

ORIGINAL

**PURCHASE AGREEMENT
Fire Station Site**

THIS PURCHASE AGREEMENT ("Agreement") effective as of the date the City Attorney approves, by its signature below ("Effective Date"), is entered into between The Regents of the University of California, a California public corporation ("Seller"), and the City of San Diego, a chartered California municipal corporation ("Buyer"), with reference to the following:

RECITALS:

A. Seller is the owner of real property (the "Property") located east of North Torrey Pines Road and approximately 500 feet south of Genesee Avenue on the University of California, San Diego campus (the "Campus"). The Property is a portion of a larger parcel which will be established by a lot split and is depicted on Exhibit A attached hereto.

B. After sale of the Property, Buyer will design and construct a fire station ("Fire Station") thereon in accordance herewith.

C. The parties have drafted and the City Council of the City of San Diego ("Council") has authorized the Mayor to execute and deliver to Escrow the "Option Agreement" in which Seller shall have the option to purchase from Buyer the improved real property commonly known as Torrey Pines Center South, provided that Seller complies with its obligations herein. A copy of the fully executed Option Agreement which will be delivered as part of Buyer's consideration for Seller's fulfillment of its obligations as set forth in this Agreement is attached hereto as Exhibit "B."

D. Buyer wishes to purchase the Property from Seller, and Seller is willing to sell the Property to Buyer, all on the terms and subject to the conditions of this Agreement, including the condition that Buyer equip, operate and maintain the Fire Station in accordance with the terms of Seller's Deed (as defined below).

E. Buyer and Seller acknowledge that the transactions contemplated herein will benefit both of them as public agencies, as well as the general public, by furthering public safety on and around Seller's University of California, San Diego campus. The campus is located within the territory of Buyer.

ARTICLE 1 AGREEMENT OF SALE; ESCROW

1.1 Agreement. In consideration of the covenants contained in this Agreement, including but not limited to the construction of the Fire Station (as defined below), and of the execution by both parties of the Option Agreement, Seller shall sell, and Buyer shall purchase, the Property. As part of the consideration for this Agreement, Buyer shall construct, equip, operate and continue to maintain the Fire Station as described in Article 3.

1.2 Definitions. In addition to the terms defined in the preamble or Recitals, whenever used in this Agreement:

1.2.1 Business Day means any day when City administration offices are open for the transaction of business by members of the general public.

1.2.2 Closing or Close of Escrow means the filing of Seller's Deed for recording with the County Recorder of the County, conveying the Property from Seller to Buyer.

1.2.3 Closing Date shall be the date upon which escrow closes pursuant to Paragraph 1.10.

1.2.4 County means the County of San Diego.

1.2.5 Escrow means the escrow created hereby.

1.2.6 Escrow Holder means Chicago Title Insurance Company.

1.2.7 Fire Station means a fire station of approximately 10,500 sq.ft., with approximately a three-bay apparatus floor and accommodations for two engines, a crew of up to ten, and sixteen surface parking stalls.

1.2.8 Fire Station Off-Sites means the improvements to North Torrey Pines Road, including but not limited to lane widening and traffic signals, necessary to provide access to the Fire Station.

1.2.9 Force Majeure Event means an event or circumstance that is beyond the reasonable control of, and not caused by the Party claiming the Force Majeure Event, and that could not be prevented, avoided or foreseen by the reasonable efforts and due diligence of the such Party before the Effective Date, provided Force Majeure Events shall be limited to the following: war, insurrection, strikes or lock-outs (excluding strikes or lockouts that are directed specifically at the affected Party by reason of its actions rather than against employers in general), riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, litigation, unusually severe weather, inability to secure or delays in delivery or availability of necessary labor, material or tools, discovery of subsurface human remains, settlements or other archeological finds, unforeseen or unexpected environmental or subsurface soils conditions, not addressed in Buyer's mitigated [negative] declaration published and distributed on June 7, 2018, changes in applicable laws, regulations or building codes or in controlling judicial interpretation of the same which occur after the Effective Date and were not reasonably foreseeable prior to the Effective Date.

1.2.10 Grant Deed Covenant shall be a restriction placed on title limiting future uses of the Property only to public use.

1.2.11 Project Costs shall mean all costs, including but not limited to Buyer's staff costs (as limited below), design costs, permitting fees, processing fees, inspection fees, environmental review, items in Exhibit F, and construction costs for the Fire Station and Fire Station Off-Sites. Project Costs shall not include furniture, fixtures or equipment.

1.2.12 Reversionary Rights means Seller's rights to have the Property return to Seller's ownership, pursuant to Paragraph 3.5.

1.2.13 Schedule of Performance means attached Exhibit D.

1.2.14 Seller's Contribution means the sum of twenty million five hundred fifty-six thousand dollars (\$20,556,000.00) for Project Costs associated with the development and construction of the Fire Station and Fire Station Off-Sites as described in Article 3.

1.2.15 Seller's Deed means a Grant Deed in the form attached as Exhibit C.

1.2.16 Title Insurer means Chicago Title Insurance Company.

1.3 Escrow. Escrow shall be opened by the delivery of a copy of this Agreement as soon as it has been signed by Seller and Buyer and approved as to form by the City Attorney. Each party shall separately execute such joint escrow instructions ("Escrow Instructions") as are reasonably requested by Escrow Holder to establish Escrow to effect the sale of the Property from Seller to Buyer as contemplated hereunder. Consideration for the purchase is the execution and delivery of the Option Agreement.

1.4 Preliminary Reports of Title. Seller has already furnished Buyer with a preliminary report of title for the larger parcel of which the expected Property is a part. Seller shall, within fifteen (15) days after the Effective Date, provide Buyer a preliminary report that applies only to the specific portion of the

real property that is anticipated to be the Property ("First Preliminary Report"). Buyer shall notify Seller in writing within ten (10) Business Days after receipt of the First Preliminary Report of Buyer's disapproval of any exception contained therein; exceptions not disapproved shall be "Permitted Exceptions." Seller shall deliver to escrow a copy of the First Preliminary Report and a copy of Buyer's approval/disapproval notice promptly after Seller's receipt of the latter. In addition, within fifteen (15) days after the lot split has been effectuated (as described below), Seller shall arrange to furnish Buyer an additional preliminary report for the actual Property (the "Second Preliminary Report"). Buyer shall notify Seller in writing within ten (10) Business Days after receipt of the Second Preliminary Report of Buyer's disapproval of any exception contained in the Second Preliminary Report. However, Buyer shall have no right to object to any Permitted Exception that was contained in the First Preliminary Report, and any new exception to which Buyer does not timely object shall become a Permitted Exception. Seller shall have five (5) Business Days after such notice to advise Buyer of any newly-disapproved exceptions which will not be removed by Seller prior to the Closing. If Seller indicates that it will not correct any of those disapproved exceptions, Buyer may elect to: (i) terminate this Agreement without liability on the part of either party; or (ii) consummate the purchase of the Property subject to such exception without any liability on Seller's part relative to title to the Property.

1.5 Conditions Precedent to Buyer's Obligations. This Closing is conditioned upon (i) mutual execution by both parties of the Option Agreement; (ii) neither Buyer nor Seller being in material default of its obligations under this Agreement beyond any applicable cure period; (iii) Seller has relocated the telecommunication facilities in accordance with Paragraph 3.4.3; (iv) the Title Insurer is prepared and obligated to issue Title Policy in Buyer's favor upon recordation of the Grant Deed and there being no exceptions to the Title Policy except for Permitted Exceptions; (v) as of the Closing Date, there exists no lease, tenancy, or occupancy agreement affecting the Property, unless agreed to in writing by both parties; (vi) as of the Closing Date, there is no pending or threatened to be pending, any action or proceeding by any person or before any government authority, the outcome of which could prohibit the transfer of the Property as intended by the parties or its use by Buyer as a Fire Station; and (vii) assurance that the Property is a legally conveyable parcel pursuant to Paragraph 3.3. If a party is in material default of its obligations hereunder on the Closing Date, the non-defaulting party may thereafter waive such condition, except that subclause (vii) shall not be waived by either party.

1.6 Buyer's Due Diligence. Buyer's Due Diligence shall mean the period commencing on the Effective Date and expiring one hundred twenty (120) days thereafter ("Contingency Date") during which Buyer can conduct its investigations into the Property. All written materials in the possession or control of Seller regarding the Property have been delivered to Buyer. During this 120-day period (the "Contingency Period") and with reasonable advanced written notice of not less than twenty-four (24) hours to Seller, Buyer may enter onto the Property to perform inspections and test on the Property including without limitation soils testing, and Phase 1 (hazardous waste study). If there is no Closing for any reason other than Seller's Default, Buyer shall deliver to Seller within thirty (30) days of Seller's written request, without warranty or representation of any kind, copies of all reports and summaries of its inspections and testing prepared by or for Buyer pertaining to the Property, subject to third party consents to delivery, as applicable. Buyer shall not be obligated to provide any such information which can be legally demonstrated to be confidential, proprietary or privileged information. If for any reason Buyer does not purchase the Property, then to the extent Buyer caused any damage or alteration to the Property, Buyer at its sole costs and expense shall restore the Property to the condition that existed immediately prior to such tests and inspections. Buyer shall indemnify, defend and hold harmless Seller and its officers, employees and agents from and against all claims action, losses liabilities, damages, costs and expenses, including attorney's fees and costs, incurred by reason of any damage to the Property or injury to persons caused by Buyer in exercising its right under this section. If Buyer is not satisfied with the results of its due diligence investigation (including, without limitation, its inspection of the condition of the Property or review of the Property information), Buyer may terminate this Agreement in its sole and absolute discretion by delivering to Seller and Escrow Holder written notice of such termination at any time prior to 5:00pm Pacific Time on the Contingency Date. Buyer shall manifest its approval of due diligence by delivering written notice to Seller and Escrow that it believes it is feasible to construct the Fire Station and Fire Station Offsites on the Property and is committed to acquiring the Property and to Buyer's other obligations in this Agreement ("Approval Notice"). If Buyer fails to provide approval or disapproval, its approval shall be deemed to have been given as of the Contingency Date.

1.7 Deliveries to Escrow Holder.

1.7.1 Seller's Deliveries to Close Escrow. No later than 12:00 noon Pacific Time five (5) Business Days before the Closing Date, Seller shall deliver to Escrow Holder (i) Seller's Deed in form ready to be accepted by Buyer and recorded, (ii) immediately available funds required for charges to Seller described in Paragraph 1.11.2 below, (iii) Seller approved Closing Statement, and (iv) any other documents reasonably required by Escrow Company to close on this transaction.

1.7.2 Buyer's Deliveries. No later than 12:00 noon Pacific Time three (3) Business Days before the Closing Date, Buyer shall deliver to Escrow Holder (i) the fully executed Option Agreement, (ii) immediately available funds required for charges to Buyer described in Paragraph 1.11.3 below, (iii) a signature on the Grant Deed of the authorized representative of Buyer indicating Buyer's acceptance of the deed, (iv) Buyer's approved Closing Statement, and (v) any other documents reasonably required by Escrow Company to close on this transaction.

1.7.3 Seller's Delivery of Seller's Contribution. Seller shall deposit Seller's Contribution with Escrow within thirty (30) calendar days after Buyer gives or has been deemed to give Approval Notice pursuant to Paragraph 1.6.

1.8 Release of Seller's Contribution. Escrow shall release Seller's Contribution to Buyer within two (2) Business Days after receiving it from Seller.

1.9 Title. At the Closing, Seller shall convey fee simple title to the Property to Buyer by Seller's Deed, subject only to Permitted Exceptions, matters of record, and the Reversionary Rights.

1.10 The Closing. If all conditions identified in Paragraph 1.5 have been satisfied, Escrow Holder shall close Escrow within thirty (30) days after a legal parcel for the Property has been created by the filing for record of a parcel map. Closing shall occur by Escrow's filing for recording Seller's Deed the next Business Day after any remaining deliveries required by Paragraph 1.7 have been made. Escrow Holder shall immediately thereupon distribute funds from Escrow it is holding pursuant to Paragraph 1.11.

1.11 Prorations, Fees and Costs.

1.11.1 Prorations. The property taxes, if any, shall be prorated between Buyer and Seller as of the Close of Escrow. Buyer and Seller shall provide Escrow Holder before the Closing Date with the information necessary to prorate the items set forth in this Paragraph. All prorations called for in this Agreement shall be made on the basis of a 30-day month.

1.11.2 Seller's Charges. Seller shall pay (i) one-half of Escrow Holder's fee or termination charge; (ii) usual seller's document-drafting and recording charges; and (iii) other charges customarily paid by a seller in the County.

1.11.3 Buyer's Charges. Buyer shall pay (i) all documentary transfer tax, if any; (ii) one-half of Escrow Holder's fee or termination charge; (iii) usual buyer's document-drafting and recording charges; and (iv) other charges customarily paid by a buyer in the County.

1.12 Title Insurance. Seller is responsible for the cost of a standard-coverage California Land Title Association ("CLTA") title insurance policy in the amount of the estimated fair market value of the Property including all improvements, insuring that title to the fee interest in the Property is vested in Buyer subject only to Permitted Exceptions, as agreed to by the parties. Buyer may obtain an American Land Title Association ("ALTA") title insurance policy, in which event Buyer shall pay the difference between the cost of the ALTA policy and the cost of the CLTA policy. Escrow Holder shall ensure the issuance of the title policy based on the Second Preliminary Report. The estimated fair market value of the Property shall be based per square foot on the 2015 appraisal of the larger parcel of which the Property is a part, which Buyer

and Seller have shared, escalated by the San Diego regional consumer price index to the date Escrow opens.

1.13 **Post-Closing Adjustments.** Buyer and Seller agree to adjust any of the above-referenced prorations if, after the Close of Escrow, more accurate or definitive information becomes available with respect thereto. The party receiving such information shall deliver written notice thereof to the other party within thirty (30) calendar days of such receipt and, within thirty (30) calendar days thereof, the parties shall re-prorate the affected matter and a party which is thereby shown to have received an excess credit shall to the extent of such excess reimburse the other party. The parties agree that the provisions of this Paragraph 1.13 shall survive the Close of Escrow and both parties agree to cooperate with the other after the Close of Escrow with respect hereto.

ARTICLE 2 AGREEMENT OF SALE; ESCROW

2.1 **Brokerage Commissions.** Each party warrants to the other that the warranting party has incurred no obligation by reason of this Agreement or the transaction contemplated by this Agreement, for any real estate brokerage commission or finder's fee for which the other party would be liable. Each party will hold the other party free and harmless from and against any damage or expense the other party may incur by reason of the untruth as to the warranting party of the foregoing warranty, including expenses for attorneys' fees and court costs. Nothing in this Agreement is intended to create in any other person or entity any right as a third party beneficiary of this Agreement; specifically, no person or entity has any right (a) to cause or compel either Buyer or Seller to perform any obligation, exercise any right or forebear from exercising any right either may have pursuant to this Agreement, including, but not limited to, any right to terminate this Agreement; or (b) to preclude Buyer and Seller from entering into any amendment of this Agreement.

2.2 **Authorization; No Breach.** Buyer and Seller each represent and warrant to the other that each person executing this Agreement on behalf of such party is duly and validly authorized to do so, and that if such party is a corporation, that said corporation has full power and authority to enter into this Agreement and consummate the transactions contemplated hereunder. Neither the execution and delivery of this Agreement and the instruments and documents referenced herein, nor the consummation of the transactions contemplated herein conflict with or result in the material breach of any terms, conditions or provisions of any contract or other agreement or instrument to which Buyer or Seller is a party or which affects the Property.

2.3 **Indemnity.**

2.3.1 Seller shall indemnify, defend, protect and hold Buyer, its elected officials, officers, employees, and agents harmless from and against any and all losses, costs, claims, liabilities, expenses, demands, damages, or obligations ("Claims") resulting from, related to, or based upon, whether directly or indirectly: (i) the breach by Seller of any representation, warranty, covenant or obligations contained in the Agreement; (ii) any Claim if the basis of such Claim arose before the Closing Date, if the basis of such Claim arose from, is based upon, relates to or pertains directly or indirectly to the operation, management or use of the Property by Seller, its employees, agents or officers; and (iii) any Claim which arose from, is based upon, relates to or pertains directly or indirectly to any negligent or intentional act or omission by Seller or any of its employees, agents, or officers. Seller's duty to indemnify and defend shall not extend to any Claims arising from the established sole negligence or willful misconduct of Buyer. Seller's indemnification obligation for any and all Claims, liability, judgments, damages, costs or fees is only in proportion to and to the extent that such Claims, liability, judgments, damages, costs or fees result from the negligent or intentional acts or omissions of Seller, its officers, agents, employees, students, invitees, and guests.

2.3.2 Buyer shall indemnify, defend, protect and hold Seller, its officers, employees, and agents harmless from and against any and all Claims resulting from, related to, or based upon, whether directly or indirectly: (i) the breach by Buyer of any representation, warranty, covenant or obligations contained in the Agreement; (ii) any Claim, if the basis of such Claim arose on or after the Closing Date, if

the basis of such Claim arose from, is based upon, relates to or pertains to whether directly or indirectly the operation, management or use of the Property by Buyer, its officers, employees, agents, or invitees; and (iii) any Claim which arose from, is based upon, relates to or pertains to whether directly or indirectly to any negligent or intentional act or omission by Buyer or any of its officials, employees, agents, or representatives. Buyer's duty to indemnify and defend shall not extend to any Claims arising from the established sole negligence or willful misconduct of Seller. Buyer's indemnification obligation for any and all Claims, liability, judgments, damages, costs or fees is only in proportion to and to the extent that such Claims, liability, judgments, damages, costs or fees result from the negligent or intentional acts or omissions of Buyer, its officers, agents, employees, or invitees.

2.4 Representations and Warranties. The Property is being sold "AS IS", "WHERE IS", AND "WITH ALL FAULTS" as of the Closing, without any representation or warranty whatsoever with respect to its condition, fitness for any particular purpose, merchantability or any other warranty, express or implied. Without limiting the generality of the foregoing, Buyer shall accept the Property, and the matters relating to the Property listed below, in the "AS IS" condition or status it will be in at the Closing. The matters include without limitation (i) soils and geological condition, topography, area and configuration; (ii) availability of utilities, public school facilities, public access, police protection and other public services; (iii) applicable planning, zoning and subdivision statutes, ordinances, regulations and permits; (iv) any easement, license or encroachment which is not a matter of public record, whether or not visible upon inspection of the Property; (v) the condition of the improvements on the Property; and (vi) any other matter relating to the Property or to the development of the Property, including value, feasibility, cost, governmental permissions, restrictions or limitations based on neighboring uses, marketing and investment return.

