Poway Parkway – Spring Canyon Road / Scripps Creek Drive
- Scripps Poway Parkway – Scripps Creek Drive / Cypress Canyon Road
- Scripps Poway Parkway – Cypress Canyon Road / Angelique Street
- Scripps Poway Parkway – Angelique Street / Pomerado Road

The project would result in significant cumulative impacts at the following two intersections:

- Scripps Poway Parkway / Scripps Highlands Drive
- Mercy Road / I-15 Southbound Ramps

Mitigation Measures:

Mitigation measure 5.2-1 (MM 5.2-1) will be implemented to partially mitigate the project's cumulative impacts to roadway segments. This mitigation measures involves reconfiguration of the Scripps Poway Parkway/I-15 Interchange.

MM 5.2-1 Prior to issuance of the first construction permit, owner/permittee shall assure by permit and bond the reconfiguration to shift the westbound through lanes on Scripps Poway Parkway to the north and provide additional queuing length for westbound traffic on Scripps Poway Parkway to the interchange. The “back-to-back” left turn lanes will be eliminated and additional queuing for traffic turning left

from Scripps Poway Parkway to southbound I-15 will be provided. Reduction in the width of raised median on Scripps Poway Parkway east of the interchange will be required. All work to be done to the satisfaction of the City Engineer.

In order to mitigate cumulative impacts to the intersections of Scripps Poway Parkway/Scripps Highlands Drive and Mercy Road/I-15 Southbound Ramps, the following measure will be implemented:

MM 5.2-2 Prior to issuance of the first construction permit, owner/permittee shall assure by permit and bond the provision of a triple left-turn at Scripps Poway Parkway and Scripps Highlands Drive intersection by re-striping the northbound leg to take a thru-lane and make it a shared left-thru lane. The pedestrian crossing on the west leg of the intersection will be removed. Additionally, a northbound right-turn overlap will be provided. All work to be done to the satisfaction of the City Engineer.

With incorporation of this mitigation measure, cumulative impacts at the Scripps Poway Parkway and Scripps Highlands Drive intersection would be mitigated to an acceptable LOS.

Reference: Final EIR § 6.3.2.

Unmitigated Impacts and Infeasibility of Mitigation

Significant and unmitigated cumulative impacts would result on several street segments at the following locations:

<u>Road</u>	<u>Segment</u>
Scripps Poway Parkway	I-15 Northbound / Scripps Highland Drive
Scripps Poway Parkway	Scripps Highlands Drive / Scripps Summit Drive
Scripps Poway Parkway	Scripps Summit Drive / Spring Canyon Road
Scripps Poway Parkway	Spring Canyon Road / Scripps Creek Drive
Scripps Poway Parkway	Scripps Creek Drive / Cypress Canyon Road
Scripps Poway Parkway	Cypress Canyon Road/ Angelique Street

Currently, the segments of Scripps Poway Parkway west of Spring Canyon Road are constructed as six-lane prime arterials to their ultimate Community Plan classification. Additional widening beyond the current 6-lane prime arterial classification is impractical since no right-of-way is available and existing buildings would be affected.

The street segment analysis indicates the potential for impacts on Scripps Poway Parkway between Spring Canyon Road and Angelique Street. However, the more detailed arterial analysis indicates that these road segments would experience an acceptable LOS with the project in all conditions. Therefore, although disclosed as an impact, it is anticipated that an acceptable LOS will be maintained in the future and no widening would be necessary.

Reference: Final EIR §§ 6.0 and 5.2.

VII.
**FINDINGS REGARDING CHANGES OR ALTERATIONS THAT ARE WITHIN THE
RESPONSIBILITY AND JURISDICTION OF ANOTHER PUBLIC AGENCY**

There are no changes or alterations that are within the responsibility and jurisdiction of another public agency and not the agency making the finding.

VIII.
FINDINGS REGARDING ALTERNATIVES

In accordance with Section 15126.6(a) of the CEQA Guidelines, an EIR must contain a discussion of "a range of reasonable alternatives to a project, or the location of a project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives." Section 15126.6(f) further states that "the range of alternatives in an EIR is governed by the 'rule of reason' that requires the EIR to set forth only those alternatives necessary to permit a reasoned choice." Thus, the following discussion focuses on project alternatives that are capable of eliminating significant environmental impacts or substantially reducing them as compared to the proposed project, even if the alternative would impede the attainment of some project objectives, or would be more costly. In accordance with Section 15126.6(f)(1) of the State CEQA Guidelines, among the factors that may be taken into account when addressing the feasibility of alternatives are: (1) site suitability; (2) economic viability; (3) availability of infrastructure; (4) general plan consistency; (5) other plans or regulatory limitations; (6) jurisdictional boundaries; and (7) whether the proponent can reasonably acquire, control or otherwise have access to the alternative site.

As required in CEQA Guidelines Section 15126.6(a), in developing the alternatives to be addressed in this section, consideration was given regarding an alternative's ability to meet most of the basic objectives of the proposed project. Because the proposed project will cause unavoidable significant environmental effects related to Transportation/Traffic Circulation/Parking (direct and cumulative) and Air Quality (direct relative to construction), the City must consider the feasibility of any environmentally superior alternatives to the proposed project, evaluating whether these alternatives could avoid or substantially lessen the unavoidable significant environmental effects while achieving most of the objectives of the proposed project.

