



COUNTY OF SAN DIEGO

LAND USE AGENDA ITEM

BOARD OF SUPERVISORS

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DATE: August 27, 2025

03

TO: Board of Supervisors

SUBJECT

COUNTY OF SAN DIEGO TRACT NO. 5447-1 (FINAL MAP NO. 15938): APPROVAL OF SECOND AMENDMENT TO AGREEMENT TO IMPROVE MAJOR SUBDIVISION (INCREASE AMOUNT OF SECURITY AND EXTENSION OF TIME) FOR QUANTUM ESTATES LOCATED IN THE SAN DIEGUITO COMMUNITY PLAN AREA (DISTRICT: 3)

OVERVIEW

The San Diego County Code of Regulatory Ordinances establishes the requirements for time extensions for private developers to complete required improvements on their development projects, including new or improved roads, water, and sewer facilities. As conditions of their permits, private development applicants are often required to construct specific improvements that benefit the public, such as roads and stormwater drainage systems. In many cases, these improvements are accepted by the County of San Diego (County) into the County-maintained system to be owned, operated, and maintained by the Department of Public Works (DPW). Subdivision Improvement Agreements (IA) include the specific improvements that need to occur, when they need to be completed, and financial security requirements. The financial security requirements protect the County by ensuring any required improvements are constructed. In the event of a default by the applicant, the financial security can be used by the County to complete the required improvements. However, under certain circumstances, the County can grant time extensions to allow an applicant additional time to complete the improvements, while simultaneously preserving the County's rights to have the public improvements constructed by the applicant. The project developer has not started construction of housing project, as they are working to find a builder to construct the project, and therefore, the required improvements have also not begun.

The Quantum Estates project includes seven (7) single-family residential lots on 39.42 acres and is located in the San Dieguito Community Plan Area, south of the Del Dios Highway and El Camino Norte intersection, east of Paseo Delicias. On September 11, 2013 (8), the Board of Supervisors (Board) approved the Subdivision Map and IA, which includes private street and drainage improvements, and water and sewer facilities onsite to serve the proposed homes. The IA required the improvements to be completed within two years. Pursuant to Subdivision Ordinance 81.405(c), the Director of Planning & Development Services (PDS) may extend the time for a subdivider to complete improvements once, for up to two additional years. The Board,

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however, may grant additional time extensions. The PDS Director approved an extension to the IA on January 5, 2016. On October 12, 2022 (Item #2), the Board of Supervisors of San Diego County approved the “First Amendment to Agreement to Improve Major Subdivision,” which extended the performance completion date for the improvements until October 12, 2024. Finally, on January 24, 2023, PDS approved an “Agreement to Assume Joint Agreement to Improve Major Subdivision,” entered into by County, District, Former Owner, Owner, and Holder, whereby Owner fully assumed all rights and obligations relating to the Joint IA, Joint Lien Contract and Holding Agreement. The subdivision owner has requested an extension for an additional two-years to construct the public improvements. There is no limitation on the number of extensions that can be approved by the Board. To date, no improvements or construction has begun on the overall project, including the single-family homes, but the developer has requested another extension to move the project forward. Ultimately, it is up to the applicant whether the project moves forward with construction. If the project does not move forward within the next two years, another extension would be required because no permits can be approved unless there is a valid improvement agreement with security.

This is a request for the Board of Supervisors (Board) to approve the Second Amendment to Agreement to Improve Major Subdivision (Second Amendment to Agreement), which includes an increase in the value of the security and a two-year extension of performance completion date for County Tract No. 5447-1 (Final Map No. 15938) also known as Quantum Estates.

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER

1. Find that the approval of the Second Amendment to Agreement and associated actions for County Tract No. 5447-1 is not a project subject to review under the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines because the activity is covered by the commonsense exemption and that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.
2. Approve and authorize the Clerk of the Board of Supervisors (Clerk) to execute the Second Amendment to Agreement and forward to County Recorder for recordation. This agreement extends the time to construct improvements to two (2) years after the execution of this Second Amendment to Agreement.

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EQUITY IMPACT STATEMENT

Planning & Development Services (PDS) ensures that public improvements are constructed as part of new housing developments, such as roads and stormwater drainage systems. PDS ensures the completion of the public improvements through agreements and financial security, which ensures communities are safe. This extension to the improvement agreement will allow the applicant additional time to complete the required public improvements, which will help provide housing for unincorporated communities.

SUSTAINABILITY IMPACT STATEMENT

Planning & Development Services (PDS) is committed to promoting sustainable community growth by ensuring that essential public infrastructure, such as roads and stormwater drainage systems, are appropriately constructed in new housing developments. These improvements are essential for creating safe, resilient, and environmentally responsible communities. The extension will provide additional time for the applicant to complete essential improvements for the projects. This ensures that housing developments in the unincorporated communities meet both current and future sustainability standards.

FISCAL IMPACT

There is no fiscal impact associated with the approval of the requested time extension as presented today. Any costs incurred to continue this project, at such time the owner moves forward, will be paid for by the developer. There will be no change in net General Fund costs and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

Staff reached out to the San Dieguito Community Planning Group regarding this extension request. The project was considered by the planning group on April 10, 2025 and no concerns were raised. Staff also provided information on the project to stakeholder groups, including labor unions, environmental stakeholders, and the Land Development Technical Working Group. No concerns were received from stakeholders.