2.4.1 BUYER ACKNOWLEDGES, REPRESENTS, WARRANTS, COVENANTS AND AGREES THAT AS A MATERIAL INDUCEMENT TO SELLER TO EXECUTE AND ACCEPT THIS AGREEMENT AND IN CONSIDERATION OF THE PERFORMANCE BY SELLER OF ITS DUTIES AND OBLIGATIONS UNDER THIS AGREEMENT, THAT, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT AND SUBJECT TO SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT, THE SALE OF THE PROPERTY IS AND WILL BE MADE ON AN "AS IS, WHERE IS" BASIS. SELLER HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT, FUTURE OR OTHERWISE, OF, AS TO, CONCERNING OR WITH RESPECT TO: (1) THE EXISTENCE OF HAZARDOUS MATERIALS OR MOLD UPON THE PROPERTY OR ANY PORTION THEREOF; (2) GEOLOGICAL CONDITIONS, INCLUDING, WITHOUT LIMITATION, SUBSIDENCE, SUBSURFACE CONDITIONS, WATER TABLE, UNDERGROUND WATER RESERVOIRS, LIMITATIONS REGARDING THE WITHDRAWAL OF WATER AND FAULTING; (3) WHETHER OR NOT AND TO THE EXTENT TO WHICH THE PROPERTY OR ANY PORTION THEREOF IS AFFECTED BY ANY STREAM (SURFACE OR UNDERGROUND), BODY OF WATER, FLOOD PRONE AREA, FLOOD PLAIN, FLOODWAY OR SPECIAL FLOOD HAZARD; (4) DRAINAGE; (5) SOIL CONDITIONS, INCLUDING THE EXISTENCE OF INSTABILITY, PAST SOIL REPAIRS, SOIL ADDITIONS OR CONDITIONS OF SOIL FILL, OR SUSCEPTIBILITY TO LANDSLIDES, OR THE SUFFICIENCY OF ANY UNDERSHORE; (6) USES OF ADJOINING PROPERTIES; (7) THE VALUE, COMPLIANCE WITH THE PLANS AND SPECIFICATIONS, SIZE, LOCATION, AGE, USE, DESIGN, QUALITY, DESCRIPTION, DURABILITY, STRUCTURAL INTEGRITY, OPERATION, TITLE TO, OR PHYSICAL OR FINANCIAL CONDITION OF THE PROPERTY OR ANY PORTION THEREOF, OR ANY RIGHTS OR CLAIMS ON OR AFFECTING OR PERTAINING TO THE PROPERTY OR ANY PART THEREOF, INCLUDING, WITHOUT LIMITATION, WHETHER OR NOT THE IMPROVEMENTS COMPLY WITH THE REQUIREMENTS OF TITLE III OF THE AMERICANS WITH DISABILITIES ACT OF 1990, 42 U.S.C. §§ 12181-12183, 12186(B) – 12189 AND RELATED REGULATIONS; (8) THE SQUARE FOOTAGE OF THE PROPERTY OR THE IMPROVEMENTS THEREON; (9) IMPROVEMENTS AND INFRASTRUCTURE, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE ROOF, FOUNDATION, FIXTURES, AND PERSONAL PROPERTY, IF ANY; (10) DEVELOPMENT RIGHTS AND EXTRACTIONS; (11) WATER OR WATER RIGHTS; (12) THE DEVELOPMENT POTENTIAL FOR THE PROPERTY; (13) THE ABILITY OF BUYER TO REZONE THE PROPERTY OR CHANGE THE USE OF THE PROPERTY; (14) THE ABILITY OF BUYER TO ACQUIRE ADJACENT PROPERTIES; (15) THE EXISTENCE AND POSSIBLE LOCATION

OF ANY UNDERGROUND UTILITIES; (16) THE EXISTENCE AND POSSIBLE LOCATION OF ANY ENCROACHMENTS; (17) WHETHER THE IMPROVEMENTS ON THE PROPERTY WERE BUILT, IN WHOLE OR IN PART, IN COMPLIANCE WITH APPLICABLE BUILDING CODES; (18) THE STATUS OF ANY LIFE-SAFETY SYSTEMS IN THE IMPROVEMENTS ON THE PROPERTY; (19) THE CHARACTER OF THE NEIGHBORHOOD IN WHICH THE PROPERTY IS SITUATED; (20) THE CONDITION OR USE OF THE PROPERTY OR COMPLIANCE OF THE PROPERTY WITH ANY OR ALL PAST, PRESENT OR FUTURE FEDERAL, STATE OR LOCAL ORDINANCES, RULES, REGULATIONS OR LAWS, BUILDING, FIRE OR ZONING ORDINANCES, CODES OR OTHER SIMILAR LAWS; (21) THE MERCHANTABILITY OF THE PROPERTY OR FITNESS OF THE PROPERTY FOR ANY PARTICULAR PURPOSE (BUYER AFFIRMING THAT BUYER HAS NOT RELIED ON SELLER'S SKILL OR JUDGMENT TO SELECT OR FURNISH THE PROPERTY FOR ANY PARTICULAR PURPOSE, AND THAT SELLER MAKES NO WARRANTY THAT THE PROPERTY IS FIT FOR ANY PARTICULAR PURPOSE); AND/OR (22) ANY OTHER MATTER CONCERNING THE PROPERTY. NOTWITHSTANDING THE FOREGOING OR ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, SELLER IS NOT RELEASED FROM ANY LIABILITY TO BUYER FOR FRAUD OR BREACH OF ANY COVENANT, REPRESENTATION OR WARRANTY SET FORTH IN THIS AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, THIS SECTION, ANY RIGHT WAIVED BY BUYER AND ANY RELEASE BY BUYER, SHALL ONLY RELEASE OR WAIVE THE BUYER'S RIGHT TO ENFORCE ANY JUDGMENT (INCLUDING WITHOUT LIMITATION, DAMAGES, ATTORNEYS' FEES, COSTS, EXPENSES OR ANY OTHER COMPENSATION OF ANY TYPE WHATSOEVER) AGAINST ONLY SELLER AND SELLER'S SUCCESSORS, ASSIGNS, PARTNERS, AFFILIATES AND MEMBERS AND ALL THEIR RESPECTIVE OFFICERS, DIRECTORS, SHAREHOLDERS, PARTICIPANTS, PARTNERS, AFFILIATES, EMPLOYEES, REPRESENTATIVES, INVITEES AND AGENTS (COLLECTIVELY, "SELLER'S PARTIES") OR ANY OF THEM PERSONALLY. BUYER IS NOT WAIVING ANY RIGHT TO BRING ANY ACTION AGAINST ANY OF THE "NON-RELEASED PARTIES" (DEFINED BELOW) OR WAIVING RECOVERY AGAINST OR OTHERWISE RELEASING OR AGREEING TO FOREGO BUYER'S RIGHTS WITH RESPECT TO ANY INSURANCE POLICY, OR ANY OTHER PERSON (OTHER THAN THE RIGHT TO ENFORCE A JUDGMENT PERSONALLY AGAINST ANY OF THE REGENTS' PARTIES), INCLUDING WITHOUT LIMITATION PERSONS OBLIGATED TO THE SELLER'S PARTIES, BY RIGHT OF SUBROGATION OR OTHERWISE, PRIOR OWNERS OR OCCUPANTS OF THE PROPERTY, THE TENANTS, PERSONS PERFORMING WORK AT THE PROPERTY AND/OR ANY INSURANCE POLICIES HELD BY ANY OR ALL SUCH PERSONS (COLLECTIVELY, THE "NON-RELEASED PARTIES").

BUYER ACKNOWLEDGES THAT BUYER SHALL HAVE COMPLETED ALL PHYSICAL AND FINANCIAL EXAMINATIONS RELATING TO THE ACQUISITION OF THE PROPERTY AND WILL ACQUIRE THE PROPERTY SOLELY ON THE BASIS OF SUCH EXAMINATIONS AND THE TITLE INSURANCE PROTECTION FOR THE PROPERTY AFFORDED BY THE TITLE POLICY, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT AND SUBJECT TO SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT AND SUBJECT TO SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT. SELLER SHALL NOT BE LIABLE FOR ANY NEGLIGENT MISREPRESENTATION OR FAILURE TO INVESTIGATE THE PROPERTY NOR SHALL SELLER BE BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, APPRAISALS, ENVIRONMENTAL ASSESSMENT REPORTS, OR OTHER INFORMATION PERTAINING TO THE PROPERTY OR THE OPERATION THEREOF, FURNISHED BY SELLER, OR ANY REAL ESTATE BROKER, AGENT, REPRESENTATIVE, EMPLOYEE, SERVANT OR OTHER PERSON ACTING ON SELLER'S BEHALF EXCEPT FOR REPRESENTATIONS AND WARRANTIES EXPRESSLY PROVIDED IN THIS AGREEMENT. IT IS ACKNOWLEDGED AND AGREED THAT THE PROPERTY IS SOLD BY SELLER AND PURCHASED BY BUYER SUBJECT TO THE FOREGOING.

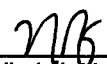
BUYER ACKNOWLEDGES AND AGREES THAT BUYER IS FULLY AWARE OF THE AGE OF THE PROPERTY, THAT OVER TIME VARIOUS EVENTS MAY HAVE OCCURRED ON THE PROPERTY WHICH EVENTS MAY BE TYPICAL AND/OR ATYPICAL OF EVENTS OCCURRING TO OTHER PROPERTIES OF SIMILAR AGE TO THE PROPERTY AND SIMILARLY LOCATED IN THE CITY OF SAN DIEGO AND/OR THE COUNTY OF SAN DIEGO, CALIFORNIA, AND THAT SUCH EVENTS MAY INCLUDE, WITHOUT LIMITATION, SLAB LEAKS, MOLD, FIRE, SHIFTING, AND VIOLATIONS OF LAWS, ORDINANCES, RULES, REGULATIONS, PERMITS, APPROVALS, LICENSES AND (OR) ORDERS OF GOVERNMENTAL AGENCIES WITH JURISDICTION OVER THE PROPERTY.

THE CLOSING OF THE PURCHASE OF THE PROPERTY BY BUYER SHALL BE CONCLUSIVE EVIDENCE THAT: (A) BUYER HAS FULLY AND COMPLETELY INSPECTED (OR HAS CAUSED TO BE FULLY AND COMPLETELY INSPECTED) THE PROPERTY; AND (B) BUYER ACCEPTS THE PROPERTY AS BEING IN GOOD AND SATISFACTORY CONDITION AND SUITABLE FOR BUYER'S PURPOSES.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR RELIANCE ON REPRESENTATIONS AND WARRANTIES EXPRESSLY PROVIDED IN THIS AGREEMENT, BUYER SHALL PERFORM AND RELY SOLELY UPON ITS OWN INVESTIGATION CONCERNING ITS INTENDED USE OF THE PROPERTY, AND THE PROPERTY'S FITNESS FOR THAT USE. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT SELLER'S COOPERATION WITH BUYER WHETHER BY AUTHORIZING THIS AGREEMENT, PROVIDING DOCUMENTS RELATING TO THE PROPERTY, OR PERMITTING INSPECTION OF THE PROPERTY, SHALL NOT BE CONSTRUED AS ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OF ANY KIND WITH RESPECT TO THE PROPERTY, OR WITH RESPECT TO THE ACCURACY, COMPLETENESS, OR RELEVANCE OF THE DOCUMENTS PROVIDED TO BUYER BY SELLER IN RELATION TO THE PROPERTY, PROVIDED THAT THE FOREGOING SHALL NOT BE A LIMITATION OR MODIFICATION OF THE REPRESENTATIONS AND WARRANTIES EXPRESSLY PROVIDED FOR IN THIS AGREEMENT.



Buyer's Initials



Seller's Initials

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2.4.2 Buyer acknowledges that there is a risk that subsequent to the execution of this Agreement, Buyer may discover, incur, or suffer from claims which were unknown or unanticipated at the time this release is executed, including, without limitation, unknown or unanticipated claims which, if known by Buyer on the date this release is being executed, may have materially affected Buyer's decision to execute this Agreement. Buyer acknowledges that Buyer is assuming the risk of such unknown and unanticipated claims arising from this Agreement and agrees that this release applies thereto. As to claims arising from this Agreement, Buyer expressly waives the benefits of Section 1542 of the California Civil Code, and any amendments thereto, which reads as follows:

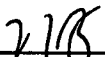
"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

Buyer represents and warrants that Buyer has been represented by independent counsel of Buyer's own choosing in connection with the preparation and review of this release, that Buyer has specifically discussed with such counsel the meaning and effect of this release, and that Buyer has carefully read and understands the scope and effect of each provision contained in this release. Buyer further represents and warrants that Buyer does not rely and has not relied upon any representation or statement made by Seller or any of Seller's representatives, agents, employees, attorneys or officers with regard to the subject matter, basis or effect of this release.

Buyer represents and warrants to Seller that Buyer has not and shall not assign or transfer or purport to assign or transfer any claim or claims or any portion thereof or any interest therein, and shall indemnify, defend, protect and hold the Seller harmless from and against any claim or claims based on or arising out of, whether directly or indirectly, any such assignment or transfer, or purported assignment or transfer.



Buyer's Initials



Seller's Initials

ARTICLE 3 FIRE STATION

3.1 **Seller's Contribution.** Buyer shall use Seller's Contribution solely toward Project Costs for the design and construction of the Fire Station and Fire Station Off-Sites. If Seller's Contribution is transferred to Buyer, Project Costs incurred by Buyer after the Effective Date but before Seller's Contribution has been transferred to Buyer may be reimbursed from the Seller's Contribution. Buyer agrees that no more than twenty percent (20%) of Project Costs may be used to pay for Buyer staff time. Buyer staff time does not include any outside consultants or contractors.

3.2 **Final Fire Contribution.** Buyer and Seller agree that Seller's performance of this Agreement will be considered as a contribution for additional fire services and other services typically provided by fire stations and fire station personnel ("Fire Services"), arising from the anticipated future growth of and on the Seller's Campus (which does not include Seller's medical facilities located in the Hillcrest area of the City of San Diego) under the 2018 Long Range Development Plan ("LRDP"). Buyer shall not seek any additional contributions from Seller for Fire Services arising from Seller's future growth and development on the Campus under the 2018 LRDP until the later of December 31, 2035, or substantial completion of the build-out contemplated under the 2018 LRDP as it was released for public review on July 30, 2018, unless all of the following occur: (a) Seller amends the 2018 LRDP or engages in a new LRDP planning process; (b) Buyer determines, based on a reasonable, evidence-based analysis of the additional development proposed by Seller in comparison to Buyer's then-current standard of response coverage review for the City of San Diego's Fire-Rescue Department, that such amendment or new LRDP creates the need for additional Fire Services; and (c) Buyer determines that Seller's fair share mitigation contribution, as defined under CEQA and applicable case law, for the cumulative impacts of the amendment

or new LRDP, exceed the Seller's Contribution in inflation-adjusted dollars as determined by applying the Construction Cost Index for the Los Angeles Area as published in the Engineering News Record.

3.3 Lot Split. Commencing immediately after Seller approves Buyer's bridging documents (as described in Paragraph 3.4.1), Seller shall process a lot split, with Buyer's cooperation, to create the Property as a separate legal parcel. The Property, once legally created, shall contain approximately 35,900 sq.ft. The boundaries of the Property shall not be larger than those depicted in Exhibit A. Buyer shall have the right to approve or disapprove the size and configuration of the new lot for the purpose of operating the Fire Station, its approval not to be unreasonably withheld.

3.4 Construction. Buyer shall be responsible for permitting, environmental review, design, and construction of the Fire Station and Fire Station Off-Sites.

3.4.1 Buyer shall select the design team and lead the design and construction process for construction of the Fire Station and Fire Station Off-Sites. Buyer has already provided Seller with three standard fire station facades, and Seller has tentatively selected the "urban" facade. Seller may choose to conduct an independent architectural design review of the Fire Station at Seller's expense, which shall not be included in the Project Costs. The design review will focus on, but not be limited to, the compatibility of the design with its setting and the appropriateness of the design to its functional program. Seller shall have the right to review and comment on the bridging documents which shall constitute approximately 30% design detail with sufficient conceptual information to determine exterior colors, and outside facade design and materials. Seller shall provide its comments in writing within thirty (30) calendar days of receipt of the bridging documents. Buyer shall use its best efforts to incorporate Seller's requested changes to the Fire Station. If Buyer is unable to incorporate the requested changes, then Buyer and Seller shall meet and confer in good faith within ten (10) Business Days of written notice to Seller that Buyer will not incorporate the requested changes, to reach an agreement on changes that Buyer can implement. If after that meeting Buyer's and Seller's assigned staff are unable to reach an agreement, the matter shall immediately be submitted to the Buyer's Deputy Chief Operating Officer of Infrastructure/Public Works for final resolution. Buyer shall use best efforts to design the Fire Station Off-Sites so that the Property has access directly from North Torrey Pines Road, that the intersection aligns with the driveway across that street, and that vehicles can make left turns from and to northbound North Torrey Pines Road into and from the Torrey Pines Center North.

3.4.2 Buyer shall be the lead agency for development of the Fire Station and Fire Station Off-Sites under the California Environmental Quality Act. Seller shall reasonably cooperate with Buyer in that regard, including providing Buyer any relevant studies and reports Seller previously obtained or prepared.

3.4.3 Seller and Buyer shall cooperate regarding utility relocations, tieback agreements (if needed) and other improvements so as to minimize impacts to Campus infrastructure and adjacent uses, including but not limited to the remaining tennis courts located outside the Property's boundaries. Seller shall relocate the communications infrastructure to outside the Buyer's proposed Property to avoid any conflicts with the Fire Station design, construction and future use at Seller's expense. The Property shall be conveyed without the current telecommunications facilities.

3.4.4 Buyer shall provide to Seller prior to Contingency Date and on a quarterly basis thereafter a report, in substantially the form of Exhibit E, detailing the funding and its uses toward the development of the Fire Station and Fire Station Off-Sites. The report shall be sufficiently detailed to allow Seller to conduct an audit ensuring that project costs were eligible for financing by Seller.

3.4.5 Buyer shall, immediately upon receipt thereof, place Seller's Contribution into a separate account earning interest at the rate Buyer then earns on its cash investments. Buyer shall make quarterly payments to Seller within forty-five (45) calendar days after the end of each quarter in an amount equal to the interest earned on the project funding account balance.

3.4.6 Buyer shall be responsible for all Project Costs of the Fire Station and Fire Station Off-Sites exceeding the Seller's Contribution. In addition, Buyer shall be responsible for all costs incurred for furniture, fixtures, equipment; and for ongoing operations, maintenance and repair of the Fire Station and Fire Station Off-Sites.

3.4.7 Subject to Force Majeure Events, Buyer shall use its best efforts to complete construction of the Fire Station and Fire Station Off-Sites within five (5) years of the Effective Date, and shall in any event substantially complete construction of the Fire Station and Fire Station Off-Sites within seven (7) years of the Effective Date. Buyer shall also use its best efforts to meet the dates in the Schedule of Performance. Immediately upon becoming aware that a date in the Schedule of Performance is not likely to be met by more than three (3) months, Buyer shall notify Seller of the anticipated failure, its cause(s), and Buyer's intended corrective action, and shall provide a proposed revised Schedule of Performance (Exhibit D). Seller shall use its best efforts to meet the dates in the Schedule of Performance. Any delay to the Scheduled of Performance caused by Seller shall result in the Schedule of Performance dates being extended by the amount of delay caused by the Seller. The timeline described above may be extended by mutual consent of Buyer and Seller.