The alternatives presented and considered in the Final EIR constitute a reasonable range of alternatives necessary that would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project to permit a reasoned choice among the options available to the City and/or the project proponent. As presented in the Final EIR, the following is a list of the project objectives:

1. Create a coherent and signature design statement at a community gateway to Miramar Ranch North.
2. Provide flexibility in the allocation of commercial office and retail development based on market demand and consistent with limitations established by the Traffic Impact Analysis prepared for the project.
3. Allow for retail uses currently unavailable in the surrounding market area.

4. Implement design guidelines that would ensure high quality design and aesthetics, creating a landmark for the community.
5. Provide quasi-public space for community use in the form of a pedestrian plaza as a focal point for the project, which would function as a lively gathering place for visitors, employees, and neighbors.
6. Implement transportation (vehicular, bicycle, and pedestrian) improvements that would improve operations of the current roadway and bicycle network and would encourage pedestrian use.

The impacts of each alternative are analyzed Section 10.0 of the EIR. The review of alternatives includes an evaluation to determine if any specific environmental characteristic would have an effect that is “*substantially less*” than the proposed project. A significant effect is defined in Section 15382 of the CEQA Guidelines as “*a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project.*” The significant impacts that apply to this project are: traffic and circulation (direct and cumulative) and air quality (direct; temporary, during construction).

Alternatives considered for the Watermark project, including a discussion of the “No Project” alternative, are addressed in detail in Section 10.0, *Alternatives*. Relative to the requirement to address a “No Project” alternative, CEQA Guidelines Section 15126.6(e) states that:

- (A) *When the project is the revision of an existing land use or regulatory plan, policy or ongoing operation, the “no project” alternative will be the continuation of the existing plan, policy or operation into the future.*
- (B) *If the project is other than a land use or regulatory plan, for example a development project on identifiable property, the “no project” alternative is the circumstance under which the project does not proceed.*

Alternatives to the Watermark project discussed in this EIR include the “No Project” alternative that is mandated by CEQA and other alternatives that were developed in the course of project planning and environmental review for the proposed project. Specifically, the following project alternatives are addressed in the EIR:

- Alternative 1 – No Project/Development Under Existing Approvals
- Alternative 2 – Light Industrial Park
- Alternative 3 – Prime Industrial Lands
- Alternative 4 – Reduced Intensity – 17 Percent Reduction in Trips

Based upon the administrative record for the project, the City makes the following findings concerning the alternatives to the proposed project.

Alternative 1 – No Project/Development Under Existing Approvals.

Description: Under the No Project/Development Under Existing Approvals Alternative, the proposed project would not proceed. Instead, the project site would develop under existing approvals, which involves development of the 34.39-acre site as permitted under the approved CUP/PID No. 99-1027. The approved CUP/PID No 99-1027 allows development of corporate office structures and ancillary

buildings on the project site, including the construction of seven buildings for use as office, employee training, cafeteria, exercise facility, and child daycare facility for a total of 658,456 square feet. This alternative also assumes that no additional grading would be required to construct the existing entitlements.

Finding: The City finds that specific economic, legal, social, technological, or other considerations make the No Project/No Build: Continuation of Approved Conditional Use Permit/ Implementation of Approved Reclamation Plans Alternative infeasible.

Public Resources Code § 21081(a)(3), Guidelines § 15091(a)(3).

Facts in Support of Finding: The No Project/Development Under Existing Approvals Alternative results in development of the project site as a corporate office campus in accordance with existing approvals in effect on the project site. When compared to the proposed project, the No Project/Development Under Existing Approvals Alternative would result in less overall traffic volumes but could create increased trips to neighborhood services. The No Project/Development Under Existing Approvals Alternative would result in less vehicular emissions, resulting in less impacts associated with air quality and GHG emissions. Significant air quality impacts associated with construction would occur, similar to the proposed project. Additionally, this alternative would generate less noise associated with less trips than would occur with the proposed project. The No Project/Development Under Existing Approvals Alternative would result in the same level of impacts as the proposed project relative to Land Use, Visual Quality and Neighborhood Character, Energy, Historic Resources, Geologic Conditions, Paleontological Resources, Hydrology/Water Quality, Health and Safety, Public Services and Facilities, and Public Utilities.

The No Project/Development Under Existing Approvals Alternative would meet some of the project objectives (project objectives nos. 1 and 4). Specifically, this alternative would create a coherent and signature design statement as a community gateway to Miramar Ranch North and would result in a project of high quality design and aesthetics, creating a landmark for the community. This alternative would not meet other project objectives (project objectives 2, 3, 5 and 6) in that this alternative would not provide quasi-public space for community use in the form of a pedestrian plaza as a focal point for the project, which would function as a lively gathering place for visitors, employees, and neighbors; and would not implement transportation (vehicular, bicycle, and pedestrian) improvements that would improve operations of the current roadway and bicycle network and would encourage pedestrian use. Additionally, this alternative would not provide flexibility in the allocation of commercial office and retail development based on market demand and consistent with limitations established by the TIA prepared for the project and would not provide for retail uses currently unavailable in the surrounding market area. Therefore, No Project/Development Under Existing Approvals Alternative is infeasible.

Reference: Final EIR § 10.2.2

Alternative 2 – Light industrial Park.

Description: The project includes a proposed Community Plan Amendment to change the land use designation from Industrial to Regional Commercial and an amendment to the General Plan to remove the Prime Industrial Lands identification from the site. While the EIR concludes that the proposed land use changes would not result in significant environmental impacts, the proposed project would not be in strict conformation with the Miramar Ranch North Community Plan and the City's General Plan. Therefore, an alternative has been developed to evaluate development of the project site with light industrial land uses, which would be in compliance with land use documents and would not require an amendment to the Community Plan.

