



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

NORA VARGAS
First District

JOEL ANDERSON
Second District

TERRA LAWSON-REMER
Third District

NATHAN FLETCHER
Fourth District

JIM DESMOND
Fifth District

DATE: August 16, 2022, and September 13, 2022

14

TO: Board of Supervisors

SUBJECT

GENERAL SERVICES AND PLANNING & DEVELOPMENT SERVICES – MAKE THE NECESSARY ENVIRONMENTAL FINDINGS AS REQUIRED BY THE OPTION AGREEMENT FOR THE SALE OF A 15.08-ACRE OPEN SPACE EASEMENT TO THE PARKING AUTHORITY OF THE CITY OF NATIONAL CITY AND APPROVE THE CONDITIONAL VACATION OF THE OPEN SPACE EASEMENT (08/16/22 – SET HEARING; 09/13/22 – HOLD HEARING) (DISTRICT: 1)

OVERVIEW

On October 17, 1978 (78), the Board of Supervisors (Board) accepted an easement (Easement) for open space and/or park and recreational purposes on 15.08 acres of land owned by the Parking Authority of the City of National City (Parking Authority). The Easement is located at the southwest corner of Sweetwater Road and Bonita Center Road in the City of National City (City) on property identified as Assessor's Parcel Number 564-47-11-00 (Property).

On June 4, 1996 (18), the Board directed County staff to take all necessary actions to vacate and sell the Easement interest and dedicate the revenue to the improvement of the Park. This action was in response to a request from the Parking Authority to the County to vacate the Easement so that the Property could be developed for commercial purposes in exchange for compensation paid by the Parking Authority to the County for the value of the Easement. On March 21, 2007 (9), the Board approved an option agreement (Option) to sell the Easement to the Parking Authority.

The Option agreement was amended numerous times since 2007 to extend the term and to reflect the current market valuation of the open space easement. The Parking Authority has requested the opening of escrow, which is why the Board is being asked to consider conditionally vacating the open space easement at this time.

As outlined in Board Policy I-103, open space easement vacations are governed under the California Streets and Highway Code, which require two public meetings for the vacation of an open space easement. Board Policy I-103 also grants authority to the Director of Planning and Development Services (PDS) to make findings and recommendations to the Board of Supervisors related to vacation of open space easements. On August 16, 2022, it is requested by the Department of General Services and Planning and Development Services that the Board set a date for a public hearing on September 13, 2022, and provide public notice of that hearing, which includes signage

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at the project site. If the Board takes the actions recommended for today, then on September 13, 2022, it is requested that the Board make the necessary environmental findings and consider and adopt a resolution to conditionally vacate the referenced open space easement.

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER

1. Set a public hearing on September 13, 2022, to consider vacating the open space easement.
2. Direct the Clerk of the Board to provide notice of the hearing via publication and posting as required by law.

If on August 16, 2022, the Board takes actions recommended in Items 1 and 2 above, then on September 13, 2022:

1. Find that the environmental impact report (EIR) No. 2016-30 IS (SCH#: 2016111035) (Attachment B), prepared and certified by the City of National City on May 17, 2022, was completed in compliance with the California Environmental Quality Act (CEQA) and the State CEQA Guidelines and that the Board has reviewed and considered the information contained therein and the Addendum (Attachment B Exhibit P) thereto dated June 16, 2022, on file with the Clerk of the Board prior to approving the project.
2. Find that there are no changes in the project or in the circumstances under which the project is undertaken that involve significant new environmental impacts that were not considered in the previously certified Environmental Impact Report (EIR) for National City Carmax Project, EIR No. 2016-30 IS (SCH# 2016111035) (certified by the City on May 17, 2022), that there is no substantial increase in the severity of previously identified significant effects, and that no new information of substantial importance has become available since the EIR was adopted as explained in the Environmental Review Update Checklist dated June 16, 2022. (Attachment B Exhibit O, on file with the Clerk of the Board).
3. In accordance with CEQA Guidelines Section 15096, find that the County, as a responsible agency under CEQA, has considered the environmental effects of the project as shown in the environmental impact report (EIR) No. 2016-30 IS (SCH#: 2016111035) prepared and certified by the City on May 17, 2022, as lead agency, before reaching its own conclusion on whether and how to approve the project. (Attachment B, on file with the Clerk of the Board).
4. Adopt the Resolution entitled A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO CONDITIONALLY VACATING OPEN SPACE EASEMENT (Attachment C, on file with the Clerk of the Board).