3.4.8 Force Majeure Event: Extension of Time of Performance. The time within which the Buyer shall be required to attempt in good faith to perform any obligation under this Agreement shall be extended by a period of time equal to the number of days during which performance of such obligation is delayed due to a Force Majeure Event. If Buyer or its Contractor anticipates or has reason to believe performance of work under this Agreement will be delayed, Buyer shall notify Seller in writing within thirty (30) calendar days of making such a determination. Buyer must use reasonable efforts to mitigate the effect of the Force Majeure Event upon its obligations under this Agreement. Upon cessation of the interference with performance caused by a Force Majeure Event, Buyer must as soon as practicable recommence performance of the affected obligation under this Agreement.

3.4.9 Buyer shall, within ninety (90) calendar days after the City issuance of certificate of occupancy and all claims on the Fire Station and or Fire Station Off-sites having been resolved, provide to Seller its final audit of costs of completion of the Fire Station and Fire Station Off-Sites, and refund any remaining amounts from Seller's Contribution. The audit shall provide the information in substantially the form of Exhibit E.

3.5. **Reversionary Rights.** Seller shall have the right (but not the obligation) to require Buyer to return fee ownership of the Property (including any and all improvements thereon such as the Fire Station) to Seller if any of the events below occur. If Seller requires Buyer to return fee ownership pursuant to this Paragraph 3.5, Buyer or any successor shall remove any encumbrances related to securing Buyer's or any successor's financial obligations from the title to the Property within one hundred twenty (120) days after receipt of notice from Seller that Seller is exercising its reversionary rights under this Paragraph 3.5:

3.5.1 Buyer fails to start, within five (5) years of the Effective Date, or substantially complete, within seven (7) years of the Effective Date, construction of the Fire Station and Fire Station Off-Sites, subject to extensions due to Force Majeure Events and mutually agreed upon extensions by Seller and Buyer. In any such event, after Buyer terminates the construction contract and resolves any outstanding claims, Buyer shall remain responsible for completing a final audit and upon completion of the final audit Buyer shall refund any unused portion of Seller's Contribution to Seller within thirty (30) days.

3.5.2 At any time during the fifty (50) years following the date that the Fire Station is placed into service, Buyer ceases to operate the Fire Station as a fire station providing fire/life safety protection services for a period of longer than twelve (12) months, for any reason other than repairs (or reconstruction in the event of major structural damage), without the approval of Seller's Board of Regents after a request by Buyer. It shall be Buyer's responsibility to staff and equip the Fire Station at a level that Buyer determines, in its sole discretion, will best assist Buyer at any particular time, in providing equitable response times to all similar risk neighborhoods, depth of response when multiple incidents occur, and a concentration of response forces in core high-risk venues.

3.5.3 At any time more than fifty (50) years following the date that the Fire Station is placed into service, Buyer ceases to operate the Fire Station as a fire station for a period of longer than twelve (12) consecutive months, for any reason other than repairs (or reconstruction in the event of major structural damage), unless Buyer demonstrates that it will continue to maintain a similar or improved level of fire and life safety service to Campus, and the new use for the Property will provide some level of benefit to the Campus as reasonably determined by Seller.

ARTICLE 4 OTHER MATTERS OF AGREEMENT

4.1 **Remedies for Default by Buyer.** If this Agreement is terminated or this transaction is prevented from closing by reason of Buyer's default, beyond any applicable cure period, then Seller shall be entitled to pursue all available remedies at law or in equity, including specific performance of this Agreement.

4.2 **Remedies for Default by Seller.** If this transaction fails to close as a result of Seller's default, beyond any applicable cure period, then Buyer shall be entitled to pursue all available remedies at law or in equity, including specific performance of this Agreement.

4.3 **Public Relations.** Buyer and Seller shall cooperate with each other when working with the media regarding construction of the Fire Station and shall work collaboratively on messaging about the Fire Station. Buyer and Seller shall share all questions regarding the Fire Station with the other party's media representative. However, each party may respond to questions directed to it so long as it specifies that such response is solely from itself and does not necessarily represent the views, opinions, or policies of the other party. Buyer shall place a sign, placard, or other similar monument on the Property during construction, which shall acknowledge both Seller's and Buyer's joint efforts in developing the Fire Station. Buyer or Seller may conduct and host a public dedication ceremony, ground-breaking, or similar ceremony on the site at any reasonable time before or following completion of the Fire Station, provided the hosting party receives prior approval from the other party for the ceremony and provides an opportunity for participation by the other party. The hosting party shall be responsible for the cleanup of the site after any such event.

4.4 **Notices.** Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly delivered upon personal delivery or as of the second business day after mailing by United States certified mail, return receipt requested, postage prepaid, or as of the first business day after sending by overnight commercial courier, or as of the day of sending by email or facsimile (with hard copy mailed first class the same day), addressed as follows:

If to Seller, to:

The Regents of the University of California
Attention: Eric Schueler
Senior Real Estate Officer
1111 Franklin Street, 6th Floor
Oakland, California 94607
Facsimile: (510) 987-0199
Email: Eric.Schueler@ucop.edu

And to

Regents of the University of California
Office of the General Counsel
Attn: Barton Lounsbury
Senior Counsel
1111 Franklin Street, 8th Floor
Oakland, CA 94607
(510) 987-0976
Email: Barton.Lounsbury@ucop.edu

And to:

The University of California San Diego
Attention: Jeff W. Graham, Executive Director
of Real Estate
Torrey Pines Center South, Suite 340
9500 Gilman Drive #0982
La Jolla, California 92093-0982

If to Buyer, to:

Director, Real Estate Assets City of San Diego
1200 Third Avenue, Suite 1700
San Diego, California 92101
Facsimile: (619) 236-6706

And to:

Fire Chief & Deputy Chief, Logistics
San Diego Fire-Rescue Department
3870 Kearny Villa Road (M.S. 15)
San Diego, California 92123
Facsimile: (619) 544-9351

If to Escrow Holder:

Chicago Title Insurance Company
Attention: Renee Marshall
701 B Street, Suite 1120
San Diego California 92101

or to such other address or to such other person as any party shall designate to the others for such purpose in the manner set forth above.

4.5 **Damage or Condemnation.** Risk of loss resulting from any condemnation or eminent domain proceeding which is commenced or has been threatened before the Closing, and risk of loss to the Property due to fire, flood or any other cause before the Closing, shall remain with Seller. If before the Closing the Property or any portion thereof should be materially damaged, or if the Property or any portion thereof should be subjected to a *bona fide* threat of condemnation or shall become the subject of any proceedings, judicial, administrative or otherwise, with respect to the taking by eminent domain or condemnation, that prevents the Property from being equipped, maintained, and operated as a Fire Station, this Agreement shall terminate and Buyer shall have no obligations thereunder, with the exception of paying one-half of any escrow costs that have already been incurred and returning all unused Seller's Contribution to Seller. If however, said damage or potential taking only affects part of the Property and does not, in the reasonable opinion of the Buyer's Fire and Rescue Department prohibit the Property and the improvements thereon from being equipped, maintained and operated as a Fire Station, then Buyer shall proceed with its obligations under this Agreement. However, in the event of damage prior to Close of Escrow, Seller shall be responsible for making any repairs necessary so that the Property may be equipped, maintained, and operated as a Fire Station upon Close of Escrow. In the event of a partial taking, if such taking necessitates

modifications to the Improvements in order to allow the Property to be equipped, maintained, and operated as a Fire Station, Seller shall be entitled to all payments made by the condemnor, including but not limited to compensation, goodwill, and relocation benefits. Seller shall complete any modifications, alterations, or changes to the Improvements as necessary prior to the Close of Escrow, and Buyer shall have no obligation to close Escrow until such time as the Property can be operated as a Fire Station upon conveyance.

4.6 **Notice of Eminent Domain Proceedings.** If Seller obtains notice of the commencement of or the threatened commencement of any eminent domain or condemnation proceedings concerning all or any portion of the Property; or if Seller becomes aware of damage to the Property, Seller shall notify the Buyer in writing within 48 hours of such notice, or of becoming aware of damage to the Property.

4.7 **Gender, Number.** Whenever the context requires, the use herein of (i) the neuter gender includes the masculine and the feminine, and (ii) the singular number includes the plural.

4.8 **Business Days.** If the (i) stated Closing Date (as extended, if applicable), or (ii) last day for performance of an act falls upon a day during which Escrow Holder or either Party is not open for business, the Closing Date (as extended, if applicable) or such last day, as the case may be, shall be the next following day on which Escrow Holder and both Parties are open.

4.9 **Survival of Provisions.** The representations, warranties, agreements and indemnities set forth in this Agreement shall remain operative, shall be deemed made at the Close of Escrow, and shall survive the Closing for a period of six (6) months only, unless otherwise expressly provided for in this Agreement.

4.10 **Authority of Signatories.** Each individual signing this Agreement on behalf of any other entity warrants that he or she is duly authorized to sign and deliver this Agreement on behalf of the entity, either with authority under the entity's organizational documents so to sign, or as the entity's duly authorized agent with authority to bind the entity.

4.11 **Joint and Several Liability.** If a party consists of more than one person, the liability of each person signing this Agreement on behalf of such party shall be joint and several.

4.12 **No Partnership or Joint Venture.** The relationship of Seller and Buyer hereunder is and will be that of seller and buyer, and none of the provisions of this Agreement are intended to create any relationship other than seller and buyer. No agency, partnership, joint venture or other relationship is intended hereby, and neither party shall be deemed the agent, servant, employee, partner or joint venturer of the other party. Seller and Buyer shall not, in any way or for any reason be deemed to have become a partner of the other in the conduct of its business or otherwise, or a joint venturer. In addition, by virtue of this Agreement, there shall not be deemed to have occurred a merger or any joint enterprise between Buyer and Seller.

4.13 **Applicable Law; Venue.** This Agreement, its validity, enforcement and interpretation shall be governed by California law. In the event of any legal action to enforce or interpret this Agreement or any of the documents in the forms attached as exhibits hereto, the sole and exclusive venue shall be a court of competent jurisdiction located in the County; and the parties hereto agree to and do hereby submit to the jurisdiction of such court.

4.14 **Limitation on Damages.** Notwithstanding anything to the contrary set forth in the Agreement, in no event shall Seller or Buyer be liable for any consequential, special or punitive damages in connection with this Agreement. This limitation shall survive the Close of Escrow indefinitely.

4.15 **Extension Not a Waiver.** No delay in the exercise of any power, remedy or right herein provided or otherwise available to any party shall impair or affect the right of such party thereafter to exercise the same. Any extension of time or other indulgence granted to a party hereunder shall not

otherwise alter or affect any power, remedy or right of any other party, or the obligations of the party to whom such extension or indulgence is granted, except as specifically waived.

4.16 **No Third Party Beneficiaries.** This Agreement and each and every provision hereof are for the exclusive benefit of the parties hereto and not for the benefit of any third party.

4.17 **Time of the Essence.** Time is of the essence of each provision of this Agreement for which a date for performance is specified.

4.18 **Entire Agreement.** This Agreement (including its exhibits and the Option Agreement referenced herein) contains the entire agreement between the parties relating to the transaction contemplated hereby and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein.

4.19 **Captions.** Captions in this Agreement are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement.

4.20 **Interpretation.** No provision in this Agreement is to be interpreted for or against either party because that party or its legal representative drafted such provision. Buyer and Seller acknowledge that they have been represented, or have had the opportunity to be represented, by counsel of their own choice.

4.21 **Facsimile or Emailed Signatures.** If any party uses facsimile or email-transmitted signed documents, Escrow Holder and the other party are authorized to rely upon such documents as if they bore original signatures; provided, however, that facsimile or email-transmitted signed documents will not be accepted for recordation by the County Recorder.

4.22 **Modifications.** No modification, waiver or discharge of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver or discharge is or may be sought.

4.23 **Successors.** This Agreement shall inure to the benefit of Seller and Buyer and their respective heirs, executors, administrators, personal and legal representatives, successors and permitted assigns. Neither Buyer nor Seller shall assign this Agreement or their respective rights under this Agreement without the prior written consent of the other party, which consent may be withheld in such party's sole and absolute discretion. No assignment of this Agreement or either party's rights hereunder shall relieve such party of its liabilities under this Agreement. This Agreement is solely for the benefit of Seller and Buyer; there are no third party beneficiaries hereof. Any assignment of this Agreement in violation of the foregoing provisions shall be null and void.

4.24 **Invalidity of Material Provision.** If any material covenant, condition or provision herein contained is held to be invalid, void or unenforceable by a final judgment of any court of competent jurisdiction, this Agreement shall become rescinded unless the party benefited by such covenant, condition or provision delivers to the other party and Escrow Holder, within five (5) days after the judgment becomes final, a written waiver of the covenant, condition or provision, in which case the remainder of this Agreement shall be enforceable.

4.25 **Further Assurances.** Each party to this Agreement, for itself and its successors and assigns, agrees to take such additional actions and execute such additional instruments as may be reasonably requested by Escrow Holder or the other party in order to give effect to the transaction contemplated hereby.

4.26 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument.

4.27 **Exhibits.** The following exhibits are attached and are part of this Agreement:

- A. Site Depiction
- B. Option Agreement
- C. Form of Seller's Deed
- D. Schedule of Performance
- E. Form of Audit Information
- F. Non-FF&E Items

Seller:

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA,

a California public corporation

By: Mark Brist

Title: VP-CFO

Buyer:

THE CITY OF SAN DIEGO,

a chartered California municipal corporation

By: [Signature]

Title: City Recorder, Paul G. Smith, ASST

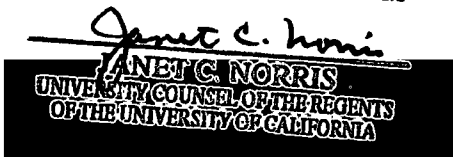
Approved: as to form:

Mara W. Elliott, City Attorney

By: Melissa Ables

Melissa Ables, Deputy City Attorney

APPROVED AS TO FORM



R- 312170

EXHIBIT A

[Site Depiction]

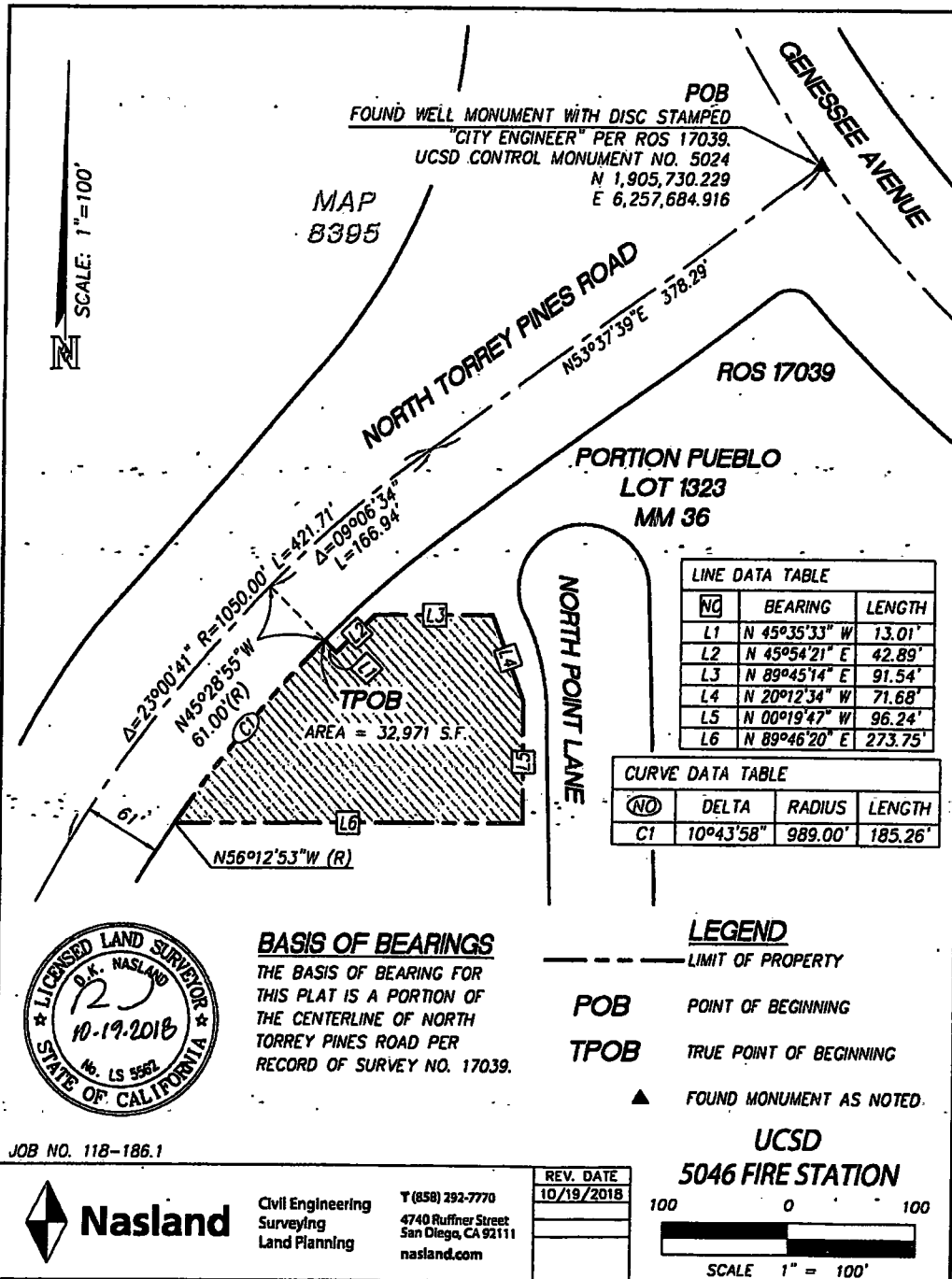


EXHIBIT B
Option Agreement

**OPTION TO PURCHASE AGREEMENT IN FAVOR OF REGENTS
OF CITY-OWNED PROPERTY**

THIS OPTION TO PURCHASE AGREEMENT IN FAVOR OF REGENTS OF CITY-OWNED PROPERTY ("Agreement") is entered into by and between the CITY OF SAN DIEGO, a chartered California municipal corporation ("CITY") and the Regents of the University of California, a California public corporation ("REGENTS").