The Light Industrial Park Alternative would include the on-going development of the MedImpact facilities, including the constructed facilities on Lot 1 and the approved facilities for Lot 2, but would develop the remainder of the site with a mix of manufacturing, wholesale distribution, warehousing, and recreational vehicle storage area screened by mini-warehousing facilities as identified in the Miramar Ranch North Community Plan. Under this alternative, this mix of light industrial uses/mini storage uses would occur on the approximately 21 developable acres outside Area B (MedImpact Lots 1 and 2). The Light Industrial Park alternative would include one- and two-story buildings that would be available for manufacturing, wholesale distribution, mini storage, and warehouse uses and would include an open and screened recreational vehicle storage area. For this alternative, it is assumed that, similar to the proposed project, architectural design guidelines would be developed to ensure high quality design of structures within the project.

The project site is currently zoned IP-2-1. The IP-2-1 zone allows a range of light industrial uses but does not include moving and storage facilities (such as mini storage) and warehouses. Therefore, this alternative would include a rezone from the IP-2-1 zone to the IL-2-1 zone to accommodate the range of light industrial/mini storage uses as outlined in the Community Plan and described for this alternative. Additionally, because this alternative would include uses that are not considered Prime Industrial Lands uses, like the proposed project, an amendment to the General Plan would be required to remove the Prime Industrial Lands identification from the project site.

Finding: The City finds that specific economic, legal, social, technological, or other considerations make the Prime Industrial Lands Alternative infeasible.

Public Resources Code § 21081(a)(3), Guidelines § 15091(a)(3).

Facts in Support of Finding: Overall traffic volumes would be reduced under this alternative; however, this alternative would not provide the balancing of traffic that occurs with the proposed project. Because this alternative would not provide retail commercial and restaurant uses at the project site, neighborhood trips to those services could potentially occur outside the community.

While visual quality impacts would not be regarded as significant under this alternative, the gateway statement anticipated by the Community Plan for this area of

Miramar Ranch North would not be provided. The nature of types of light industrial, warehousing and mini storage uses associated with this alternative would contrast with the high quality office facilities developed for MedImpact. This alternative would create mini storage facilities and open areas for storage of recreational vehicles. The nature of these types of light industrial uses could create an inconsistent architectural style with the office facilities developed for MedImpact. Additionally, large areas of open surface parking would occur under this alternative. Because this alternative would include open storage facilities and a greater amount of surface parking, it would be regarded as less compatible with surrounding residential development to the north, east, and south, and the commercial retail development to the west and would not create the gateway statement anticipated in the community plan.

Relative to air quality and GHG emissions, this alternative has the potential to result in greater impacts. Air quality associated with operational impacts (vehicle trips) would be reduced under the Light Industrial Park Alternative. Relative to construction, impacts would be similar. Warehousing and manufacturing uses which would occur under this alternative would involve a greater amount of diesel trucks accessing the site and would include diesel emissions above those that would occur with the project. Additionally, light industrial uses, and in particular research and development uses, use toxic substances and hazardous materials which would not occur with the proposed project.

Noise impacts under this alternative would be greater than the proposed project. The Light Industrial Park Alternative could result in an increase in noise levels in the immediate environment due to an increase in truck traffic (in particular, heavy trucks) accessing the site. While such increases in noise would be at a nuisance level and are not anticipated to be significant, this level of noise would not occur with the proposed project.

This alternative could result in increased impacts associated with water quality, due to the increase in impervious surfaces associated with open parking areas and the use of hazardous materials in manufacturing. The potential for health and safety impacts could increase with the Light Industrial Park Alternative. Light industrial uses, particularly manufacturing and research and development, can employ hazardous materials. Accidental spills and/or release of hazardous materials or the generation of toxic fumes would create a health and safety risk not associated with the proposed project.

The Light Industrial Park Alternative would result in greater impacts associated with cumulative air quality and GHG emissions, due to diesel truck emissions and emissions that could be generated by light industrial uses that use toxic substances and hazardous materials.

This alternative would not meet most of the project objectives (project objectives nos. 1, 2, 3, 5, 6). Specifically, this alternative would not create a coherent and signature design statement at a community gateway to Miramar Ranch North. It would not provide flexibility in the allocation of commercial office and retail

development based on market demand and consistent with limitations established by the Traffic Impact Analysis prepared for the project and would not allow for retail uses currently unavailable in the surrounding market area. Although this alternative would implement a high quality design and aesthetics, it does not have the same potential to create a landmark statement for the community as would occur under the proposed project. This alternative would not provide quasi-public space for community use in the form of a pedestrian plaza as a focal point for the project, which would function as a lively gathering place for visitors, employees, and neighbors. Therefore, Light Industrial Park Alternative is infeasible.

Reference: Final EIR § 10.2.3

Alternative 3 – Prime Industrial Lands

Description: The Prime Industrial Lands Alternative would include low-rise buildings that would be available for research and development, manufacturing, warehouse heavy or light industrial, and research and development uses consistent with the General Plan’s Prime Industrial Lands identification. Under this alternative, the on-going development of the MedImpact facilities and Lots 1 and 2 (350,743 square feet of office uses) would occur; and 21 acres of light industrial uses (such as warehouse distribution, heavy or light manufacturing, and research and development) would occur on the project site, outside Lots 1 and 2. For this alternative, it is assumed that, similar to the proposed project, architectural design guidelines would be developed to ensure high quality design of structures within the project, and that light industrial buildings would be compatible with the existing MedImpact office building and parking structure. This alternative would not require a Community Plan Amendment or an amendment to the General Plan, as land uses described under this alternative would be consistent with the land uses allowed in the Community Plan and in Prime Industrial Lands. This alternative would not require a rezone, as all uses described for this alternative would be permitted in the existing zones for the project site.