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5. Direct the Clerk of the Board to record the Resolution pursuant to the Streets and Highways Code Section 8325 upon satisfaction of the conditions set forth in the Resolution.
6. Approve and Authorize the Director of General Services to take all necessary actions to complete the transaction including, but not limited to, the execution of appropriate deeds, documents, escrow instructions, and any amendments to the Option.

EQUITY IMPACT STATEMENT

The revenue resulting from the sale would be used for improvements to and potential land acquisitions for the Sweetwater Regional Park and the connecting bicycle/recreational trails, which will benefit the surrounding communities of National City. This will result in updated recreational amenities for the unincorporated communities of Spring Valley, Bonita, and the region. It is anticipated that increased trail access and additional updated recreational areas will have a positive health impact on area residents.

FISCAL IMPACT

If the sale of the easement is completed, this request will result in revenue of \$2,100,000. The Parking Authority has the option to pay the full amount in Fiscal Year 2022-23 or pay \$1,500,000 in Fiscal Year 2022-23 and deliver a promissory note for subsequent payments of \$300,000 in Fiscal Year 2023-24 and \$300,000 in Fiscal Year 2024-2025 with interest terms as specified in the Option Agreement. The proceeds from the sale of the easement will be used for improvements to and possible land acquisitions for Sweetwater Regional Park and the connecting bicycle/recreational trails, which will benefit the surrounding communities of National City. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

Development of the property for commercial purposes will benefit the South County by providing jobs, new construction activity of over \$10 million, and property and sales tax revenue to the City of National City and County of San Diego.

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

On October 17, 1978 (78), the City of National City (City), Parking Authority of the City of National City (Parking Authority), and the County of San Diego (County), executed a Cooperation Agreement related to the development of the Plaza Bonita Shopping Center, the construction of Plaza Bonita Road, and the funding of improvements to Sweetwater Regional Park. Pursuant to the Cooperation Agreement, the Board of Supervisors (Board) accepted an easement (Easement) for open space and/or park and recreational purposes on 15.08 acres of land owned by the Parking Authority. The Easement is located at the southwest corner of Sweetwater Road and Bonita Center

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Road in the City on property identified as Assessor’s Parcel Number 564-47-11-00 (Property). Development of the Easement area as a local park did not occur and the land has remained unimproved open space. A map showing the location of the Property is attached as Attachment A.

In 1996 the City, via the Parking Authority, requested that the County vacate and abandon the Easement to allow commercial development on the Property. On June 4, 1996 (18), the Board directed County staff to take all necessary actions to vacate and sell the Easement interest and dedicate revenue to the Sweetwater Regional Park (Park). Negotiations at that time were unsuccessful and the proposed transaction was not completed. On March 21, 2007 (9), the Board approved an option agreement (Option) to sell the Easement to the Parking Authority for \$3,000,000. On December 13, 2007, the Parking Authority exercised its option to purchase the Easement. On January 30, 2008 (12), the Board approved the sale of the Easement and made the necessary environmental findings as the responsible agency under California Environmental Quality Act (CEQA) pursuant to an Environmental Impact Report provided by the Parking Authority as the lead agency.