BACKGROUND

The Quantum Estates project includes seven (7) single-family residential lots on 39.42 acres and is located in the San Dieguito Community Plan Area, south of the Del Dios Highway and El Camino Norte intersection, east of Paseo Delicias. On September 11, 2013 (8), the Board of Supervisors (Board) approved the Subdivision Map and Improvement Agreement (IA), which includes street and drainage improvements, and water and sewer facilities. The project includes the construction of a new onsite private road from Paseo Delicias, which will provide access to the seven single-family homes, as well as extend sewer and water facilities to the new homes. The Director of Planning & Development Services (PDS) approved an extension to the IA on January 5, 2016. The subdivision owner has requested an additional two-year extension to construct the

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public improvements. The project developer has not started construction of the housing project, as they are working to find a builder to construct the project, and therefore, the required improvements have also not begun. On October 12, 2022 (2), the Board of Supervisors of San Diego County approved the “First Amendment to Agreement to Improve Major Subdivision,” which extended the performance completion date for the improvements until October 12, 2024. Finally, on January 24, 2023, PDS approved an “Agreement to Assume Joint Agreement to Improve Major Subdivision,” entered into by County, District, Former Owner, Owner, and Holder, whereby a new Owner fully assumed all rights and obligations relating to the Joint IA, Joint Lien Contract and Holding Agreement.

The California Subdivision Map Act requires developers to have completed required improvements, such as public streets, drainage, sewer, and water facilities, at the time a final map is approved. An alternative, if improvements are not completed at the time the final map is approved, is for the County of San Diego (County) to enter into a secured subdivision agreement (Agreement) with the developer for completion of the public improvements. Security for the Agreement can include performance bonds, letters of credit, or a cash deposit. In accordance with Section 81.405 of the San Diego County Code of Regulatory Ordinances (County Code), improvements identified in the Agreement are required to be completed within two years from approval of the final map. On occasion, improvements are unable to be completed within that timeframe, and applicants may request additional time. The County Code provides authority to the Director of PDS and the Director of the Department of Public Works (DPW) to grant the first extension for up to two additional years. All subsequent extensions require Board approval.

In the event of a default by the applicant, bonding (or other accepted financial security) could be used to finance the required improvements. PDS staff have determined an extension is needed for this Agreement to ensure adequate financial security is in place due to the County’s continued interest in receiving the public improvements. These time extensions preserve the County’s and applicant’s rights for the extension period. There is no limit in State law or the County’s Subdivision Ordinance on the number of extensions, however, no construction can occur until the improvement agreement is extended with updated financial security. The IA and financial security provide the County the ability to complete the improvements if the developer starts construction but does not finish. Staff has determined that there is adequate financial security (i.e., capacity through a bond or other financial instrument) for the subdivision map to guarantee completion of remaining work for the agreement recommended for extension. This is a request to approve the Second Amendment to Agreement for County Tract No. 5447-1 (Final Map No. 15938), which extends the time to construct improvements to two (2) years after the recordation of this Second Amendment.

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Security for this project is furnished by a lien contract over the property that will be increased to cover the updated cost of constructing the public improvements. A lien contract uses the value of the property as the financial security instead of a bond or other financial instrument.

Subsequent Development Approvals

If the proposed action is denied and the Agreement is not extended, then the applicant would be required to obtain new development permits and approvals. There may be significant changes in State and local requirements that may need to be addressed if new development permits and approvals are sought. It is not known at this time if a review and analysis of these requirements will allow for full development of the proposed subdivision. The owner may need to update grading and improvement plans and will likely need to complete additional environmental review at the time any discretionary permits or approvals are sought (e.g., a grading permit) to address at least the issues in the following paragraph.

Updated studies including Hydromodification Management Plans for Priority Development Projects may be required prior to approval of grading and improvement plans for construction pursuant to County Watershed Protection, Stormwater Management, and Discharge Control Ordinance No. 10410 (N.S.), effective February 26, 2016, and Best Management Practice Design Manual. The County must be satisfied with the drainage engineering prior to approval of grading permits and improvement plans for construction pursuant to County Grading Ordinance No. 10224 (N.S.), effective October 25, 2012, and Flood Damage Prevention Ordinance No. 10091, adopted December 8, 2010.

ENVIRONMENTAL STATEMENT

Section 15061(b)(3) of the CEQA Guidelines provides that the activity is covered by the commonsense exemption and that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. CEQA review was completed in connection with the approval of each of the Tentative Maps, which were conditioned on completion of improvements identified in the improvement agreements. The proposed action does not change any improvement obligations imposed at the time of Tentative Map approval. Therefore, the proposed action is not subject to CEQA review pursuant to Sections 15061(b)(3) of the CEQA Guidelines.

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LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support all the Initiatives in the County of San Diego's 2025-2030 Strategic Plan. The project includes an amendment to an agreement to improve a major subdivision, ultimately creating new housing opportunities, once the project is fully built out. This will help meet the community's needs by providing additional housing opportunities (Equity Initiative). Once the project is complete, the community will benefit from enhanced environmental protections and equitable opportunities for participation for all residents.

Respectfully submitted,



DAHVIA LYNCH

Deputy Chief Administrative Officer

ATTACHMENT(S)

Attachment A – Second Amendment to Agreement to Improve Major Subdivision