Finding: The City finds that specific economic, legal, social, technological, or other considerations make the Reduced Density Alternative infeasible.

Public Resources Code § 21081(a)(3), Guidelines § 15091(a)(3).

Facts in Support of Finding: This alternative would not provide the balancing of traffic that occurs with the proposed project. Instead, the project site would develop solely as an employment center, with traffic entering the site during AM peak hours and leaving the site during PM peak hours. Because this alternative would not provide retail commercial and restaurant uses at the project site, neighborhood trips to those services could potentially occur outside the community.

The gateway statement anticipated by the Community Plan for this area of Miramar Ranch North would not be provided with this alternative. This alternative would result in an active industrial park, with predominately low-rise structures, open surface parking, and truck bays for distributing products. This alternative would be

less compatible with surrounding development and would not create the gateway statement anticipated in the community plan.

This alternative has the potential to result in greater impacts associated with air quality and GHG emissions than the proposed project. Manufacturing uses which would occur under this alternative would involve a greater amount of diesel trucks accessing the site and would include diesel emissions above those that would occur with the project. Additionally, Prime Industrial Lands uses, and in particular research and development uses, use toxic substances and hazardous materials which would not occur with the proposed project.

Noise impacts under this alternative would be greater than the proposed project. The Prime Industrial Lands Alternative would result in an increase in noise levels in the immediate environment due to an increase in truck traffic (in particular, heavy trucks) accessing the site. While such increases in noise would be at a nuisance level and are not anticipated to be significant, this level of noise would not occur with the proposed project.

This alternative could result in increased impacts associated with water quality, due to the increase in impervious surfaces associated with open parking areas and the use of hazardous materials in manufacturing and research and development. While required adherence to State and County regulations would ensure that significant impacts are avoided, these impacts would not occur under the proposed project, and impacts associated with water quality would be increased under this alternative.

The potential for health and safety impacts could increase with the Prime Industrial Lands Alternative. Light industrial uses, particularly manufacturing and research and development, can employ hazardous materials. Accidental spills and/or release of hazardous materials or the generation of toxic fumes would create a health and safety risk not associated with the proposed project.

This alternative would not meet most of the project objectives (project objectives nos. 1, 2, 3, and 5). Specifically, this alternative would not create a coherent and signature design statement at a community gateway to Miramar Ranch North. It would not provide flexibility in the allocation of commercial office and retail development based on market demand and consistent with limitations established by the Traffic Impact Analysis prepared for the project and would not allow for retail uses currently unavailable in the surrounding market area. This alternative does not have the same potential to create a landmark statement for the community as would occur under the proposed project. This alternative would not provide quasi-public space for community use in the form of a pedestrian plaza as a focal point for the project, which would function as a lively gathering place for visitors, employees, and neighbors. Therefore, the Prime Industrial Lands Alternative is infeasible.

Reference: Final EIR § 10.2.4

Alternative 4 – Reduced Intensity – 17 Percent Reduction in Trips

Description: The Reduced Intensity – 17 Percent Reduction in Trips Alternative would include the existing MedImpact facilities on previously approved Lot 1, the future approved development on Lot 2, and development of the remainder of the site in a manner similar to the proposed project but without development of the hotel (approximately 90,540 square feet) and the office building (approximately 132,007 square feet). The proposed *Watermark Site Plan* shows the hotel located in the southwest corner of the project site (Building L). This alternative would eliminate the hotel and provide surface parking where the hotel would have occurred. Under the proposed Site Plan, office uses would occur on floors two through six of Building M. Because this alternative would eliminate office uses in Building M, Building M would change from a six-story retail/office building to a two-story retail building. With the elimination of these elements, this alternative would result in approximately 17 percent less total trips than under the proposed project (15,341 with this alternative compared to 18,552 resulting from the proposed project).

Finding: The City finds that specific economic, legal, social, technological, or other considerations make the Reduced Intensity – 17 Percent Reduction in Trips Alternative infeasible.

Public Resources Code § 21081(a)(3), Guidelines § 15091(a)(3).

Facts in Support of Finding: For the most part, the Reduced Intensity – 17 Percent Reduction in Trips Alternative would have similar impacts and require the same mitigation as the proposed project. This alternative would result in similar uses as the proposed project, but at a slightly reduced level, and would meet the project objectives. An Amendment to the Miramar Ranch North Community Plan would still be required to change the land use designation from Industrial to Retail Commercial/Residential Prohibited. Like the proposed project, the General Plan would be amended to remove the Prime Industrial Lands identification from the project site. Like the proposed project, this alternative would create a coherent and signature design statement at this gateway to the Miramar Ranch North community and would maintain consistency with the architectural style established with the existing MedImpact campus by maintaining complementary architectural vocabulary for the mixed-use project. Traffic would be slightly reduced under this alternative, and there would be a concomitant reduction in emissions resulting in a slight reduction in impacts associated with air quality, GHG emissions, and noise. While the Site Plan under this alternative would be modified to eliminate the hotel and the office component of a retail/office building, views of the site would not be substantially different than the proposed project, and impacts associated with Visual Quality and Neighborhood Character would be the same as the proposed project. Impacts relative to all other environmental issue areas would be the same as the proposed project.