RECITALS

- A. CITY and Scripps Clinic and Research Foundation ("Scripps"), predecessor to REGENTS, entered into an Option Agreement ("Prior Option"), which was filed in the Office of the San Diego City Clerk on December 13, 1982, as Document No. R-257635-1. The Prior Option gave Scripps the right to lease from CITY that certain real property which was set forth in Exhibit A to the Prior Option. Scripps was given two (2) years to exercise its rights under the Prior Option and enter into a lease with CITY; the terms and conditions of said lease were set forth in Exhibit B to the Prior Option, which was titled *Agreement for Ground Lease, Development and Use of Real Property* ("Original Ground Lease").
- B. Scripps timely exercised its rights under the Prior Option and entered into the Original Ground Lease with CITY. The effective date of the Ground Lease was February 23, 1985. The term of the Original Ground Lease is 55 years, expiring on January 31, 2040 (the "Term").
- C. The real property leased pursuant to the Original Ground Lease is described as Parcel 1 of Parcel Map 9813; said parcel is more generally known as the Reservoir Site on North Torrey Pines Road and is approximately 2.87 acres in size (Torrey Pines Center South at 10280 North Torrey Pines Road) ("Option Site").
- D. Although the real property leased pursuant to the Original Ground Lease is a Pueblo Lot which was subject to City Charter Section 219, pursuant to Ordinance No. 8983, dated March 19, 1964, an election on June 24, 1964, and ratifying Resolution No. 180579, dated July 7, 1964, CITY was authorized to lease or sell the Pueblo Lot 1323; of which the leased real property is a part; for research and development purposes and such other uses necessarily incidental thereto.
- E. Scripps assigned its interest in the Original Ground Lease to McKellar Development of La Jolla ("McKellar") pursuant to an Assignment of Lease recorded in the Office of the San Diego County Recorder on April 15, 1985, as Instrument No. 85-093951. McKellar developed a two-story, 140,000 square foot, office building and related site improvements over two levels of subterranean parking.
- F. CITY and McKellar entered into a First Amendment to the Original Ground Lease dated March 4, 1985, and a Second Amendment to the Original Ground Lease dated June 30, 1986. Hereinafter the Original Ground Lease, along with the First Amendment and Second Amendment are all collectively referred to as the "Ground Lease."
- G. McKellar assigned the Ground Lease, along with all of McKellar's right, title and interest in and to the improvements, fixtures, and personal property located on the Option Site to REGENTS pursuant to the Assignment and Assumption of Ground Lease dated October 5, 1987. Hereinafter the Option Site, along with the improvements and fixtures located thereon are all collectively referred to as the "Option Property."

- H. The City entered into a Site Lease dated as of July 1, 2012 by and between the City of San Diego and the Public Facilities Financing Authority and subsequent amendments thereto ("Site Lease"), and the Facilities Lease dated as of July 1, 2012 by and between the Public Facilities Financing Authority of the City of San Diego and the City of San Diego and subsequent amendments thereto ("Facilities Lease") (jointly referred to herein as the "Master Leases"). The Master Leases relate to lease revenue bonds issued by the Public Facilities Financing Authority originally set to expire on April 15, 2042.
- I. REGENTS desires to have the right and option to purchase the Option Property. City agrees to ensure that the Option Property can be purchased by October 15, 2042 through October 15, 2044 ("Option Period") subject only to encumbrances approved by REGENTS pursuant hereto. REGENTS desire to purchase the Option Property prior to October 15, 2042, if possible. CITY agrees to provide REGENTS with notice and the ability to exercise the Option Right (as defined below) earlier, if and only if, CITY in its sole discretion determines that it no longer desires the Option Property for lease revenue bond purposes and CITY chooses to permanently unencumber the Option Property and remove the Option Property from the Master Leases or any subsequent lease arrangements enter into by the City related to lease revenue bonds.
- J. Although the Option Period is many years from the present date, the right to own the Option Property is very valuable to REGENTS. Accordingly, CITY and REGENTS desire to enter into this Agreement in order to give assurances that REGENTS will have the right to purchase the Option Property ("Option Right") on the terms of this Agreement. In order to induce CITY to grant REGENTS such Option Right, and as consideration therefore, REGENTS has agreed to contribute to CITY's construction of a fire station ("Fire Station") on property currently owned by REGENTS, located at North Point Lane, La Jolla, CA 92093. A "Form Of" amendment to the Ground Lease, which addresses CITY's agreement to not increase the rent on the Option Property during any holdover period (running mostly coextensively with the Option Period), is attached hereto as EXHIBIT 1.
- K. REGENTS and CITY agree that the purpose of this sale is a valid public purpose. Selling the Option Property to REGENTS will assist REGENTS in providing services and educational facilities required to carry out its mission, pursuant to the University of California's purposes and goals.
- L. CITY and REGENTS agree that the details concerning the Fire Station and transfer of fee title to the site of the Fire Station shall be set forth in separate document(s) referred to herein as the Purchase and Sale Agreement "PSA."
- M. CITY, through its City Council, has determined that the Option Property would be sold at a price and upon such terms as the City Council deems to be fair, equitable and in the public interest. As required below, the Option Property will be sold at fair market value. In addition, CITY receives the real property for the Fire Station and REGENTS' multi-million dollar contribution for the Fire Station as independent consideration for this Option Right itself concurrent with delivery of a fully executed copy of this Agreement to Escrow.

AGREEMENT

NOW, THEREFORE, having incorporated the above Recitals into this Agreement by this reference, the parties agree as follows:

ARTICLE I

DEFINITIONS

The following terms shall have the meanings set forth next to each term for purposes of this Agreement. If an initial capitalized term is not shown in this Article I, it is defined within an individual section. Or, if an individual section contains a term different from the definition given in this Article I, for purposes of that section, the definition in that section should be the definition utilized therein.

"Applicable Environmental Law" means all laws applicable to the presence of any Hazardous Materials (as defined below) on or within the Option Property, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601, *et seq.*); the Resource Conservation and Recovery Act (42 U.S.C. §6901, *et seq.*); the Clean Water Act of 1972 (33 U.S.C. §1251, *et seq.*); the Safe Drinking Water Act (42 U.S.C. §300f, *et seq.*); the Hazardous Materials Transportation Act (49 U.S.C. §5101, *et seq.*); the Toxic Substances Control Act (15 U.S.C. §2601, *et seq.*); the Insecticides and Environmental Pesticide Control Act (7 U.S.C. §136, *et seq.*); the Atomic Energy Act (42 U.S.C. §2011, *et seq.*); the Nuclear Waste Policy Act (42 U.S.C. §10101, *et seq.*); the Clean Air Act (42 U.S.C. §7401, *et seq.*); the California Hazardous Waste Control Act (California Health and Safety Code §25100, *et seq.*); the Carpenter-Presley-Tanner Hazardous Substance Account Act (California Health and Safety Code §25300, *et seq.*); the Safe Drinking Water and Toxic Enforcement Act ("Proposition 65") (California Health and Safety Code §25249.5, *et seq.*); and the Porter-Cologne Water Quality Control Act (California Water Code §13000, *et seq.*); and any similar federal, state or local laws, all regulations and publications implementing or promulgated pursuant to the foregoing, as any of the foregoing may be amended or supplemented from time to time.

"Business Day" means any day except for a Saturday, Sunday or holiday recognized by either REGENTS or CITY. In the event any date, deadline or due date set forth in this Agreement falls on a day that is not a Business Day, then such deadline or due date shall automatically be extended to the next Business Day.

"CEQA" means the California Environmental Quality Act, California Public Resources Code Sections 21000 *et seq.*

"City Council" means the San Diego City Council.

"CITY's Parties" shall have the meaning set forth in Article III, Section 13(c) of this Agreement.

"Close" or **"Closing"** means the close of Escrow as provided in this Agreement.

"Closing Date" means the date on which the Closing occurs, pursuant to Article III, Section 10 of this Agreement.

"Effective Date" means the date as of when both parties have executed this Agreement and the City Attorney has approved the Agreement.

"Escrow" means the escrow depository and disbursement services to be performed by the Escrow Agent pursuant to the provisions of this Agreement.

"Escrow Agent" means any duly licensed escrow agent mutually agreed upon by the parties to this Agreement.

"First Preliminary Report" is defined in Article II, Section 4 of this Agreement.

"Grant Deed" means a duly executed and acknowledged grant deed conveying fee simple title to the Option Property from CITY to REGENTS, as described in Article III, Section 2 of this Agreement.

"Hazardous Materials" means:

(1) Those substances included within the definitions of "hazardous substance," "hazardous waste," "hazardous material," "toxic substance," "solid waste," "pollutant," or "contaminant," or otherwise defined as hazardous in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601 *et seq.*); the Resource Conservation and Recovery Act (42 U.S.C. §6901, *et seq.*); the Clean Water Act of 1972 (33 U.S.C. §1251, *et seq.*); the Toxic Substances Control Act (15 U.S.C. §2601, *et seq.*); the Hazardous Materials Transportation Act (49 U.S.C. §5101, *et seq.*); or under any other Applicable Environmental Laws.

(2) Those substances included within the definitions of "Extremely Hazardous Waste," "Hazardous Waste," or "Restricted Hazardous Waste," under §§25115, 25117, or 25122.7 of the California Health and Safety Code, or listed or identified pursuant to §§25140 or 44321 of the California Health and Safety Code.

(3) Those substances included within the definitions of "Hazardous Material," "Hazardous Substance," "Hazardous Waste," "Toxic Air Contaminant," or "Medical Waste" under §§25281, 25316, 25501, 117690 or 39655 of the California Health and Safety Code.

(4) Those substances included within the definitions of "Oil" listed or identified in the Clean Water Act of 1972, 33 U.S.C. §1321, as well as any other hydrocarbon substance or by-product.

(5) Those substances included within the definitions of "Hazardous Waste," "Extremely Hazardous Waste" or an "Acutely Hazardous Waste" pursuant to Chapter 11 of Title 22 of the California Code of Regulations.

(6) Those substances listed by the State of California as a chemical known by the State to cause cancer or reproductive toxicity pursuant to §25249.8 of the California Health and Safety Code.

(7) Any material which due to its characteristics or interaction with one or more other substances, chemical compounds, or mixtures, damages or threatens to damage, health, safety, or the environment, or is required by any law or public agency to be remediated including remediation which such law or public agency requires in order for the property to be put to any lawful purposes,

(8) Any material whose presence would require remediation pursuant to the guidelines set forth in the State of California Leaking Underground Fuel Tank Field Manual, whether or not the presence of such material resulted from a leaking underground fuel tank.

(9) Pesticides regulated under the Insecticides and Environmental Pesticide Controls Act (7 U.S.C. #136, *et seq.*).

(10) Asbestos, PCBs, and other substances regulated under the Toxic Substances Control Act (15 U.S.C. § 2601 *et seq.*)

(11) Any radioactive material including, without limitation, any "source material," "special nuclear material," "by-product material," "low-level wastes," "high-level radioactive waste," "spent nuclear fuel" or "transuranic waste" and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act (42 U.S.C. §2011 *et seq.*), or the Nuclear Waste Policy Act (42 U.S.C. §10101 *et seq.*).

(12) Any material regulated under the Occupational Safety and Health Act, (29 U.S.C. § 651 *et seq.*), or the California Occupational Safety and Health Act (California Labor Code § 6300 *et seq.*)

(13) Any material regulated under the Clean Air Act (42 U.S.C. § 7401 *et seq.*) or pursuant to Division 26 of the California Health and Safety Code.

(14) Those substances listed in the United States Department of Transportation Table (49 CFR Part 172.101), or by the Environmental Protection Agency, or any successor agency, as hazardous substances (40 CFR Part 302).

(15) Other substances, materials, and wastes that are or become regulated or classified as hazardous or toxic under applicable federal, state or local laws or regulations.

(16) Any material, waste, or substance that is a petroleum or refined petroleum product, asbestos polychlorinated biphenyl, designated as a hazardous substance pursuant to 33 U.S.C. § 1321 or listed pursuant to 33 U.S.C. § 1317, a flammable explosive or a radioactive material.

"Immediately Available Funds" means a bank wire transfer or a certified bank or cashier's check.

"Improvements" means collectively: (i) any and all buildings, structures and improvements, of any kind whatsoever, located at or affixed to real property; (ii) all rights, privileges and easements appurtenant to the applicable property, if any, including, without limitation, all minerals, oil, gas and other hydrocarbon substances on and under the applicable property, if any; and (iii) all development rights, air rights, and water rights if any, relating to the applicable property.

"Permitted Exceptions" means collectively, the (i) the printed exceptions and exclusions in the First Preliminary Report and Second Preliminary Report that are approved by REGENTS; (ii) real property taxes and assessments which are a lien but not yet payable; and (iii) all applicable building, zoning and use restrictions and/or regulations of the City of San Diego, San Diego County, or the State of California.

"PFFA Consent" means the consent of the Public Facilities Financing Authority of the City of San Diego to this Agreement in substantially the form of EXHIBIT 6 hereto.

"Purchase Price" shall have the meaning set forth in the Article III, Section 4 of this Agreement.

"REGENTS" means the entity (Regents of the University of California) holding a legal option to purchase the Option Property; provided, however, if it assigns its interest in this Agreement pursuant to the applicable section of this Agreement, then the term "REGENTS" shall mean such assignee.

"Second Preliminary Report" is defined in Article III, Section 5 of this Agreement.

"Title Policy" means the policy of title insurance that conforms to the Second Preliminary Report and any other Permitted Exceptions.

ARTICLE II

OPTION TO PURCHASE AGREEMENT IN FAVOR OF REGENTS

1. Option. Subject to the terms of this Agreement, CITY hereby grants to REGENTS the Option Right to purchase the Option Property from CITY. Consideration for the Option Right consists of the fulfillment of the REGENTS' obligations pursuant to the PSA, specifically the transfer of the real property subject to the PSA and deposit of Seller's Contribution (as defined in the PSA) to be used for development, design, and construction of the fire station as required therein.

2. Memorandum of Option. CITY shall, immediately upon both parties' execution and the City Attorney's approval of this Agreement as to form, execute and have recorded a memorandum of option substantially in the form attached hereto as EXHIBIT 2.

3. No Change To Status of Option Property. CITY agrees and covenants that it will take any actions necessary to release the Option Property from any leases or encumbrances not permitted by this Agreement so that the Option Right may be exercised during the Option Period.

4. First Preliminary Report. CITY shall provide REGENTS a preliminary title report for the Option Property (the "**First Preliminary Report**") within three (3) Business Days after both parties have executed this Agreement. REGENTS shall notify CITY in writing within seven (7) Business Days after receipt of the First Preliminary Report of REGENTS' disapproval of any exception contained in the First Preliminary Report, if any, other than Permitted Exceptions and liens of deeds of trust or other monetary liens or encumbrances to be paid upon close of escrow out of CITY's proceeds. CITY shall have five (5) Business Days after such notice to advise REGENTS of any disapproved exceptions which CITY is unwilling/unable to remove. If CITY indicates that it will not correct any of the disapproved exceptions, REGENTS may elect to: (i) terminate this Agreement without liability on the part of either party; or (ii) consummate the purchase of the Option Property subject to such exceptions, without reduction in the Purchase Price and without any liability on CITY's part relative to the title to the Option Property.

5. Conditions Precedent to the Exercise of the Option Right. REGENTS may exercise the Option Right on or after October 15, 2042, or earlier should CITY allow REGENTS to exercise the Option prior to that date, only after all of the following conditions (the "**Conditions Precedent**") have been met. Once these Conditions Precedent have been met, the Option Right will be irrevocable:

(a) The City Council and REGENTS shall have approved this Agreement and the PSA; and

(b) REGENTS have complied with all of REGENTS' obligations pursuant to the PSA, including but not limited to conveying the real property as referenced in the PSA, to the City and depositing Seller's Contribution with the City for the purposes of building a fire station on the real property; and

(c) The 55-year term of the Ground Lease was not terminated earlier than the expiration date by CITY without reasonable cause therefor; and

(d) REGENTS is not at the time of exercise in default of the Ground Lease; and

(e) REGENTS shall have approved CEQA documents for the purchase contemplated hereunder.

6. Exercise of Option Right. If REGENTS chooses to exercise the Option Right, after all of the Conditions Precedent have been completed and/or fully complied with, REGENTS shall give CITY, at the notice addresses below, written notice of REGENTS' election to exercise the Option Right on or before April 15, 2044, and REGENTS shall open Escrow. If REGENTS fails to provide written notice to CITY that REGENTS is exercising its Option Right on or before April 15, 2044, the Option Right shall be deemed terminated, and shall no longer have any force and effect; and CITY shall be free to dispose of or use the Option Property as it determines most appropriate in its sole discretion.

7. Early Exercise of Option Right. If CITY, in its sole discretion, determines that the Option Property is no longer needed for lease revenue bond purposes and chooses to permanently remove the Option Property from the Master Leases or any other leases entered into by the City related to lease revenue bonds, CITY shall notify REGENTS in writing ("**Early Exercise Right Notice**") within 60 days of permanently removing the Option Property from the Master Leases or other lease revenue bond leases. Upon receipt of the written notice, REGENTS shall have the right to exercise the Option Right prior to the Option Period. If REGENTS chooses to exercise the Option Right, after all of the Conditions Precedent

have been completed and/or fully complied with, REGENTS shall give CITY written notice of REGENTS' election to exercise the Option Right no later than eighteen (18) months following REGENTS' receipt of the Early Exercise Right Notice. The eighteen (18) month period shall be calculated based on the day and month of receipt of the Early Exercise Right Notice, for example, if the Early Exercise Right Notice was received on October 15, 2035, then REGENTS must provide written notice to CITY that it is exercising its Option Right on or before April 15, 2037. If REGENTS fails to provide written notice to CITY that REGENTS is exercising its Option Right within 18 months of receiving notice that REGENTS may do so, then REGENTS Option Right will be deemed terminated, and will no longer have any force and effect; and CITY shall be free to dispose of or use the Option Property as it determines most appropriate in its sole discretion, with the exception that if Ground Lease is still effective at that time, then CITY and REGENTS will both remain subject to the terms and conditions of the Ground Lease.

ARTICLE III

PURCHASE AND SALE AGREEMENT REGARDING OPTION PROPERTY

1. Purchase and Sale. CITY owns fee simple title to the land of the Option Property, and will become the owner of the improvements thereon upon termination of the Ground Lease. The legal description of the Option Property is set forth in EXHIBIT 3, attached hereto and incorporated herein by this reference. Subject to the terms and conditions of this Agreement, including satisfaction of the Conditions Precedent and upon payment of the Purchase Price, as set forth below, REGENTS may acquire the Option Property.

2. Conveyance of the Option Property. CITY agrees to sell the Option Property to REGENTS, and REGENTS agrees to purchase the Option Property from CITY, on the terms and conditions set forth in this Agreement. At the Closing of the Option Property, CITY shall convey its fee interest in the Option Property to REGENTS by recordation of a grant deed, which shall be in a form substantially similar to the "Form OP" deed which is set forth in EXHIBIT 4, attached hereto and incorporated herein by this reference. The Escrow Agent shall arrange for the issuance of a Title Policy to REGENTS at the Closing.