On March 12, 2008, the County and the Parking Authority opened escrow pursuant to the Option; however, due to ongoing changes in market conditions and the development potential of the Property, the sale of the Easement was not completed, and the escrow was cancelled in 2011. The Option was amended administratively to extend the term through December 31, 2021. In 2019, the Parking Authority requested to amend the Option to revise the sale price based on current market conditions and site development costs for the useable portion of the Property. County staff conducted a review of the Property and determined that the current market value of the Easement was \$2,100,000.

On December 8, 2020 (19), the Board approved an amendment to the Option for the sale of the Easement at \$2,100,000. The Board made the necessary environmental findings and authorized the Director of the Department of General Services (DGS) to take all necessary actions to complete the transaction, including but not limited to, the execution of appropriate deeds, documents, escrow instructions, and any amendments to the Option. As per the terms of the original Option, revenue derived from this sale is planned for deposit in the Department of Parks and Recreation (DPR) Trust Fund #61412. Trust Fund #61412 will be used by Department of Parks and Recreation for improvements to and potential land acquisitions for the Park and for bicycle/recreational trails that are within one mile of and that connect to the Park. Improvements to the 500-acre Park will provide active and passive recreation opportunities to residents and visitors throughout the region.

On December 8, 2021 (5), the Board made the necessary environmental findings and approved the amendment to the Option f to extend the term of the Option from December 31, 2021, to December 31, 2023. In addition, the Board authorized the Director of (DGS) to take all necessary actions to complete the transaction including, but not limited to, the execution of documents necessary to complete the sale, including any amendments to the Option. The Board directed the Chief

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Administrative Officer (CAO) to negotiate a new option agreement with the Parking Authority (which would supersede the current option agreement) and would allow the revenue from the sale of the Easement to be used for improvements to the Park and/or park improvements in park deficient communities in the City.

County staff and the Parking Authority discussed the possibility of entering into a new option agreement, but it was determined upon review of the current option agreement that the desired improvements shared by the City fall within the current terms for use of the revenue funds from the sale, and therefore a new option agreement is not needed.

Board Policy I-103, Open Space Easement Vacations, outlines the County’s process for vacating an open space easement. Because open space easements are often required as part of development projects and are based on an environmental analysis, proposals to vacate open space easement are analyzed by Planning and Development Services (PDS). Board Policy I-103 requires the Director of Planning and Development Services to make certain findings before a vacation can proceed. These findings relate to whether the proposed vacation is consistent with the General Plan, is no longer necessary for a public purpose and is consistent with the CEQA and other planning and zoning requirements. The Director of Development Services has made these findings and recommends vacation of the proposed open space easement.

Board Policy I-103 also states that open space easement vacations are governed under the California Streets and Highway Code, which require two public meetings for the vacation of an open space easement. California Streets and Highway Code requires two public meetings for the vacation of the open space easement. On August 16, 2022, it is requested by the Department of General Services and Planning and Development Services that the Board set a date for a public hearing on September 13, 2022, and provide public notice of that hearing, which includes signage at the project site. If the Board takes the actions recommended for today, then on September 13, 2022, it is requested that the Board make the necessary environmental findings, and to consider and adopt a resolution to conditionally vacate the referenced open space easement.

California Streets and Highways Code section 8324 and Board Policy I-103, Open Space Easement Vacations, authorize the County to vacate the easement and allow the Board to require that certain conditions be met prior to the occurrence of the vacation. The vacation requested today would be conditioned upon the following:

1. The Parking Authority exercising the Option to purchase the Easement;
2. The Parking Authority paying the County \$2,100,00 as the purchase price for the Easement or paying \$1,500,000 in Fiscal Year 2022-23 and delivering a promissory note for subsequent payments of \$300,000 in Fiscal Year 2023-24 and \$300,000 in Fiscal Year 2024-2025 with interest terms as specified in the Option Agreement and

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3. The Parking Authority delivering an executed and acknowledged deed conveying title to the area along the south end of the Property that contains a walkway and buffer to the County, as provided in the Option Agreement.