An important component of the proposed project is its flexibility in allowing uses that respond to market demand. As a result, the project intends to provide for

quality hotel to serve the business traveler and visitors to San Diego. The type and quality of the proposed hotel is unique for this portion of the I-15 corridor. The proposed hotel would provide temporary housing for employees of the MedImpact office development and other businesses in the area when they are in-town for business, meetings, training, etc., and would reduce the travel to hotels located outside the community. Additionally, the hotel would support the retail commercial uses of the project, because hotel users would use the various shops and restaurants. Because hotel use would not occur under this alternative, there would be no transit occupancy tax (TOT) revenue, estimated to be \$617,899 annually, to the City. The Reduced Intensity – 17 Percent Reduction in Trips Alternative would result in the elimination of the hotel use thereby eliminating the potential of this beneficial service amenity and the tax revenue associated with the proposed project.

This alternative would also reduce the amount of office space provided by the project. By reducing office space under this alternative, jobs created by the proposed project would also be reduced. It is estimated that approximately 1,502 full-time equivalent jobs would be created by the project. Eliminating 132,007 square feet of office space would reduce the amount of jobs created by 528.

Therefore, the Reduced Intensity – 17 Percent Reduction in Trips Alternative is infeasible.

Reference: Final EIR § 10.2.5.

IX.
ENVIRONMENTAL ISSUES DETERMINED
NOT TO BE POTENTIALLY AFFECTED BY THE PROJECT

The City determined that the environmental analysis contained in the Final EIR for agricultural resources had “no impact” or had a “less than significant impact,” and, therefore, will not warrant further consideration in the Final EIR. No substantial evidence has been presented to or identified by the City that will modify or otherwise alter the City’s “no impact” or “less-than-significant” determination for these environmental issues.

X.
FINDINGS REGARDING SIGNIFICANT IRREVERSIBLE
ENVIRONMENTAL CHANGES

Guidelines Section 15126(c) requires that an EIR describe any significant irreversible environmental changes that would be involved in the proposed project should it be implemented. Section 15126.2(c) indicates that:

Uses of nonrenewable resources during the initial and continued phases of the project may be irreversible since a large commitment of such resources makes removal or nonuse thereafter unlikely.

The same section further indicates that:

Irretrievable commitments of resources should be evaluated to assure that such current consumption is justified.

Future development that could occur on the project site as a result of the proposed project would entail the commitment of energy and natural resources. The primary energy source would be fossil fuels, representing an irreversible commitment of this resource. Construction of the project would also require the use of construction materials, including cement, concrete, lumber, steel, etc., and labor. These resources would also be irreversibly committed.

Once constructed, occupation of the residential units and operations of the commercial spaces would entail a further commitment of energy resources in the form of fossil fuels and electricity. This commitment would be a long-term obligation since the proposed structures are likely to have a useful life of 20 to 30 years or more. However, as discussed in Section 5.12, *Public Utilities*, of this EIR, the impacts of increased energy usage are not considered significantly adverse environmental impacts. Development of the project site would also change the visual appearance of the project site from barren, mined land to urban uses. This change in visual quality would permanently alter views of the site as discussed in Section 5.3, *Visual Effects and Neighborhood Character*, of this EIR and is considered irreversible.

Specific significant irreversible environmental changes associated with implementation of the proposed project may include the following:

- Grading required for the project could irreversibly affect unknown cultural or paleontological resources. Any cultural or paleontological resources would be salvaged, as

necessary, and data recovered. Mitigation identified in Section 5.8, Historical Resources and Section 5.11, Paleontological Resources, of this EIR, would reduce any impacts to below a level of significance. However, cultural resources or paleontological resources, if encountered, would be irreversibly committed.

- Commitment of energy, water, and other natural resources for the construction and occupancy of the residences, retail space and commercial office space is expected. This resource utilization is not expected to represent significant amounts of available resources in the region.
- Pollutant emissions from construction activities would occur but would be short-term and would not be significant. The additional vehicle trips on the surrounding roads would also cause an incremental increase in air pollutants associated with vehicle exhaust, which would add to area- and basin-wide air pollutant levels. Additionally, the project would provide live/work opportunities that may result in a reduction of trips from the project.

XI. STATEMENT OF OVERRIDING CONSIDERATIONS

Pursuant to Section 21081(b) of CEQA, Section 15093 and 15043(b) of the Guidelines, the City is required to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable adverse environmental impacts when determining whether to approve the Project.

If the specific economic, legal, social, technological, or other benefits, including considerations for the provision of employment opportunities for 900 lower wage retail and hospitality jobs and 602 jobs highly trained workers outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered acceptable pursuant to Public Resources Code Section 21081.

Pursuant to Public Resources Code Section 21081(b) and the Guidelines Section 15093, the City has balanced the benefits of the proposed project against unavoidable adverse impacts to Transportation and Traffic Circulation associated with the proposed project and has adopted all feasible mitigation measures with respect significant and unmitigated impacts associated with this environmental issue. The City also has examined alternatives to the proposed project and has rejected them as infeasible, finding that none of them would fully meet most of the project objectives and result in substantial reduction or avoidance of the project's significant and unmitigated environmental impacts, and/or would potentially result in significant impacts in addition to those associated with the proposed project.