3. Possession of the Option Property. REGENTS may, at its sole discretion, hold over after expiration of the Ground Lease as provided in the form of the Ground Lease Amendment attached as EXHIBIT 1. If REGENTS exercises the option, CITY shall deliver possession of the Option Property to REGENTS at the conclusion of the Closing, subject only to Permitted Exceptions.

4. Purchase Price. The purchase price to be paid to CITY by REGENTS for the Option Property ("Purchase Price") shall be the amount designated in EXHIBIT 5 for the date the Option is exercised as approved by resolution of the City Council on _____, which resolution is on file with the City Clerk as Document No.: RR_____. If REGENTS' Due Diligence (as defined below) shows that the conditions and assumptions of the David F. Davis, MAI, dated February 2, 2017 that was the basis for the Purchase Price are not valid as of the date of exercise, the REGENTS may request a reduction to the Purchase Price and CITY shall present such request to the Council of the City of San Diego, which shall approve or deny the request in its sole discretion.

(a) Delivery of Purchase Price into Escrow. Not less than one (1) Business Day prior to the Closing Date, REGENTS shall cause Immediately Available Funds to be delivered to the Escrow Agent in an amount equal to the Purchase Price.

(b) Disbursement to CITY. Immediately after the Closing, the Escrow Agent shall disburse to CITY the funds that CITY is entitled to receive under this Agreement.

5. Second Preliminary Report. Within ten (10) Business Days after REGENTS gives CITY notice, pursuant to Article II, Sections 6 or 7, that REGENTS is exercising the Option Right, CITY shall provide REGENTS a new preliminary title report for the Option Property, current as of the date it is provided (the "Second Preliminary Report"). REGENTS shall review the Second Preliminary Report, and shall notify CITY in writing within fourteen (14) Business Days after receipt of the Second Preliminary Report of REGENTS' disapproval of any exception that was not contained in the First Preliminary Report. REGENTS shall have no right to disapprove of any exception that was contained in the First Preliminary Report, unless either (i) CITY agreed to remove such exception as set forth in Section 4 of Article II of this Agreement, and CITY failed to do so, or (ii) the exception in the First Preliminary Report has a materially different effect due to changes in law or practical circumstances since the date of the First Preliminary Report. CITY shall pay off any and all monetary liens on the Option Property that arise from debts incurred by the CITY ("City Monetary Liens"); however, CITY shall have no obligation to pay off any monetary liens or encumbrances related to or arising from REGENTS leasehold interest. CITY shall have five (5) Business Days after such notice to advise REGENTS of any disapproved exceptions which CITY is unwilling/unable to remove. If CITY indicates that it will not correct any of the disapproved exceptions (other than City Monetary Liens), REGENTS shall have five (5) Business Days in which to elect to: (i) terminate this Agreement without liability on the part of either party; or (ii) consummate the purchase of the Option Property subject to such exceptions, without reduction in the Purchase Price and without any liability on CITY's part relative to the title to the Option Property.

6. Due Diligence Period. REGENTS' Due Diligence shall mean the period commencing on the date REGENTS gives notice it is exercising the Option Right and expiring one hundred twenty (120) calendar days thereafter ("Contingency Date"), during which REGENTS can conduct investigations in the Option Property at its sole costs and expense to determine if REGENTS desires to move forward with this Option Agreement or terminate this Option Agreement. REGENTS may (i) have prepared, at its sole expense, a Phase I environmental report and any other environmental or geotechnical reports concerning the Option Property, and (ii) request to review records in the possession and control of CITY's Real Estate Assets Department pertaining to the Option Property. CITY shall make such records available to REGENTS within a reasonable time, not to exceed ten (10) Business Days, after REGENTS' request. REGENTS acknowledges that additional Option Property-related records may be in the possession and control of other CITY departments, including, without limitation, the Development Services Department. REGENTS shall be solely responsible for contacting such other CITY departments to schedule a review of such additional records. If for any reason REGENTS chooses to terminate the Option Agreement, then to the extent that REGENTS caused any damage or alteration to the Option Property, REGENTS will at its sole costs and expense restore the Option Property to the condition that existed immediately prior to such tests and inspections. REGENTS shall indemnify, defend and hold harmless CITY and its officers, elected officials, employees and agents from and against all claims actions, losses, liabilities, damages, costs and expenses, including attorneys' fees and costs, incurred by reason of any damage to the Option Property or injury to persons caused by REGENTS exercising its right under this section. If REGENTS is not satisfied with the results of its due diligence investigation (including without limitation its inspection of the condition of the Option Property or review of the Option Property information), REGENTS may terminate this Agreement in its sole and absolute discretion by delivering to CITY written notice of such termination at any time prior to 5:00 p.m. on the Contingency Date. REGENTS shall manifest its approval of due diligence by delivering written notice to CITY that it desires to move forward with the Option Agreement ("Approval Notice"). If REGENTS fails to provide approval or disapproval, its approval shall be deemed to have been given as of the Contingency Date.

7. Environmental Document(s).

(a) REGENTS shall, at its expense, prepare, or cause to be prepared, any necessary environmental document(s), including but not limited to a new environmental impact report, if applicable, in order to comply with the provisions of CEQA related to REGENTS' purchase and/or future use of the Option Property. CITY may comment on these environmental documents during the public review period but shall have no certification authority as to them.

(b) REGENTS' written approval of the environmental and geotechnical condition of the Option Property is a contingency to Closing.

(c) If there is no Closing for any reason other than CITY's default, REGENTS shall deliver to CITY, at no charge to CITY, copies of all surveys, studies, assessments, maps, plans and other similar items prepared by or for REGENTS pertaining to the Option Property or any part thereof. REGENTS shall not be obligated to provide any such information which can be legally demonstrated to be confidential, proprietary or privileged information. Furthermore, REGENTS shall not be held liable for the accuracy, inaccuracy, completeness, or incompleteness of such reports. The rights and obligations of REGENTS and CITY pursuant to this Section shall survive the termination of this Agreement.

8. Risk of Loss. Separate and distinct from REGENTS obligations under the Ground Lease related to the Option Property, the following sections shall govern the rights of the Parties in the event of damage or destruction in relation to the sale of the Option Property:

(a) If between the REGENTS' exercise of the Option Right and the Closing Date, there is damage to or destruction of the Option Property, caused by REGENTS, its officers, agents, employees, contractors or invitees, the Purchase Price shall not be reduced and CITY shall not be obligated to repair or restore the Property.

(b) If between the REGENTS' exercise of the Option Right and the Closing Date, (i) any portion of the Option Property is destroyed or damaged through no fault of REGENTS or REGENTS' officers, employees, agents, contractors, or invitees, and the estimated cost of restoration or repair as reasonably estimated by REGENTS shall exceed five percent (5%) of the Purchase Price, or (ii) any condemnation or eminent domain proceeding is commenced that will result in the taking of any part of the Property, REGENTS may, at REGENT'S election, either:

(i) Terminate this Agreement, regardless of whether the Due Diligence period has expired, by giving written notice to CITY and the Escrow Agent in which event all remaining funds or other things deposited in Escrow by REGENTS shall be returned to REGENTS immediately from Escrow, neither Party shall have any liability to the other as a result of the failure to close escrow, and all fees and costs charged by the Escrow Agent shall be paid by REGENTS and CITY, each as to one-half (1/2); or

(ii) Proceed with the Closing with no reduction in the Purchase Price, in which event CITY shall assign to REGENTS all of CITY'S rights, titles and interests to any award made for the condemnation or eminent domain action and any insurance proceeds for damage or destruction, as applicable.

(c) Notice. If either Party becomes aware of any damage or destruction to all or any portion of the Option Property, or if CITY obtains notice of the commencement of or the threatened commencement of eminent domain or condemnation proceedings with respect to all or any portion of the Option Property, CITY shall promptly notify the BUYER in writing.

9. Indemnity. Separate and distinct from REGENTS' obligations to indemnify CITY under the Ground Lease, each party shall protect, defend, indemnify and hold harmless the other party, including the indemnified party's elected officials, officers, employees, representatives, and agents, against and from any and all liability, loss, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of the indemnifying party's actions which are related to this Agreement but only in proportion to and to the extent that such liability, loss, injuries, death, claims, demands, suits, actions, proceedings, fees, and costs result from the negligent or intentional acts or omissions of the indemnifying party, its officers, agents, or employees. This indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the indemnified party or its elected officials, officers, employees, representatives, and agents. **This indemnity, defense, and hold harmless obligation shall survive the termination of this Agreement.**

10. Closing.

(a) Closing shall occur on or before either of the following, at REGENTS' election: (i) six (6) calendar months after the REGENTS' exercise of the Option Right (e.g. if the Option Right was exercised on April 15, 2044, Closing shall occur no later than October 15, 2044) or (ii) fifteen (15) Business Days after the date REGENTS elects in writing to consummate the purchase of the Option Property subject to its review of the Second Preliminary Report (pursuant to Article III, Section 5) and REGENTS has approved, or has been deemed to approve, due diligence (pursuant to Article III, Section 6). In addition, in order for Closing to occur:

(1) REGENTS shall not be in default of any of its representations or warranties under this Agreement or any other material terms or conditions related to REGENTS;

(2) As of the Closing Date, REGENTS has not made an assignment for the benefit of creditors, filed a bankruptcy petition, been adjudicated insolvent or bankrupt, petitioned a court for the appointment of any receiver of, or trustee for, the REGENTS, or commenced any proceeding relating to the REGENTS under any reorganization, arrangement, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction, whether now or later in effect;

(3) The Escrow Agent is prepared and obligated to issue a title insurance policy in REGENTS' favor upon the recordation of the Grant Deed and there are no exceptions to the title insurance policy except for Permitted Exceptions;

(4) CITY is not in default of any of its representations or warranties under this Agreement or any other material terms or conditions related to CITY;

(5) As of the Closing Date, there is no pending or threatened action or proceeding by any person or before any government authority, the outcome of which could prohibit the transfer of the Option Property as intended by the parties;

(6) REGENTS' written approval of the Purchase Price has been obtained;

(7) REGENTS' written approval of the state of title has been obtained;

(8) REGENTS' timely approval of any necessary CEQA documents for the purchase has been obtained;

(9) REGENTS has not objected to any information acquired by its review of documents as described in Article III, Section 6;

(10) All other applicable terms and conditions precedent to this Closing which are set forth in this Agreement have been satisfied; and

(11) Escrow is in possession of the Authority's effective, signed PFFA Consent.

(b) At least three (3) Business Day prior to Closing, CITY shall deposit into Escrow the following:

(1) The Grant Deed, duly executed and acknowledged, conveying fee simple title to the Option Property to REGENTS; and

(2) All additional documents and instruments as are reasonably required by REGENTS and/or Escrow Agent to complete the Closing.

(c) At least one (1) Business Day prior to Closing, REGENTS shall deposit into Escrow the following:

(1) Immediately Available Funds in the amount of the Purchase Price.

(2) All other document and instruments required by this Agreement or reasonably required by CITY and/or Escrow Agent to complete the Closing.

(d) At least five (5) Business Days prior to Closing, the Escrow Agent shall deliver to REGENTS an estimated Buyer's settlement statement for REGENTS' review and approval.

11. Title. At the Closing, CITY shall convey good and indefeasible fee simple title to the Option Property to REGENTS by a Grant Deed, subject only to the Permitted Exceptions.

12. Escrow Costs.

(a) CITY is responsible for the costs of the Preliminary Report; all San Diego County documentary transfer taxes, if any; and all charges for CITY's document drafting and recording, if any.

(b) CITY is responsible for the cost of a standard-coverage California Land Title Association ("CLTA") Title Insurance Policy in the amount of the Purchase Price, insuring that title to the Option Property is vested in REGENTS subject only to the Permitted Exceptions. REGENTS may obtain an American Land Title Association ("ALTA") title insurance policy, in which event REGENTS shall pay the difference between the cost of the ALTA title insurance policy with any endorsements REGENTS requests and the cost of the CLTA title insurance policy.

(c) REGENTS is responsible for all charges for REGENTS' document drafting and recording fees, if any.

(d) Each party shall be responsible for fifty percent (50%) of the Escrow Agent's fee.

(e) The Escrow Agent shall prorate fees and costs between the parties as of the date of Closing.

13. Representations and Warranties; Waivers and Releases. When making the representations and warranties set forth in this Section, as applicable for this Article III, each party making a representation and/or warranty represents that the same are true, correct and complete as of the Closing Date. The representations and warranties shall survive the Closing.

(a) Representations and Warranties Regarding Authority. CITY and REGENTS each represents and warrants to the other that this Agreement and all documents or instruments executed by them which are to be delivered at or prior to the Closing are, or on the Closing Date will be, duly authorized, executed and delivered by CITY or REGENTS, as applicable.

(b) Representations and Warranties Regarding Enforceability of Agreement. CITY and REGENTS each represent and warrant to the other that this Agreement and all documents required to be executed by them pursuant to this Agreement shall be valid, legally binding obligations of, and enforceable against, CITY or REGENTS, as applicable, in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally and general principles of equity (whether enforcement is sought in equity or at law).

(c) "AS IS" CONDITION. REGENTS ACKNOWLEDGES, REPRESENTS, WARRANTS, COVENANTS AND AGREES THAT AS A MATERIAL INDUCEMENT TO CITY TO EXECUTE AND ACCEPT THIS AGREEMENT AND IN CONSIDERATION OF THE PERFORMANCE BY CITY OF ITS DUTIES AND OBLIGATIONS UNDER THIS AGREEMENT, THAT, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT AND SUBJECT TO CITY'S EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT, THE SALE OF THE OPTION PROPERTY IS AND WILL BE MADE ON AN "AS IS, WHERE IS" BASIS. CITY HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT, FUTURE OR OTHERWISE, OF, AS TO, CONCERNING OR WITH RESPECT TO: (1) THE EXISTENCE OR PRESENCE OF HAZARDOUS MATERIALS OR MOLD UPON, IN, OR ON, UNDER OR IN THE VICINITY OF THE OPTION PROPERTY OR ANY PORTION THEREOF; (2) GEOLOGICAL CONDITIONS, INCLUDING, WITHOUT LIMITATION, SUBSIDENCE, SUBSURFACE CONDITIONS, WATER TABLE, UNDERGROUND WATER RESERVOIRS, LIMITATIONS REGARDING THE WITHDRAWAL OF WATER AND FAULTING; (3) WHETHER OR NOT AND TO THE EXTENT TO WHICH THE OPTION PROPERTY OR ANY PORTION THEREOF IS AFFECTED BY ANY STREAM (SURFACE OR UNDERGROUND), BODY OF WATER, FLOOD PRONE AREA, FLOOD PLAIN, FLOODWAY OR SPECIAL FLOOD HAZARD; (4) DRAINAGE; (5) SOIL CONDITIONS, INCLUDING THE EXISTENCE OF INSTABILITY, PAST SOIL REPAIRS, SOIL ADDITIONS OR CONDITIONS OF SOIL FILL, OR SUSCEPTIBILITY TO LANDSLIDES, OR THE SUFFICIENCY OF ANY UNDERSHORE; (6) USES OF ADJOINING PROPERTIES; (7) THE VALUE, COMPLIANCE WITH THE PLANS AND SPECIFICATIONS, SIZE, LOCATION, AGE, USE, DESIGN, QUALITY, DESCRIPTION, DURABILITY, STRUCTURAL INTEGRITY, OPERATION, TITLE TO, OR PHYSICAL OR FINANCIAL CONDITION OF THE OPTION PROPERTY OR ANY PORTION THEREOF; OR ANY RIGHTS OR CLAIMS ON OR AFFECTING OR PERTAINING TO THE OPTION PROPERTY OR ANY PART THEREOF, INCLUDING, WITHOUT LIMITATION, WHETHER OR NOT THE IMPROVEMENTS COMPLY WITH THE REQUIREMENTS OF TITLE III OF THE AMERICANS WITH DISABILITIES ACT OF 1990, 42 U.S.C. §§ 12181-12183, 12186(B) - 12189 AND RELATED REGULATIONS; (8) THE SQUARE FOOTAGE OF THE OPTION PROPERTY OR THE IMPROVEMENTS THEREON; (9) IMPROVEMENTS AND INFRASTRUCTURE, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE ROOF, FOUNDATION, FIXTURES, AND PERSONAL PROPERTY, IF ANY; (10) DEVELOPMENT RIGHTS AND EXTRACTATIONS; (11) WATER OR WATER RIGHTS; (12) THE DEVELOPMENT POTENTIAL FOR THE OPTION PROPERTY; (13) THE ABILITY OF REGENTS TO REZONE THE OPTION PROPERTY OR CHANGE THE USE OF THE OPTION PROPERTY; (14) THE ABILITY OF REGENTS TO ACQUIRE ADJACENT PROPERTIES; (15) THE EXISTENCE AND POSSIBLE LOCATION OF ANY UNDERGROUND UTILITIES; (16) THE EXISTENCE AND POSSIBLE LOCATION OF ANY ENCROACHMENTS; (17) WHETHER THE IMPROVEMENTS ON THE OPTION PROPERTY WERE BUILT, IN WHOLE OR IN PART, IN COMPLIANCE WITH APPLICABLE BUILDING CODES; (18) THE STATUS OF ANY LIFE-SAFETY SYSTEMS IN THE IMPROVEMENTS ON THE OPTION PROPERTY; (19) THE CHARACTER OF THE NEIGHBORHOOD IN WHICH THE OPTION PROPERTY IS SITUATED; (20) THE CONDITION OR USE OF THE OPTION PROPERTY OR COMPLIANCE OF THE OPTION PROPERTY WITH ANY

OR ALL PAST, PRESENT OR FUTURE FEDERAL, STATE OR LOCAL ORDINANCES, RULES, REGULATIONS OR LAWS, BUILDING, FIRE OR ZONING ORDINANCES, CODES OR OTHER SIMILAR LAWS; (21) THE MERCHANTABILITY OF THE OPTION PROPERTY OR FITNESS OF THE OPTION PROPERTY FOR ANY PARTICULAR PURPOSE (REGENTS AFFIRMING THAT REGENTS HAS NOT RELIED ON CITY'S SKILL OR JUDGMENT TO SELECT OR FURNISH THE OPTION PROPERTY FOR ANY PARTICULAR PURPOSE, AND THAT CITY MAKES NO WARRANTY THAT THE OPTION PROPERTY IS FIT FOR ANY PARTICULAR PURPOSE); AND/OR (22) ANY OTHER MATTER CONCERNING THE OPTION PROPERTY. NOTWITHSTANDING THE FOREGOING OR ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, CITY IS NOT RELEASED FROM ANY LIABILITY TO REGENTS FOR FRAUD OR BREACH OF ANY COVENANT, REPRESENTATION OR WARRANTY SET FORTH IN THIS AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, THIS SECTION, ANY RIGHT WAIVED BY REGENTS AND ANY RELEASE BY REGENTS, SHALL ONLY RELEASE OR WAIVE THE REGENTS' RIGHT TO ENFORCE ANY JUDGMENT (INCLUDING WITHOUT LIMITATION, DAMAGES, ATTORNEYS' FEES, COSTS, EXPENSES OR ANY OTHER COMPENSATION OF ANY TYPE WHATSOEVER) PERSONALLY AGAINST ONLY CITY AND CITY'S SUCCESSORS, ASSIGNS, PARTNERS, AFFILIATES AND MEMBERS AND ALL THEIR RESPECTIVE OFFICERS, DIRECTORS, SHAREHOLDERS, PARTICIPANTS, PARTNERS, AFFILIATES, EMPLOYEES, REPRESENTATIVES, INVITEES AND AGENTS (COLLECTIVELY, "CITY'S PARTIES") OR ANY OF THEM. REGENTS IS NOT WAIVING ANY RIGHT TO BRING ANY ACTION AGAINST ANY OF THE "NON-RELEASED PARTIES" (DEFINED BELOW) OR WAIVING RECOVERY AGAINST OR OTHERWISE RELEASING OR AGREEING TO FOREGO REGENTS' RIGHTS WITH RESPECT TO ANY INSURANCE POLICY, OR ANY OTHER PERSON (OTHER THAN THE RIGHT TO ENFORCE A JUDGMENT PERSONALLY AGAINST ANY OF THE CITY'S PARTIES), INCLUDING WITHOUT LIMITATION PERSONS OBLIGATED TO THE CITY'S PARTIES, BY RIGHT OF SUBROGATION OR OTHERWISE, PRIOR OWNERS OR OCCUPANTS OF THE OPTION PROPERTY, THE TENANTS, PERSONS PERFORMING WORK AT THE OPTION PROPERTY AND/OR ANY INSURANCE POLICIES HELD BY ANY OR ALL SUCH PERSONS (COLLECTIVELY, THE "NON-RELEASED PARTIES").