ENVIRONMENTAL STATEMENT

The City of National City (City) is the lead agency under the California Environmental Quality Act (CEQA) and prepared and certified an Environmental Impact Report (EIR) on May 17, 2022, for the proposed commercial development. A new EIR was prepared by the City due to the change in the scope of the commercial development project and age of the EIR prepared in 2008 by the City. The current project includes the purchase of the open space easement, and the previously certified EIR analyzed the requirements of the Purchase Agreement resulting in no net loss of parks/recreational facilities.

The County of San Diego (County) is a responsible agency and must rely on the EIR prepared by the City, as the lead agency, in approving the sale and vacation of the easement. The EIR concludes that all potentially significant impacts associated with biological resources, tribal cultural resources, noise, and paleontological resources would be avoided or reduced to below a level of significance through implementation of recommended mitigation measures.

The sale and vacation of the easement will rely on an Addendum to the previously certified EIR for the National City Carmax Project, as it can be found that there are no substantial changes in the project or in the circumstances under which the project is undertaken that involve significant new environmental impacts that were not previously considered. By approving the Recommendations, the County will fulfill its responsibilities as a responsible agency under CEQA.

The documents that constitute the record of proceedings on which the Board of Supervisors (Board) decision is based are located at the Clerk of the Board of Supervisors at 1600 Pacific Highway, San Diego, Room 402. The custodian of these documents is the Clerk of the Board.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed action to set a public hearing on September 13, 2022, to consider vacating the open space easement, and to direct Clerk of the Board to provide notice of the hearing via publication and posting, supports the Sustainability Strategic Initiative in the County of San Diego's (County's) 2022-2027 Strategic Plan by aligning services to available resources to maintain fiscal stability. This action will enhance fiscal stability through the generation of revenue from the sale of an easement that is not needed for County purposes and increased tax revenue. The sale of this open space easement will also comply with the County's Strategic Initiatives by supporting the County's efforts in providing greater resources for Sweetwater Regional Park, the connecting bicycle/ recreational trails, and the surrounding communities of National City. cultivating a natural environment for residents, visitors, and future generations to enjoy.

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Respectfully submitted,



HELEN N. ROBBINS-MEYER
Chief Administrative Officer

ATTACHMENT(S)

Note: Due to the size of the attachments, the documents are available online through the Clerk of the Board's website at www.sandiegocounty.gov/content/sdc/cob/bosa.html.

- Attachment A Location Map
- Attachment B Final Environmental Impact Report
- Attachment B Exhibit A – Notice of Preparation
- Attachment B Exhibit B – Air Quality Analysis
- Attachment B Exhibit C – Biological Technical Report
- Attachment B Exhibit D – Draft Cultural Resources Inventory
- Attachment B Exhibit E – Energy Calculations
- Attachment B Exhibit F – Geotechnical Evaluation
- Attachment B Exhibit G – Greenhouse Gas Analysis
- Attachment B Exhibit H – Phase I Environmental Site Assessment
- Attachment B Exhibit I – Storm Water Quality Management Plan
- Attachment B Exhibit J-1 – Hydrology Analysis
- Attachment B Exhibit J-2 – Hydraulic Analysis
- Attachment B Exhibit K – Noise Analysis
- Attachment B Exhibit L – Paleontological Record Search
- Attachment B Exhibit M – Trip Generator & Vehicle Miles Traveled
- Attachment B Exhibit N – Candidate CEQA Findings of Fact
- Attachment B Exhibit O – Environmental Review Update Checklist
- Attachment B Exhibit P – Environmental Impact Report Addendum
- Attachment B Exhibit Q – Environmental Impact Report Findings
- Attachment C A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO CONDITIONALLY VACATING OPEN SPACE EASEMENT
- Attachment C Exhibit A – Open Space Easement Exhibit & Legal Description
- Attachment D National City Resolution 2022-80