The California Supreme Court has stated that, “[t]he wisdom of approving...any development project, a delicate task which requires a balancing of interests, is necessarily left to the sound discretion of the local officials and their constituents who are responsible for such decisions. The law as we interpret and apply is simply requires that those decisions be informed, and therefore balanced.” *Citizens of Goleta Valley v. Bd. Of Supers.* (1990) 52 Cal.3d 553, 576.

Courts have upheld overriding considerations that were based on policy consideration including, but not limited to, new jobs, stronger tax base, implementation of an agency's economic development goals, growth management policies, redevelopment plans, the need for housing and employment, conformity to community plans and general plans, and provision of construction jobs. See *Towards Responsibility in Planning v. City Council* (1988) 200 Cal.App.3d 671; *Dusek v. Redevelopment Agency* (1985) 173 Cal.App.3d 1029; *City of Poway v. City of San Diego* (1984) 155 Cal.App.3d 1037; *Markley v. City Council* (1982) 131 Cal.App.3d 656.

Each of the Separate Benefits of the proposed project, as stated herein, is determined to be, unto itself and independent of the other project benefits, a basis for overriding all unavoidable adverse environmental impacts identified in these findings, so that if a court were to set aside the determination that any particular benefit would occur and justifies the project's approval, the City Council determines that it would stand by its determination that the remaining benefits are sufficient to warrant the project's approval.

Having considered the entire administrative record on the project, and (i) made a reasonable and good faith effort to eliminate or substantially mitigate the impacts resulting from the project, adopting all feasible mitigation measures; (ii) examined a reasonable range of alternative to the

project and, based on this examination, determined that all those alternative are either environmentally inferior, fail to meet the project objectives, or are not economically or otherwise viable, and therefore should be rejected; (iii) recognized all significant, unavoidable impacts; and (iv) balanced the benefits of the project against the project's significant and unavoidable effects, the City hereby finds that the following economic, legal, social, technological, aesthetic, environmental, and other benefits of the project outweigh the potential unavoidable adverse impacts and render those potential adverse environmental impacts acceptable based upon the following considerations, set forth below.

1. Increased Tax Base. The Watermark project's Fiscal Revenue Study prepared for the applicant was reviewed by the City. During this review process, the City determined reasonable estimates of tax revenue generated and expenditures for public services. For more detail on the City's review and findings, see City Memorandum – revised, September 17, 2012.

In total, the Watermark project is estimated to produce \$278,319 in property tax revenues, \$1,070,988 in sales tax revenues, and \$617,899 in transient occupancy taxes (TOT) if the proposed hotel is developed as allowed under the flexible allocation of commercial office and retail development based on market demand. With a reduction in the tax revenues for the cost of providing public services to the Watermark project (\$244,490), this totals \$1,722,716 in total revenue received by the City of San Diego on an annual basis, at stabilization of the Watermark project. This results in \$1,722,716 in annual revenue for the City of San Diego which is \$1,668,867 more than it is now receiving. Additionally, tax revenue would be generated during construction, which would amount to \$140,625 in sales tax revenue to the City of San Diego for construction materials purchased in the City of San Diego (estimated to be 50 percent of total construction materials).

2. Employment of Highly Trained Workers. The Watermark project includes the provision of an additional 49,257 square feet to 307,713 square feet of commercial office space in addition to the 350,743 approved for Lots 1 and 2 of MedImpact, with a target development intensity of 151,369 square feet of commercial office space. Per the CR-2-1 zone, uses permitted within the office development would include business and professional; government; and regional and corporate headquarters. Anticipated tenants would employ highly trained workers, thus creating jobs for highly trained workers.
3. Jobs for Area Residents. The project would preserve and add to existing jobs on-site. Upon completion, the Watermark project would generate 1,502 full-time equivalent jobs. Additionally, a number of temporary jobs during construction of the project would be created. During construction, 534 full-time equivalent jobs would be generated.
4. Potential Provision of a Hotel to Serve Business Travellers and Visitors. The project has the potential to provide a 130-room quality hotel to serve the business traveler and visitors to San Diego. The type and quality of the proposed hotel is unique along this portion of the I-15 corridor. Assuming that market conditions support its development, the proposed hotel would provide temporary housing for employees of the MedImpact office development and other businesses in the area when they are in-town for business, meetings, training, etc., and would reduce the travel to hotels located outside the community. Additionally, the hotel

supports the retail commercial uses of the project, because hotel users would use the various shops and restaurants.

5. Public Gathering Space. The Watermark project would provide for public gathering space in the form of a central public plaza. The 1.7-acre gathering space would include a grand lawn/outdoor event space, children's play area, seating opportunities, thematic food gazebos, a demonstration garden, and a water feature. This space allows for events associated with the development, as well as the community at large, such as specific event for the holidays throughout the year, seasonal events that capitalize on San Diego's year-round moderate weather, and regularly occurring community events.
6. Improved Lifestyle Amenities. A number of lifestyle amenities would be included with the Watermark project to contribute to the overall quality of life within the Miramar Ranch North community. Amenities would include a boutique movie theatre, outdoor dining/patios at restaurant uses, public gathering space, thematic food gazebos, and small-scale outdoor seating options throughout the project site for casual outdoor gathering. These amenities create unique character for the project and contribute to the overall quality of life for residents, employees, and visitors of Miramar Ranch North.
7. Efficient Use of In-Fill Development at a Strategically Located Site with Minimal Impacts to Natural Resources. The Watermark project represents in-fill development in a mostly built-out community. The project would provide for the maximal efficiency of the project site by providing for a mix of uses on a relatively compact footprint. Vertical integration of uses allows for synergy to existing between the commercial retail and commercial office components, while the provision of a hotel allows for visitors to access shopping, dining, employment, and lifestyle amenities without the need for a personal automobile.