REGENTS-ACKNOWLEDGES THAT REGENTS SHALL HAVE COMPLETED ALL PHYSICAL AND FINANCIAL EXAMINATIONS RELATING TO THE ACQUISITION OF THE OPTION PROPERTY AND WILL ACQUIRE THE OPTION PROPERTY SOLELY ON THE BASIS OF SUCH EXAMINATIONS AND THE TITLE INSURANCE PROTECTION FOR THE OPTION PROPERTY AFFORDED BY THE TITLE POLICY, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT AND SUBJECT TO CITY'S EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT. REGENTS FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE OPTION PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT CITY HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT AND SUBJECT TO CITY'S EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT. CITY SHALL NOT BE LIABLE FOR ANY NEGLIGENT MISREPRESENTATION OR FAILURE TO INVESTIGATE THE OPTION PROPERTY NOR SHALL CITY BE BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, APPRAISALS, ENVIRONMENTAL ASSESSMENT REPORTS, OR OTHER INFORMATION PERTAINING TO THE OPTION PROPERTY OR THE OPERATION THEREOF, FURNISHED BY CITY, OR ANY REAL ESTATE BROKER, AGENT, REPRESENTATIVE, EMPLOYEE, SERVANT OR OTHER PERSON ACTING ON CITY'S BEHALF EXCEPT FOR

REPRESENTATIONS AND WARRANTIES EXPRESSLY PROVIDED IN THIS AGREEMENT. IT IS ACKNOWLEDGED AND AGREED THAT THE OPTION PROPERTY IS SOLD BY CITY AND PURCHASED BY REGENTS SUBJECT TO THE FOREGOING. NOTWITHSTANDING THE FOREGOING OR ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, CITY IS NOT RELEASED FROM ANY LIABILITY TO REGENTS FOR FRAUD OR BREACH OF ANY COVENANT, REPRESENTATION OR WARRANTY SET FORTH IN THIS AGREEMENT.

REGENTS ACKNOWLEDGES AND AGREES THAT REGENTS IS FULLY AWARE OF THE AGE OF THE OPTION PROPERTY, THAT OVER TIME VARIOUS EVENTS MAY HAVE OCCURRED ON THE OPTION PROPERTY WHICH EVENTS MAY BE TYPICAL AND/OR ATYPICAL OF EVENTS OCCURRING TO OTHER PROPERTIES OF SIMILAR AGE TO THE OPTION PROPERTY AND SIMILARLY LOCATED IN THE CITY OF SAN DIEGO AND/OR THE COUNTY OF SAN DIEGO, CALIFORNIA, AND THAT SUCH EVENTS MAY INCLUDE, WITHOUT LIMITATION, SLAB LEAKS, MOLD, FIRE, SHIFTING, AND VIOLATIONS OF LAWS, ORDINANCES, RULES, REGULATIONS, PERMITS, APPROVALS, LICENSES AND (OR) ORDERS OF GOVERNMENTAL AGENCIES WITH JURISDICTION OVER THE OPTION PROPERTY.

THE CLOSING OF THE PURCHASE OF THE OPTION PROPERTY BY REGENTS SHALL BE CONCLUSIVE EVIDENCE THAT: (A) REGENTS HAS FULLY AND COMPLETELY INSPECTED (OR HAS CAUSED TO BE FULLY AND COMPLETELY INSPECTED) THE OPTION PROPERTY; AND (B) REGENTS ACCEPTS THE OPTION PROPERTY AS BEING IN GOOD AND SATISFACTORY CONDITION AND SUITABLE FOR REGENTS' PURPOSES.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR RELIANCE ON REPRESENTATIONS AND WARRANTIES EXPRESSLY PROVIDED IN THIS AGREEMENT, REGENTS SHALL PERFORM AND RELY SOLELY UPON ITS OWN INVESTIGATION CONCERNING ITS INTENDED USE OF THE OPTION PROPERTY, AND THE OPTION PROPERTY'S FITNESS FOR THAT USE. REGENTS FURTHER ACKNOWLEDGES AND AGREES THAT CITY'S COOPERATION WITH REGENTS WHETHER BY AUTHORIZING THIS AGREEMENT, PROVIDING DOCUMENTS RELATING TO THE OPTION PROPERTY, OR PERMITTING INSPECTION OF THE OPTION PROPERTY, SHALL NOT BE CONSTRUED AS ANY WARRANTY OR REPRESENTATION; EXPRESS OR IMPLIED, OF ANY KIND WITH RESPECT TO THE OPTION PROPERTY, OR WITH RESPECT TO THE ACCURACY, COMPLETENESS, OR RELEVANCE OF THE DOCUMENTS PROVIDED TO REGENTS BY CITY IN RELATION TO THE OPTION PROPERTY, PROVIDED THAT THE FOREGOING SHALL NOT BE A LIMITATION OR MODIFICATION OF THE REPRESENTATIONS AND WARRANTIES EXPRESSLY PROVIDED FOR IN THIS AGREEMENT.

CITY's INITIALS

REGENTS' INITIALS

(d) Except for claims for CITY's fraud or the breach of any representations and warranties of CITY expressly provided for in this Agreement, REGENTS further agrees as follows:

(1) REGENTS acknowledges that there is a risk that subsequent to the execution of this Agreement, REGENTS may discover, incur, or suffer from claims which were unknown or unanticipated at the time this release is executed, including, without limitation, unknown or unanticipated claims which, if known by REGENTS on the date this release is being executed, may have materially affected REGENTS' decision to execute this Agreement. REGENTS acknowledges that REGENTS is assuming the risk of such unknown and unanticipated claims arising from the exercise of the Option Right and the sale and purchase of the Option

Property pursuant to this Agreement and agrees that this release applies thereto. As to claims arising from the exercise of the Option Right and the sale and purchase of the Option Property as set forth in this Agreement, REGENTS expressly waives the benefits of Section 1542 of the California Civil Code, and any amendments thereto, which reads as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

(2) REGENTS represents and warrants that REGENTS has been represented by independent counsel of REGENTS' own choosing in connection with the preparation and review of this release, that REGENTS has specifically discussed with such counsel the meaning and effect of this release and that REGENTS has carefully read and understands the scope and effect of each provision contained in this release. REGENTS further represents and warrants that REGENTS does not rely and has not relied upon any representation or statement made by CITY or any of CITY's representatives, agents, employees, attorneys or officers with regard to the subject matter, basis or effect of this release.

(3) REGENTS represents and warrants to CITY that REGENTS has not and shall not assign or transfer or purport to assign or transfer any claim or claims or any portion thereof or any interest therein, and shall indemnify, defend, protect and hold the CITY harmless from and against any claim or claims based on or arising out of, whether directly or indirectly, any such assignment or transfer, or purported assignment or transfer.

CITY's INITIALS

REGENTS' INITIALS

(e) Survival. The provisions of this Section shall survive the Closing and, as applicable, the termination of this Agreement.

(f) Waiver of Subrogation; Survival. REGENTS waives any right of subrogation as to CITY or CITY's Parties. Each and every provision of this Section shall, except as may be expressly limited in this Section, survive the Closing and, as applicable, the termination of this Agreement, and, but for REGENTS' agreement to each and every provision of this Section, CITY would not have executed this Agreement.

ARTICLE IV

GENERAL PROVISIONS

1. Mandatory Disclosure of Business Interests. Pursuant to San Diego City Charter Section 225, REGENTS shall make a full and complete disclosure of the name and identity of each person directly or indirectly involved in the transactions contemplated by this Agreement and the precise nature of those parties' interests in the transactions.

2. Assignment. REGENTS shall not assign any of its rights or delegate any of its duties under this Agreement except to another political subdivision or public agency associated with or

succeeding to the responsibilities of REGENTS and only with the prior written consent of CITY, which consent may be withheld or granted in CITY's sole and absolute discretion.

3. Notices. All notices under this Agreement shall be in writing and sent (a) by certified or registered mail, return receipt requested, in which case notice shall be deemed delivered three (3) Business Days after deposit, postage prepaid in the United States Mail; (b) overnight by a nationally recognized overnight courier such as UPS Overnight, or FedEx, in which case notice shall be deemed delivered one (1) Business Day after deposit with that courier; or (c) by personal delivery, in which case notice shall be deemed delivered upon the actual date of delivery. All notices shall be delivered to the following addresses:

If to REGENTS: Regents of the University of California
Office of the President
Attn: Eric Schueler
Office of Real Estate Services & Strategies
1111 Franklin Street, 6th Floor
Oakland, CA 94607
(510) 987-9318

and: Regents of the University of California
Office of the General Counsel
Attn: Barton Lounsbury
Senior Counsel
1111 Franklin Street, 8th Floor
Oakland, CA 94607
(510) 987-0976

and: The University of California San Diego
Attention: Jeff W. Graham
Executive Director of Real Estate
Torrey Pines Center South, Suite 340
9500 Gilman Drive #0982
La Jolla, California 92093-0982

If to CITY: City of San Diego
Attn: Director, Real Estate Assets Department
1200 Third Avenue, Suite 1700, MS 51A
San Diego, CA 92101
(619) 236-6020

The addresses above may be changed by written notice to the other party; provided however, that no notice of a change of address shall be effective until actual receipt of the notice.

4. Prorations. Real property taxes and assessments, utility costs, and other expenses of operating the Option Property (provided, however, no proration shall be made with regard to any capital improvements) shall be prorated as of the Close of Escrow. Each party shall pay all real property taxes

and assessments applicable to the period prior to the close of Escrow of the Option Property while they own it, and if any such taxes are unpaid after the Close of Escrow, then the party who previously owned the Option Property which was conveyed to the other party shall pay them within ten (10) Business Days after a request therefor (which shall include a copy of the relevant tax bill).

5. No Leasing or Marketing by CITY. CITY shall not enter into any leases with respect to the Option Property that prevent REGENTS from purchasing the Option Property on or after October 15, 2042, or market the Option Property for sale or exchange after the Effective Date of this Agreement, unless and until this Agreement is terminated pursuant to its terms or the Ground Lease is terminated as a result of REGENTS' default. The memorandum of option (i.e., Exhibit 2) gives notice of this provision, the existence of this Agreement, and the related amendment to the Ground Lease.

6. Waiver. A party's failure to insist upon the strict performance of any of the other party's obligations under this Agreement, in one or more instance, shall not be construed as a waiver of any such obligation, and the same shall remain in full force and effect. A party's waiver of a default shall not be a waiver of any other default. Any waiver of a default must be in a writing executed by the non-defaulting party to constitute a valid and binding waiver. A party's delay or failure to exercise a right or seek a remedy shall not be deemed a waiver of that or any other right or remedy under this Agreement, at law or in equity. The exercise of any particular right or the use of any particular remedy for any default shall not waive the use of any other right or remedy for the same default or for another or later default. A party's failure to discover a default or take prompt action to require the cure of any default shall not result in an equitable estoppel, but the party may at any and all times require the cure of the default.

7. Miscellaneous Provisions.

(a) Governing Law. This Agreement shall be interpreted and construed in accordance with California law, without regard to any choice of law principles.

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

(c) Captions. The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions of this Agreement.

(d) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective legal representatives, successors, heirs and permitted assigns.

(e) Amendments; Waiver. No amendment, modification, waiver, discharge or change of this Agreement shall be valid unless it is in writing and signed by both parties.

(f) Entire Agreement. This Agreement contains the entire agreement between the parties relating to the option granted to REGENTS, and all prior or contemporaneous agreements, understandings, representations or statements, oral or written, relating to that topic are superseded.

(g) Partial Invalidity. Any provision of this Agreement which is unenforceable, invalid, or the inclusion of which would adversely affect the validity, legality, or enforcement of this Agreement shall have no effect, but all the remaining provisions of this Agreement shall remain in full effect.

(h) Survival. Provisions of this Survival section, and all other provisions so identified, shall survive the Closing or the termination of this Agreement.

(i) No Third-Party Rights. Except as provided in the Survival paragraph (7(h)) of Article IV, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties to this Agreement and their respective successors and assigns, any rights or remedies.

(j) Time of Essence. Time is of the essence in this Agreement.

(k) Relationship. Nothing contained in this Agreement shall be deemed or construed by the parties or by any third person to create a relationship of principal and agent or partnership or a joint venture between CITY and REGENTS or between either of them and any third party.

(l) CITY Approval. Where this Agreement refers to an action of consent or approval of CITY, it shall mean the consent or approval of the Mayor of the CITY, or his or her designee, unless otherwise provided.

(m) Exhibits and Recitals Incorporated. All exhibits referred to in this Agreement are incorporated in this Agreement by this reference, regardless of whether or not the exhibits are actually attached to this Agreement. The Recitals to this Agreement are incorporated in this Agreement by this reference.

(n) Independent Counsel. CITY and REGENTS each acknowledge that: (a) they have been given the opportunity to be represented by independent counsel in connection with this Agreement; (b) they have executed this Agreement with the advice of such counsel, if such counsel was retained; and (c) this Agreement is the result of negotiations between the parties and the advice and assistance of their respective counsel, if such counsel was retained. The fact that this Agreement was prepared or negotiated by CITY's or REGENTS' counsel as a matter of convenience shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against either party due to the fact that CITY's or REGENTS' counsel prepared or negotiated this Agreement in its final form.

(o) Capacity and Authority. All individuals signing this Agreement for a party which is a corporation, limited liability company, partnership or other legal entity, or signing under a power of attorney, or as a trustee, guardian, conservator, or in any other legal capacity, represent and warrant that they have the necessary capacity and authority to act for, sign and bind the respective entity or principal on whose behalf they are signing.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the last date written below.

THE CITY OF SAN DIEGO, a California municipal corporation

Date: _____

By: _____
Cybele Thompson
Director, Real Estate Assets Department

REGENTS OF THE UNIVERSITY
OF CALIFORNIA, a California public
corporation

By: _____

Name: _____

Title: _____

DATED: _____

Environmental Analysis Section Environmental Clearance: This action is _____

Date: _____

By: _____

Name: _____

Title: _____

Approved as to form this _____ day of
_____, 2018.

Approved as to form this _____ day of
_____, 2018.

MARA W. ELLIOTT, City Attorney

Office of the General Counsel

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

EXHIBIT 1

FORM OF AMENDMENT TO GROUND LEASE

THIRD AMENDMENT TO GROUND LEASE

THIS THIRD AMENDMENT TO GROUND LEASE ("Third Amendment") is entered into as of December __, 2018, by and between the CITY OF SAN DIEGO, a chartered California municipal corporation ("CITY"), and THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, a California public corporation ("REGENTS"), based on the following:

RECITALS

A. CITY and Scripps Clinic and Research Foundation ("Scripps"), predecessor to REGENTS, entered into an Option Agreement ("Prior Option"), which was filed in the Office of the San Diego City Clerk on December 13, 1982, as Document No. R-257635-1. The Prior Option gave Scripps the right to lease from CITY that certain real property which was set forth in Exhibit A to the Prior Option. Scripps was given two (2) years to exercise its rights under the Prior Option and enter into a lease with CITY; the terms and conditions of said lease were set forth in Exhibit B to the Prior Option, which was titled Agreement for Ground Lease, Development and Use of Real Property ("Ground Lease").

B. Scripps timely exercised its rights under the Prior Option and entered into the Ground Lease with CITY. The effective date of the Ground Lease was February 23, 1985. The term of the Ground Lease is 55 years, expiring on January 31, 2040.

C. The real property leased pursuant to the Ground Lease is described as Parcel 1 of Parcel Map 9813; said parcel is more generally known as the Reservoir Site on North Torrey Pines Road and is approximately 2.87 acres in size (Torrey Pines Center South at 10280 North Torrey Pines Road) (the "Site").

D. Although the real property leased pursuant to the Ground Lease is a Pueblo Lot which was subject to City Charter Section 219, pursuant to Ordinance No. 8983, dated March 19, 1964, an election on June 24, 1964, and ratifying Resolution No. 180579, dated July 7, 1964, CITY was authorized to lease or sell the Pueblo Lot 1323, of which the leased real property is a part, for research and development purposes and such other uses necessarily incidental thereto.

E. Scripps assigned its interest in the Ground Lease to McKellar Development of La Jolla ("McKellar") pursuant to an Assignment of Lease recorded in the Office of the County Recorder on April 15, 1985, as Instrument No. 85-093951. McKellar developed a two-story, 140,000 square foot, office building and related site improvements over two levels of subterranean parking ("Improvements").

F. CITY and McKellar entered into a First Amendment to the Ground Lease dated March 4, 1985, and a Second Amendment to Ground Lease dated June 30, 1986. Hereinafter the original Ground Lease, along with the First Amendment and Second Amendment are all collectively referred to as the "Ground Lease."

G. McKellar assigned the Ground Lease, along with all of McKellar's right, title and interest in and to the Improvements, fixtures, and personal property located on the Site to REGENTS pursuant to

the Assignment and Assumption of Ground Lease dated October 5, 1987. Hereinafter the Site, along with the improvements and fixtures located thereon are all collectively referred to as the "Property."

H. By separate agreement (the "Option Agreement"), CITY has granted REGENTS an option to purchase the Property. However, the Property is collateral for lease revenue bonds issued by CITY. As the bonds' conditions will remain in effect until October 15, 2042, REGENTS cannot exercise the option until 2042.