The proposed project would not impact natural resources. Two buffer zones (brush management zones), as well as an open space lot (Lot A), are provided to ensure that there are no impacts to surrounding open space areas. Grading into undisturbed areas would not result, as the project site has already been mass-graded and would require only finish grading.

8. Lower Vehicle Miles Traveled. The project is located at a key site within the community, adjacent to I-15 and a primary roadway, Scripps Poway Parkway. This location further increases project efficiency, as users of the site, as well as delivery vehicles are provided close and easy access from the freeway. This allows for shortened trips for users making the project their destination and for capture of pass-by trips of those travelling along the I-15 or Scripps Poway Parkway on their way to other destinations. The provision of a mix of uses on-site further reduces vehicle miles traveled, as vehicles can do in stop which may otherwise require multiple stops.
9. Help Manage Greenhouse Gas Emissions. The Watermark provides for uses not currently provided in the surrounding community, such as a boutique movie theatre, retail amenities, and public gathering space. Where these uses are provided in the community at-large, they are not currently offered in concert with each other. The central location of the project would reduce vehicle miles traveled compared to the vehicle miles that would be traveled to existing comparable uses present outside the community, such as the boutique movie theatres located in La Jolla and Del Mar and large-scale movie theatre located in Mira Mesa. The mix

of uses on-site further helps reduce greenhouse gas emissions, as vehicles do not have to travel to multiple locations to access the uses provided together on the project site (i.e., dining, employment, shopping, and entertainment).

Additionally, the project would implement the following Project Design Features (PDFs) directed at reducing the project's contribution to greenhouse gas emissions and global climate change.

SITE DESIGN

- At least one principal participant of the project team is a Leadership in Energy and Environmental Design (LEED) Accredited Professional.
- Located within one-quarter-mile of one or more transit stops.
- Provide secure bicycle racks and/or storage.
- Use of materials with recycled content.

GRADING and CONSTRUCTION

- Create and implement an erosion and sediment control plan for all construction.
- Protect stored on-site or installed absorptive materials from moisture damage.
- Composite wood and agrifiber products will contain no added urea-formaldehyde resins.
- Individual lighting controls will be provided for a minimum of 90 percent of building occupants.

PARKING

- Provide preferred parking for carpools or vanpools.

EXTERIOR LIGHTING

- Design exterior lighting so that all site and building mounted luminaries produce a maximum initial luminance value no greater than 0.20 horizontal and vertical foot-candles at the site boundary and no greater than 0.01 horizontal foot-candles 15 feet beyond the site.

BUILDING DESIGN FEATURES

- Use water-conserving fixtures.
- Buildings designed to comply with Title 24 requirements.
- Zero use of chlorofluorocarbons (CFC)-based refrigerants.
- Select refrigerants and heating, ventilation, air conditioning, and refrigerating (HVAC&R) that minimize or eliminate the emission of compounds that contribute to ozone depletion and global warming.
- Will not use fire suppression systems that contain ozone-depleting substances [CFCs, hydrochlorofluorocarbons (HCFCs), or Halons].

SOLID WASTE MANAGEMENT/RECYCLING

- Provide easily accessible areas to serve buildings that are dedicated to the collection and storage of non-hazardous materials for recycling.

LANDSCAPE – IRRIGATION

- State of the art equipment that distributes water in controlled amounts and at controlled times to maximize water efficiency and optimize plant growth.
- Irrigation systems control to allow water to be distributed to plant material with similar watering needs to avoid over/underwatering.
- Use of weather and rain sensors to monitor current conditions and control the system accordingly.
- Utilization of reclaimed water (when available) for irrigation minimizing the need for potable water in the landscape.

LANDSCAPE - PLANTING

- Grouping of plant material based on the water demands for the specific plant material while still achieving the overall design intent.
- Selection of plant material its adaptability to the region and climate.
- Careful and selective use of enhanced planting (lusher material and seasonal color requiring more water and maintenance) where they have the most impact on the user.
- Use of native or low water/low maintenance material in outlying areas away from the general user.
- Limited use of turf. Where use, selection of turf varieties for their durability, maintenance needs and low water consumption.
- Use of trees throughout the project to provide shading to users and reduce heat gains on buildings and the heat island effect throughout the site.
 - Selection of mix of deciduous trees to allow shade in the summer and sun penetration in the cooler winter months.

LANDSCAPE – MATERIALS

- Use of recycled materials, where appropriate.
- Use of precast concrete pavers, decomposed granite and post consumer products.
- All planting areas include a two-inch layer of a recycled organic mulch to maintain soil moisture, soil temperature and reduce weeding.
- Selection of lighter colored hardscape materials to reduce the heat island effect.

10. Implement Smart Growth Planning. The project site is located adjacent to an area that has moderate-high village propensity per the City of San Diego's Village Propensity Map. Factors that contribute to village propensity include: community plan-identified capacity for growth, existing public facilities or an identified funding source for facilities, existing or an identified funding source for transit service, community character, and environmental constraints. The project supports the village propensity of the area by providing additional uses that create a vibrant village-like location. Additionally, locating employment and retail uses proximate to existing transportation infrastructure allows for greater trip efficiency. With other light industrial employment uses located on-site and one mile northeast of the project site, the provision of commercial office creates a synergy within a compact region.

11. High Quality Land Use Design and Development that Implements the Community Plan’s Recommendation for a Community Gateway, Creating a Sense of Place and Positive Community Character. The proposed Watermark project provides a lifestyle retail center comprised of a complementary mix of shops and restaurants located in the central portion of the project site, surrounding a large (1.7-acre) pedestrian plaza that would provide for public gatherings. The project proposes a different mix of retail uses than occurs in a typical strip mall and, as such, is intended to serve a different retail niche. A high-end theater is proposed to provide a different theater-going experience that is typical with a traditional multi-plex facility.

The Miramar Ranch North Community Plan notes that the community entry at Scripps Poway Parkway and I-15 is a gateway to the community and provides specific recommendations for the development of property within the Mercy Interchange Gateway, which encompasses the project site. This section of the Community Plan calls for “*the sensitive development of the Mercy interchange area as an attractive gateway into the community.*” Sensitive development refers to attention given to continuity within projects in this gateway region, including the Watermark site, the adjacent commercial development, and multi-family developments located to the northwest of the interchange area. The Watermark project was designed with this designation in mind and creates a signature design statement at this primary entry to the community. Superior design elements and architectural details, as well as extensive landscaping and hardscape amenities, in conjunction within thoughtful site design, create a high quality development that has a unique identity and sense of place. The Watermark project includes building designed to draw from the same palette of colors and materials as is existing on-site, including the use of natural stone, to achieve compatibility in the implementation of the office campus. A modern design is achieved through use of glass with metal and accents. Building articulation employs the subtle use of offsets and curves to provide relief from standard rectangular building design. The buildings are oriented to provide an offset view from the freeway and the primary drive, as well as shield the view of the parking structures that serve each building. This development would positively contribute to the community character of Miramar Ranch North, particularly at this under-embellished primary gateway.

12. Improved Bicycle and Pedestrian Access. The project will provide for improvements to bicycle and pedestrian access. A bicycle path and wide sidewalk intended to provide safer bicycle operations along Scripps Poway Parkway near the project frontage will be provided by the project. These improvements are required due to the addition of a right in/out access for the project on Scripps Poway Parkway, which necessitated the removal of bicyclists from the traffic stream on eastbound Scripps Poway Parkway due to vehicular turning movements. As designed, pedestrians and bicyclists will share a multi-purpose pedestrian sidewalk/bikepath along the project frontage on Scripps Poway Parkway. Pedestrian and bicycle access to the project site along Scripps Poway Parkway would lead internally to the public plaza and project features, to include retail, dining, entertainment, and employment uses. Dedicated pedestrian and bicycle facilities would avoid conflict between non-motorized and motor vehicle traffic and would result in safer circulation for all site users.

XII. CONCLUSION

The Watermark project implements the vision of the City of Villages Strategy by providing for a mix of village amenities within a moderate-high village propensity area. The development proposes a diverse choice of retail opportunities, dining options, entertainment venues, and employment uses. As a residential suburban neighborhood in San Diego, the Miramar Ranch North community will benefit from the addition of lifestyle commercial uses, to include retail stores, dining, and entertainment, currently not provided within the community. Employees and visitors to Miramar Ranch North's employment uses, which include community commercial shopping centers and light industrial/office complexes, will benefit from the synergy created by the addition of high quality commercial offices and other employment opportunities. The provision of a public plaza creates gathering space at this gateway to the community for residents, visitors, and employees of Miramar Ranch North. In summary, the project results in the following overriding benefits to the City of San Diego:

- The project implements goals and policies of the Miramar Ranch North Community Plan, the City of San Diego General Plan and Strategic Framework Element, and development and land uses in the applied zones of the City's Land Development Code.
- The project creates a viable mixed-use project that would serve not only the Miramar Ranch North community, but also surrounding communities and the City of San Diego as a whole.
- The project provides circulation improvements for bicycle and pedestrian traffic.
- Project design implements advanced, state-of-the-art sustainable design and energy conserving measures.
- Project features will result in a reduction in greenhouse gas emissions.
- The project results in minimal impact to the natural environment.
- Project composition and location lessens the vehicle miles traveled to access the good and services provided on-site.
- The project is estimated to produce annually \$278,319 in property tax revenues, \$1,070,988 in sales tax revenues, and \$617,899 in transient occupancy taxes (TOT) if the proposed hotel is developed as allowed under the flexible allocation of commercial office and retail development based on market demand, with additional one-time construction sales tax revenue that would total \$140,625.
- The project would result in the creation of 534 full-time equivalent jobs during the construction phase and 1,502 full-time equivalent jobs during operation.
- The provision of high quality commercial office uses generates employment opportunities for 602 highly trained workers.

- The project has the potential to provide for a quality hotel to serve the business community and tourist industry. The hotel use would also support the retail services provided in Watermark, thereby enhancing their success and long-term viability.
- The project provides public gathering space not currently offered in this portion of the community that would be accessible to residents and visitors of Miramar Ranch North, as well as employees of the project and surrounding developments.

For the foregoing reasons, the City of San Diego concludes that the proposed Watermark project will result in numerous public benefits beyond those required to mitigate project impacts, each of which individually is sufficient to outweigh the unavoidable environmental impacts of the proposed project. Therefore, the City of San Diego has adopted this Statement of Overriding Considerations.