I. CITY and REGENTS thus intend to adjust the term and rent of the Ground Lease as stated in this Third Amendment to coordinate it with the Option Agreement.

AGREEMENT

NOW, THEREFORE, having incorporated the above Recitals into this Agreement by this reference, the parties agree as follows:

1. Holdover. Section 2.02 of the Ground Lease shall be deleted in its entirety and replaced with the following:

Holdover. Any holding over by LESSEE after expiration or termination shall not be considered a renewal or extension of this lease nor shall it be considered LESSEE's default. The occupancy of the premises after the expiration or termination of this agreement constitutes a month-to-month tenancy, and all other terms and conditions of this agreement shall continue in full force and effect, *except that* CITY shall not have the right to increase the rent during the holdover period until October 15, 2044. CITY shall have the right to increase the rent to then market value, on or after October 15, 2044, if LESSEE remains in possession of the premises in holdover status, and has not exercised its option right to purchase the premises, or has not closed escrow on the premises pursuant to the Option to Purchase Agreement on file with the City Clerk as Document No.:

2. Surrender. Section 2.03 of the Ground Lease shall be deleted in its entirety and replaced with the following:

Surrender of Premises. At termination of this lease for any reason or, if LESSEE holds over then at the end of the holdover period, LESSEE shall execute, acknowledge and deliver to the CITY, within five (5) days after written CITY demand, a valid and recordable quitclaim deed covering all of the leasehold premises. The premises shall be delivered free and clear of all liens and encumbrances, and in a decent, safe and sanitary condition.

3. Improvements. Section 6.03 of the Ground Lease shall be deleted in its entirety and replaced with the following:

Improvements/Alterations. Should LESSEE desire to construct additional improvements or alter existing improvements on the premises, it shall submit its request to CITY's Real Estate Assets Department or its successor as manager of the premises on behalf of CITY. The request shall contain sufficient information, such as architectural drawings, to enable CITY's appropriate review. The request shall be deemed approved unless CITY denies approval or requests additional information within fifteen (15) calendar days of when the request was submitted.

4. Signs. Section 6.08 of the Ground Lease is hereby deleted in its entirety and replaced with the following:

Signs. Lessee agrees not to erect or display any banners, pennants, flags, posters, signs, decorations, marquees, awnings or similar devices or advertising without the prior consent of the CITY. To obtain CITY's consent, LESSEE shall submit a description sufficient to enable CITY's appropriate review of any item that LESSEE wishes to erect or display to (and only to) CITY's Real Estate Assets Department. The request shall be deemed approved unless CITY denies approval or requests additional information within fifteen (15) calendar days of when the request was submitted. If any such unauthorized item is found on the premises, LESSEE agrees to remove the item at its expense within 24 hours' notice thereof by CITY or CITY may thereupon remove the item at LESSEE's cost.

5. Effect of Option Agreement. To the extent the Ground Lease conflicts with the Option Agreement, the Option Agreement shall control.

6. Effect of Third Amendment. Except as expressly stated in this Third Amendment, the Ground Lease remains in force and effect.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date set forth above.

THE CITY OF SAN DIEGO, a California municipal corporation

Date: _____

By: _____

Cybele Thompson
Director, Real Estate Assets Department

Approved as to form this _____
day of _____, 2018

MARA W. ELLIOTT, City Attorney

BY: _____

Name: _____

Title: Deputy City Attorney

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA, a California public corporation

Dated: _____

By: _____
Name: _____
Title: _____

Approved as to form this _____ day of
_____, 2018.

Office of the General Counsel

By: _____
Name: _____
Title: _____

EXHIBIT 2

MEMORANDUM OF OPTION

RECORDING REQUESTED BY:)
)
)
WHEN RECORDED MAIL TO:)
)
)
)
)
)

Above Space for Recorder's Use Only

MEMORANDUM OF OPTION AGREEMENT

This MEMORANDUM OF OPTION AGREEMENT ("Memorandum") is made and effective as of the date of recordation hereof by and between THE CITY OF SAN DIEGO, a chartered California municipal corporation ("Optionor"), and THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, a California public corporation ("Optionee"), with reference to the facts set forth below.

RECITALS

A. Optionor owns fee title to that certain real property in the City of San Diego, California, legally described as follows ("the Property"):

PARCEL 1, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AS SHOWN AT PAGE 9813 OF PARCEL MAPS, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MARCH 14, 1980.

APN: 342-010-34

B. Optionor and Optionee have entered into that certain Option to Purchase Agreement In Favor of Regents of City-Owned Property of even date herewith ("the Option Agreement").

NOW THEREFORE, the parties hereto wish to record this Memorandum to give notice of the Option Agreement and certain terms thereof.

1. Optionor has granted to Optionee an option to purchase the Property (the "Purchase Option") on the terms and conditions set forth in the Option Agreement.

2. Part of the Option Agreement includes an amendment to a ground lease, a memorandum of which was originally recorded April 15, 1985 as Instrument No. 85-128705 of Official Records. Memoranda of amendments to the ground lease were recorded April 15, 1985 as Instrument No. 85-0128706, and July 15, 1986 as Instrument No. 86-0291380 of Official Records. Memoranda of assignments and assumptions of the ground lease were recorded October 15, 1987 as Instrument No. 87-0582930 and 87-0582931 of Official Records (as amended, the "Ground Lease").

3. Optionor shall not enter into any leases with respect to the Property that prevent Optionee from purchasing the Property on or after October 15, 2042, or market the Property for sale or exchange after the Effective Date of the Option Agreement, unless and until the Option Agreement is terminated pursuant to its terms or the Ground Lease is terminated as a result of Optionee's default. This clause shall not affect the City's right to extend the Term of the Master Leases for other property that are subject to the Master Leases, or to refinance or refund the lease revenue bonds even if doing so may require the City to enter into new site leases and facilities leases associated therewith, provided that the Property can be released no later than October 15, 2042.

4. This Memorandum is being recorded to give notice of the Option Agreement, including notice of the amendment of the ground lease. This Memorandum is not intended to modify in any way the terms and conditions of the Option Agreement or the ground lease.

5. This Memorandum shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors in interest.

IN WITNESS WHEREOF, the parties have executed this Memorandum as of the day and year of its recordation.

OPTIONOR:

THE CITY OF SAN DIEGO, a California municipal corporation

Date: _____

By: _____
Cybele Thompson
Director, Real Estate Assets Department

Approved as to form this _____
day of _____, 2018

MARA W. ELLIOTT, City Attorney

BY: _____
Name: _____
Title: Deputy City Attorney

OPTIONEE:

**THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA, a California public corporation**

Dated: _____

By: _____
Name: _____
Title: _____

**Approved as to form this _____ day of
_____, 2018.**

Office of the General Counsel

By: _____
Name: _____
Title: _____

Exhibit 2

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____
(insert name and title of the officer)

personally appeared _____
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____
(insert name and title of the officer)

personally appeared _____
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT 3

LEGAL DESCRIPTION OF OPTION PROPERTY

PARCEL 1, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO,
STATE OF CALIFORNIA, AS SHOWN AT PAGE 9813 OF PARCEL
MAPS, FILED IN THE OFFICE OF THE COUNTY RECORDER OF
SAN DIEGO COUNTY, MARCH 14, 1980.

APN: 342-010-34

EXHIBIT 4

"FORM OF" GRANT DEED FOR OPTION PROPERTY

RECORDING REQUESTED BY:)

)

)

WHEN RECORDED MAIL TO:)

)

)

)

)

Above Space for Recorder's Use Only

Documentary Transfer Tax is _____:

() computed on full value of property conveyed; or

() computed on full value less value of liens and encumbrances remaining at time of sale.

() Unincorporated area; (X) City of San Diego

APN: _____

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, The City of San Diego, a chartered California municipal corporation ("Grantor") does hereby GRANT to The Regents of the University of California, a California public corporation ("Grantee"), all of Grantor's right, title and interest in the following described real property located in the City of San Diego, County of San Diego, State of California ("Property");

PARCEL 1, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AS SHOWN AT PAGE 9813 OF PARCEL MAPS, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MARCH 14, 1980.

APN: 342-010-34

SUBJECT TO:

1. Current taxes and assessments.

2. All covenants, conditions, restrictions, reservations, rights, rights-of-way, easements of record and all other matters of record, including but not limited to San Diego City Ordinance No. 8983, dated March 19, 1964, as ratified by the electorate as set forth in San Diego City Resolution No. 180579 dated July 7, 1964.

IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed.

Grantor:

THE CITY OF SAN DIEGO,
a chartered California municipal corporation

Grantee:

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA,
a California public corporation

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

MAIL TAX STATEMENTS AS DIRECTED ABOVE

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____

(insert name and title of the officer)

personally appeared _____
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____

(insert name and title of the officer)

personally appeared _____
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT 5
PURCHASE PRICE

Year	Purchase Price
2018	\$35,300,000
2019	\$36,150,730
2020	\$37,021,963
2021	\$37,914,192
2022	\$38,827,924
2023	\$39,763,677
2024	\$40,721,981
2025	\$41,703,381
2026	\$42,708,433
2027	\$43,737,706
2028	\$44,791,785
2029	\$45,871,267
2030	\$46,976,764
2031	\$48,108,904
2032	\$49,268,329
2033	\$50,455,696
2034	\$51,671,678
2035	\$52,916,965
2036	\$54,192,264
2037	\$55,498,298
2038	\$56,835,807
2039	\$58,205,550
2040	\$59,608,303
2041	\$61,044,863
2042	\$62,516,045
2043	\$64,022,681
2044	\$65,565,628

EXHIBIT 6

"FORM OF" PFFA CONSENT

RECORDING REQUESTED BY:)
)
)
WHEN RECORDED MAIL TO:)
)
)
)
)
)

Above Space for Recorder's Use Only

The Public Facilities Financing Authority of the City of San Diego ("Authority") hereby consents to the OPTION TO PURCHASE AGREEMENT IN FAVOR OF REGENTS OF CITY-OWNED PROPERTY by and between the CITY OF SAN DIEGO, a chartered California municipal corporation ("CITY") and the Regents of the University of California, a California public corporation ("REGENTS") dated _____, 2018 (the "Option Agreement"), which pertains to the real property located at 10280 North Torrey Pines Road, San Diego, California ("Option Property"). All capitalized terms in this Consent, not otherwise defined herein, shall have the meaning as defined in the Option Agreement. Specifically:

1. Authority hereby consents to the Option Agreement, and acknowledges that any rights of possession that the Authority may have pursuant to the Site Lease and the Master Facilities Lease, are subordinate to the REGENTS' rights to possession under the Ground Lease, and REGENTS' rights contained in the Option Agreement.
2. Authority acknowledges and agrees that REGENTS shall be entitled to exercise its option right to the Option Property without any interference from Authority and, if escrow closes pursuant to the Option Agreement, that REGENTS shall thereafter own fee title to the Option Property and Authority will have no further claim to any right, title, or interest in the Option Property.
3. Nothing herein shall be deemed to make the Authority a party to the Option Agreement.

Authority:

**PUBLIC FACILITIES FINANCING AUTHORITY
OF THE CITY OF SAN DIEGO**

By: _____
Title: _____

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

personally appeared _____ (insert name and title of the officer)
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed
to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity
upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Exhibit 6

EXHIBIT C

Form of Grant Deed

[Attached]

Recording Requested By
and
When Recorded Mail To:

MAIL TAX STATEMENT TO:

Above Space For Recorder's Use Only

GRANT DEED

The undersigned grantor declares:

Documentary Transfer Tax is -0-

Exempt pursuant to _____

() computed on full value of property conveyed; or

() computed on full value less value of liens and encumbrances remaining at time of sale.

() Unincorporated area; (X) City of San Diego

APN:

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, The Regents of the University of California, a California public corporation ("Grantor") does hereby GRANT to the City of San Diego, a chartered California municipal corporation ("Grantee"), all of Grantor's right, title and interest in the following described real property located in the City of San Diego, County of San Diego, State of California ("Property"):

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

SUBJECT TO:

1. Current taxes and assessments.
2. All covenants, conditions, restrictions, reservations, rights, rights-of-way, easements of record and all other matters of record.
3. [Reserved]
4. Reversionary Rights. Grantor shall have the right (but not the obligation) to require Grantee to return fee ownership of the Property (including any and all improvements thereon such as the Fire Station) to Grantor if any of the events below occur. If Grantor requires Grantee to return fee ownership pursuant to this Paragraph 4, Grantee or any successor shall remove any encumbrances related to securing Grantee's or any successor's financial obligations from the title to the Property within one hundred twenty (120) days after receipt of notice from Grantor that Grantor is exercising its reversionary rights under this Paragraph 4:

4.1 Grantee fails to start, within five (5) years of the Effective Date, or substantially complete, within seven (7) years of the Effective Date, construction of the Fire Station and Fire Station Off-Sites, subject to extensions due to Force Majeure Events and mutually agreed upon extensions by Grantor and Grantee. In any such event, after Grantee terminates the construction contract and resolves any outstanding claims, Grantee shall remain responsible for completing a final audit and upon completion of the final audit Grantee shall refund any unused portion of Seller's Contribution to Grantor within thirty (30) days.

4.2 At any time during the fifty (50) years following the date that the Fire Station is placed into service, Grantee ceases to operate the Fire Station as a fire station providing fire/life safety protection services for a period of longer than twelve (12) months, for any reason other than repairs (or reconstruction

in the event of major structural damage), without the approval of Grantor's Board of Regents after a request by Grantee. It shall be Grantee's responsibility to staff and equip the Fire Station at a level that Grantee determines, in its sole discretion, will best assist Grantee at any particular time, in providing equitable response times to all similar risk neighborhoods, depth of response when multiple incidents occur, and a concentration of response forces in core high-risk venues.

4.3 At any time more than fifty (50) years following the date that the Fire Station is placed into service, Grantee ceases to operate the Fire Station as a fire station for a period of longer than twelve (12) consecutive months, for any reason other than repairs (or reconstruction in the event of major structural damage), unless Grantee demonstrates that it will continue to maintain a similar or improved level of fire and life safety service to Campus, and the new use for the Property will provide some level of benefit to the Campus as reasonably determined by Grantor.

5. Terms capitalized in this Grant Deed shall have the meanings ascribed to them in the Purchase and Sale Agreement that this Grant Deed effectuates.

IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed.

Grantor:

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA,
a California public corporation

By: _____
Name: _____
Title: _____

Grantee:

This is to certify that the interest in the real property conveyed by this instrument to the City of San Diego, a municipal corporation, is hereby accepted by the undersigned officer on behalf of the City of San Diego pursuant to authority conferred by Resolution No. 250320, adopted by the Council of the City of San Diego on October 1, 1979, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____
By: Cybele Thompson, Director, Real Estate Assets Department

Approved as to form this _____ day of _____, 2018.
MARA W. ELLIOTT, City Attorney

BY: _____
Deputy City Attorney

MAIL TAX STATEMENTS AS DIRECTED ABOVE

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: _____ (Seal)

STATE OF CALIFORNIA)
COUNTY OF _____) ss.

personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: _____ (Seal)

EXHIBIT D**SCHEDULE OF PERFORMANCE**

Milestone	Begin Date	Completion Date	Cumulative Months from PSA Execution
Execution of PSA	January 31, 2019		
End of Buyer's Due Diligence / Waiver of Contingencies and Right to Terminate	February, 2019	May 31, 2019	4
Transfer of Seller's Contribution to the City	June 1, 2019	July 1, 2019	5
Buyer's Selection and Engagement of Project Architect, Completion of Design Development (Bridging Documents)	May 1, 2019	March 30, 2020	14
Seller relocates telecommunication utilities from Property	June 1, 2019	August 31, 2020	19
Campus Review and Approval of Design	April 1, 2020	April 30, 2020	15
Campus Conducts Survey and Processes Parcel Split, Records Parcel Map	May 1, 2020	August 31, 2020	19
Conveyance of Land from Seller to Buyer; Close Escrow.	September 1, 2020	September 30, 2020	20
Buyer processes and receives CEQA and Discretionary Approvals	May 1, 2020	April 30, 2022	39
Buyer selects and engages Design-Build team	November 1, 2021	April 30, 2022	39
Buyer advances design through construction drawings, secures construction permits, constructs project	May 1, 2022	January 30, 2026	84 (7years)

EXHIBIT E

FORM OF AUDIT INFORMATION

FIRE STATION AND FIRE STATIN OFF-SITE COST SCHEDULE

Part 1. Third Party Payments

<u>Payment Date</u>	<u>Vendor Name</u>	<u>Brief Description of Services Provided</u>	<u>Invoice Number(s)</u>	<u>Amount Paid</u>
-------------------------	--------------------	---	------------------------------	--------------------

Part 2. City Internal Payments

<u>Date of Charge</u>	<u>Department Name</u>	<u>Brief Description of Services Provided</u>	<u>Employee Name (if applicable)</u>	<u>Amount Paid</u>
---------------------------	------------------------	---	--	--------------------

EXHIBIT F
Non-FF&E Items

NON-FF&E ITEMS (Major equipment attached to the building for station operations)									
<i>Description</i>	<i>Location</i>	<i>Size</i>	<i>Finish</i>	<i>Manufacturer</i>	<i>Product Name</i>	<i>Product Number</i>	<i>Web Link</i>	<i>Fabric/Notes/Options</i>	<i>Qty</i>
Wolf commercial stove & commercial Hood	Kitchen	Restaurant Range 60"		Wolf	Challenger XL 60" gas	Wolf - C60SS-6B24G	Wolf Ranges	Has a 24" griddle and high back splash with shelf	1
Exhaust Extraction System	App Bay	Sliding Balancer Track		Plymovent	Plymovent				
Fuel Tank /Generator	Exterior	Line Circuit Breakers 15--2250 kW -- 60 GAL		Kohler or approved mfr for Generator	KCS-ACVA-0150S - Kohler Automatic Transfer Switch	30REOZK			1
SCBA Compressor	App Bay			Bauer Compressors	Unicus III				1
Air Compressor	App Bay	80 GAL vertical		Ingersoll Rand	Reciprocating Air Compressor	2475X5-V Type 30			1
Station Alerting System	Throughout station			USDD Equipment Product	Phoenix II				
Phone & Data Network Communication Equipment	Throughout station	TBD		City of San Diego Dept of IT	Builder/Developer to provide infrastructure (wire, conduits, etc.) equipment for communication rack				TBD
Network Equipment	TBD						Std. Electronics/Xer	VIA CSD/SDFD	TBD
Fire pole	TBD	TBD		McIntire Brass works, Inc.					
Red Metal Lockers, Vented 45% and elevated off floor (for PPE)	Apparatus Floor, Locker room	24X24							
Dishwasher	Kitchen	24"						Aztec Appliance	1
All cabinetry wood work for dorm lockers, kitchen cabinets, office desks, nightstands and other built- ins throughout the station	Throughout station			Baltic or Marine Ply, per SDFD standards					

ORIGINAL

RECORDING REQUESTED BY:)

)

)

WHEN RECORDED MAIL TO:)

)

)

)

)

)

Above Space for Recorder's Use Only

MEMORANDUM OF OPTION AGREEMENT

This MEMORANDUM OF OPTION AGREEMENT ("**Memorandum**") is made and effective as of the date of recordation hereof by and between THE CITY OF SAN DIEGO, a chartered California municipal corporation ("**Optionor**"), and THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, a California public corporation ("**Optionee**"), with reference to the facts set forth below.

RECITALS

A. Optionor owns fee title to that certain real property in the City of San Diego, California, legally described as follows ("**the Property**"):

PARCEL 1, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AS SHOWN AT PAGE 9813 OF PARCEL MAPS, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MARCH 14, 1980.

APN: 342-010-34

B. Optionor and Optionee have entered into that certain Option to Purchase Agreement In Favor of Regents of City-Owned Property of even date herewith ("**the Option Agreement**").

NOW THEREFORE, the parties hereto wish to record this Memorandum to give notice of the Option Agreement and certain terms thereof.

1. Optionor has granted to Optionee an option to purchase the Property (the "**Purchase Option**") on the terms and conditions set forth in the Option Agreement.

2. Part of the Option Agreement includes an amendment to a ground lease, a memorandum of which was originally recorded April 15, 1985 as Instrument No. 85-128705 of Official Records. Memoranda of amendments to the ground lease were recorded April 15, 1985 as Instrument No. 85-0128706, and July 15, 1986 as Instrument No. 86-0291380 of Official Records. Memoranda of assignments and assumptions of the ground lease were recorded October 15, 1987 as Instrument No. 87-0582930 and 87-0582931 of Official Records (as amended, the "**Ground Lease**").

3. Optionor shall not enter into any leases with respect to the Property that prevent Optionee from purchasing the Property on or after October 15, 2042, or market the Property for sale or exchange after the Effective Date of the Option Agreement, unless and until the Option Agreement is terminated pursuant to its terms or the Ground Lease is terminated as a result of Optionee's default. This clause shall not affect the City's right to extend the Term of the Master Leases for other property that are subject to the

Master Leases, or to refinance or refund the lease revenue bonds even if doing so may require the City to enter into new site leases and facilities leases associated therewith, provided that the Property can be released no later than October 15, 2042.

4. This Memorandum is being recorded to give notice of the Option Agreement, including notice of the amendment of the ground lease. This Memorandum is not intended to modify in any way the terms and conditions of the Option Agreement or the ground lease.

5. This Memorandum shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors in interest.

IN WITNESS WHEREOF, the parties have executed this Memorandum as of the day and year of its recordation.

OPTIONOR:

THE CITY OF SAN DIEGO, a California municipal corporation

Date: 1/25/19

By: [Signature]
Cybele Thompson
Director, Real Estate Assets Department

Approved as to form this 29th
day of January, 2019, 2018

MARA W. ELLIOTT, City Attorney

BY: Melissa Ables
Name: Melissa Ables
Title: Deputy City Attorney

OPTIONEE:

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, a California public corporation

Dated: 11/13/2018

By: [Signature]
Name: Nathan Brestrom
Title: EVP-CFO

APPROVED AS TO FORM

Janet C. Norris

JANET C. NORRIS
UNIVERSITY COUNSEL OF THE REGENTS
OF THE UNIVERSITY OF CALIFORNIA

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF Alameda) ss.

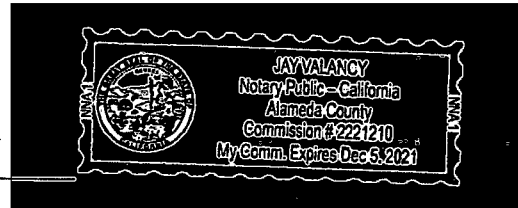
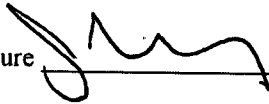
On Nov. 13, 2018, before me, JAY VALANCY, Notary Public
(insert name and title of the officer)

personally appeared NATHAN BLOSTROM,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF _____) ss.

On _____, before me, _____
(insert name and title of the officer)

personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

RESOLUTION NUMBER R- 312170

DATE OF FINAL PASSAGE JAN 11 2019

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO TO AUTHORIZE THE MAYOR TO EXECUTE THREE RELATED AGREEMENTS, SPECIFICALLY, THE FIRE STATION PURCHASE AGREEMENT TRANSFERRING REAL PROPERTY LOCATED ON THE EAST SIDE OF NORTH TORREY PINES ROAD JUST SOUTH OF GENESEE AVENUE TO THE CITY TO BUILD A FIRE STATION; THE OPTION TO PURCHASE AGREEMENT GRANTING REGENTS OF THE UNIVERSITY OF CALIFORNIA (REGENTS) AN OPTION RIGHT TO PURCHASE THE CITY-OWNED REAL PROPERTY KNOWN AS TORREY PINES CENTER SOUTH; AND THE THIRD AMENDMENT TO GROUND LEASE BETWEEN THE CITY AND THE REGENTS FOR THE PROPERTY COMMONLY KNOWN AS TORREY PINES CENTER SOUTH AND ALL NECESSARY RELATED FINANCIAL ACTIONS.

WHEREAS, the City of San Diego (City) has identified a need for a fire station in the University Community Planning Area in and around the University of California San Diego (UCSD) campus to assist with an increased number of incidents due to the rapid growth of UCSD; and

WHEREAS, the City and the Regents of the University of California on behalf of UCSD (Regents) have worked together to identify a parcel of real property which is currently owned by the Regents located on the east side of North Torrey Pines Road, just south of Genesee Avenue, adjacent to UCSD and in the University Community Planning Area (Fire Station Property), which the City and Regents believe to be suitable for a fire station; and

WHEREAS, the Regents have expressed a desire to purchase the City-owned property commonly known as Torrey Pines Center South (TPCS), located at 10280 Torrey Pines Road, San Diego, California, which the Regents currently lease from the City subject to the Agreement for Ground Lease, Development and Use of Real Property, originally entered into by the City

and Scripps Clinic and Research Foundation with an effective date of February 23, 1985, which was assigned to Regents with the City's consent on October 5, 1987; and

WHEREAS, the parties have worked together to reach agreement on three separate transactions, which are all dependent upon the other, such that if Council chooses not to authorize the Mayor to execute one of the agreements, the City will not exercise any of the agreements referenced herein; and

WHEREAS, the first agreement is the Fire Station Purchase Agreement (Fire Station Agreement) which requires that Regents transfer the Fire Station Property to the City through a Grant Deed, and that Regents contribute up to \$20,556,000 (Regents Contribution) to the City for the design and construction of a fire station on the Fire Station Property and any necessary off-site improvements (Project); and

WHEREAS, the Regents Contribution can be used to reimburse the City's costs incurred during due diligence, which is estimated to be up to \$50,000.00, if the City determines that the property is suitable, but the City would not be reimbursed if after conducting its due diligence the City determined that the Fire Station Property is not suitable for building a fire station; and

WHEREAS, the Regents Contribution may be used for the design costs, permitting fees, processing fees, inspection fees, environmental review costs, construction costs, and other items more specifically set forth in the Fire Station Agreement, including City staff time incurred as a result of those activities, provided that the charges for the City staff time do not exceed twenty percent (20%) of the Project costs, and that the City will be responsible for any charges related to City staff time that exceed 20% of the Project costs; and

WHEREAS, the Fire Station Agreement requires that the City design and build the fire station and off-site improvements, take the role of the lead agency under the California

Environmental Quality Act (CEQA), and pay all costs related to equipping, operating and maintaining the fire station including all terms as more specifically set forth in the Fire Station Agreement, and pay any costs in excess of \$20,556,000 that the City incurs in completing the design and construction of the Project; and

WHEREAS, Regents has retained the right to have the fee ownership of the property revert to Regents if the City does not start construction within five years of the effective date of the Fire Station Agreement, does not substantially complete construction within seven years of the effective date of the Fire Station Agreement, or if the City ceases to operate the fire station for a period of more than twelve months for any reason other than repair or reconstruction and does not obtain the appropriate Regents approval for the alternative use; and

WHEREAS, the Fire Station Agreement if executed would prohibit the City from requiring any additional contributions from Regents for any impacts relating to fire services and other services typically provided by fire stations and personnel arising from anticipated future growth of the UCSD campus under the Regents' 2018 Long Range Development Plan (2018 LRDP) until the later of December 31, 2035 or substantial completion of the build-out contemplated by the 2018 LRDP, unless specific circumstances were met as more particularly defined in the Fire Station Agreement; and

WHEREAS, as consideration for the transfer of the Fire Station Property and the Regent Contribution, Regents has requested that the City grant Regents an option to purchase TPCS, which Regents currently leases from the City; and

WHEREAS, if executed by the City, the Option to Purchase Agreement in Favor of Regent of City-owned Property (Option Agreement) would, upon completion of Regents

obligations under the Fire Station Agreement grant the Regents an irrevocable option to purchase the TPCS property, exercisable as of October 15, 2042, through April 15, 2044; and

WHEREAS, the City has entered into leases with the Public Facilities Financing Authority (PFFA), relating to lease revenue bonds issued by the PFFA, which is currently an encumbrance on the City's interest in the property which the City desires to maintain, however, the City has agreed to allow Regents to purchase the property subject only to encumbrances that Regents has approved on October 15, 2042; but if the City, in its sole discretion determines that TPCS is no longer needed for lease revenue bond purposes, the City will provide notice to Regents and allow Regents to exercise the option right earlier; and

WHEREAS, the parties negotiated to have TPCS property appraised, which included providing a current market value for the real property and improvements of \$35,300,000 as of April 13, 2018, and providing a reasonable projected annual increase that could be applied as an escalator to the current market value to determine the purchase price that Regents will pay to the City for TPCS depending on the year in which they exercise the option, as more particularly set forth in Exhibit 5 to the Option Agreement; and

WHEREAS, the City in compliance with Council Policy 700-10 has obtained an appraisal of the current land value only of TPCS from a certified appraiser, which determined that the land value as of November 1, 2018, was \$6,180,000; and

WHEREAS, the Regents will have the right when the option to purchase is exercised, to request a reduction in the purchase price if the assumptions in the April 13, 2018, appraisal are no longer valid, however, City Council will have the right to approve such a reduction in its sole discretion; and

WHEREAS, the Regents as part of the overall negotiations have requested modifications to the Ground Lease, specifically relating to the holdover periods, the process for approving signage, and the process for approving requests to make improvements as set forth in the Third Amendment to the Ground Lease attached to the Option Agreement as Exhibit 1; and

WHEREAS, if the City executes the Third Amendment to the Ground Lease, the City will not be permitted to increase the rent that Regents pays during any holdover period that is concurrent with the option period, and will follow the processes set forth therein to approve any requests for changes in signage or improvements; and

WHEREAS, the Regents have required that the PFFA consent to the Option Agreement, and the City's execution of these agreements is contingent upon the PFFA executing the consent which is attached to the Option Agreement as Exhibit 6; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. The Mayor is authorized to execute and deliver the Fire Station Purchase Agreement (Fire Station Agreement), the Option to Purchase Agreement in Favor of Regents of City-owned Property (Option Agreement), and the Third Amendment to the Ground Lease; and all other necessary documents required to complete the transfers of real property contemplated in the Fire Station Agreement and Option Agreement, or the City's performance under any of the agreements, on terms and conditions deemed reasonable and in the City best interest.

2. The Chief Financial Officer (CFO) is authorized to accept up to \$20,556,000 into fund No. 400871, UCSD Fire Station CONTRIB, for the design and construction costs of the UCSD Fire Station and any off-site improvements as outlined in the Fire Station Agreement.

3. The CFO is authorized to add CIP S-19003, UCSD Fire Station and ROW Improvements to the Capital Improvement Program.

4. The CFO is authorized to increase the CIP budget in CIP No. S-19003, UCSD Fire Station and ROW Improvements, and to appropriate and expend up to \$20,568,000 on the Project in accordance with the terms of the Fire Station Agreement, contingent upon the CFO first certifying that the funds necessary for expenditure are, or will be on deposit with the City Treasurer.

5. The CFO is authorized to transfer appropriations of \$65,000 from CIP S-00788 Fire Station No. 5 -- Hillcrest, to CIP S-19003, UCSD Fire Station and ROW Improvements within Fund 100012, INFRASTRUCTURE FUND.

6. The CFO is authorized to expend an amount not to exceed \$12,000 from CIP No. S-19003, UCSD Fire Station and ROW Improvements for escrow, title, and miscellaneous expenses related to the property acquisition for the UCSD Fire Station location, contingent upon the CFO furnishing a certificate certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

APPROVED: MARA W. ELLIOTT, City Attorney

By


Melissa D. Ables
Deputy City Attorney

MDA:nja
12/14/18
Or. Dept: READ
Doc. No.: 1893514

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JAN 08 2019

ELIZABETH S. MALAND
City Clerk

By

[Signature]
Deputy City Clerk

Approved: 1/11/19

(date)

[Signature]
KEVIN L. FAULCONER, Mayor

Vetoed: _____

(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on JAN 08 2019, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Barbara Bry	☒	☐	☐	☐
Jennifer Campbell	☒	☐	☐	☐
Chris Ward	☒	☐	☐	☐
Monica Montgomery	☒	☐	☐	☐
Mark Kersey	☒	☐	☐	☐
Chris Cate	☒	☐	☐	☐
Scott Sherman	☒	☐	☐	☐
Vivian Moreno	☒	☐	☐	☐
Georgette Gómez	☒	☐	☐	☐

Date of final passage JAN 11 2019

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

AUTHENTICATED BY:

KEVIN L. FAULCONER

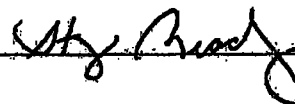
Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California.

By



Deputy

Office of the City Clerk, San Diego, California

Resolution Number R- 312170

Passed by the Council of The City of San Diego on January 8, 2019, by the following vote:

YEAS: BRY. CAMPBELL, WARD, MONTGOMERY, KERSEY, CATE, SHERMAN,
MORENO, & GÓMEZ.

NAYS: NONE.

NOT PRESENT: NONE.

RECUSED: NONE.

AUTHENTICATED BY:

KEVIN L. FAULCONER

Mayor of The City of San Diego, California

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California

(Seal)

By: Stacy D. Ready, Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true, and correct copy of
RESOLUTION NO. R-312170, approved on January 8, 2019. The date of final
passage is January 11, 2019.

ELIZABETH S. MALAND

City Clerk of the City of San Diego, California

(Seal)

By: Stacy Ready, Deputy



The City of San Diego

Staff Report

DATE ISSUED: November 14, 2018

TO: City Council

FROM: Real Estate Assets

SUBJECT: Approval of a Fire Station Purchase Agreement, an Option to Purchase Agreement for Torrey Pines Center South, and a Third Amendment to the Ground Lease between the City and The Regents of the University of California for the UCSD Fire Station.

Primary Contact: Roswitha Sanchez

Phone: (619) 236-6721

Secondary Contact: April McCusker

Phone: (619) 236-6987

Council District(s): 1

OVERVIEW:

This action is to request authorization for the Mayor, or his designee, to enter into three agreements between the City of San Diego (City) and the Regents of the University of California (Regents):

1. Fire Station Purchase Agreement (Fire Station Agreement): Regents to convey real property located at the corner of North Torrey Pines Road and Genesee Avenue to City and contribute up to \$20,556,000 for City to design, build and operate an approximately 10,500 square foot, 3 bay fire station.
2. Option to Purchase Agreement for Torrey Pines Center South (TPCS) (Option Agreement): As consideration for the Fire Station Agreement, City to grant Regents an option to purchase the City-owned real property located at 10280 North Torrey Pines Road in San Diego, California, commonly known as TPCS which is currently leased to Regents.
3. Third Amendment to Ground Lease for TPCS which is attached as Exhibit 1 to the Option Agreement.

PROPOSED ACTIONS:

1. Authorize the Mayor to execute three agreements with UCSD: (1) Fire Station Agreement; (2) Option Agreement, and (3) Third Amendment to Ground Lease, and to execute and deliver any additional documents required to complete the transfer of the real property or the City's performance under the Agreements, on terms and conditions deemed reasonable and in the City's best interest by the Mayor or his designee
2. Authorize the City to accept up to \$20,556,000 into fund No. 400871, UCSD Fire Station CONTRIB, for the design and construction costs of the UCSD Fire Station and offsite improvements as outlined in the Fire Station Agreement.

3. Authorize the Chief Financial Officer (CFO) to add CIP S-19003, UCSD Fire Station and ROW Improvements to the Capital Improvement Program.
4. Authorize the CFO to increase the CIP budget in CIP No. S-19003, UCSD Fire Station and ROW Improvements, and to appropriate and expend up to \$20,556,000, within Fund 400871, UCSD Fire Station CONTRIB, on the Project in accordance with the terms of the Fire Station Agreement, contingent upon the CFO first certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer.
5. Authorize the CFO to transfer appropriations of \$65,000 from CIP S-00788 Fire Station No. 05 - Hillcrest, to CIP S-19003, UCSD Fire Station and ROW Improvements within Fund 100012, INFRASTRUCTURE FUND.
6. Authorize the CFO to expend an amount not to exceed \$12,000 from CIP No. S-19003, UCSD Fire Station and ROW Improvements for escrow, title and miscellaneous expenses related to the property acquisition for the UCSD Fire Station location, contingent upon the CFO furnishing a certificate certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.
7. Certifying that the information contained in Final Mitigated Negative Declaration No. 619013/SCH No. 2018061017 has been completed in compliance with the California Environmental Quality Act (CEQA) and State CEQA Guidelines, and that said Mitigated Negative Declaration reflects the independent judgment of the City of San Diego as Lead Agency; Stating for the record that the final Mitigated Negative Declaration No. 619013/SCH No. 2018061017 has been reviewed and considered prior to approving the project; Adopting the final Mitigated Negative Declaration; Adopting the Mitigation, Monitoring and Reporting Program.
8. Directing the City Clerk to file a Notice of Determination

DISCUSSION OF ITEM:

This project is being implemented to meet the gap in Fire-Rescue coverage in the University Community Planning Area, in and around the UCSD campus as identified in the San Diego Fire-Rescue Department (SDFD) Standards of Response Coverage Review prepared by Citygate Associates, LLC (Citygate) in 2010, and 2017.

Due to the rapid growth of the UCSD campus, the amount of time SDFD spends responding to an increased number of incidents at UCSD has significantly increased. The majority of the UCSD campus lies outside the coverage area of existing fire stations, which increases the time spent responding to these incidents.

With both public entities recognizing the need for a fire station on or near the UCSD Campus, the City and Regents have worked toward an agreement wherein Regents is contributing real property that Regents currently owns and up to \$20,556,000 ("Regents Contribution") to be used to design and build a fire station and required off-site improvements. The City will be responsible for the ongoing

operations and maintenance for the station once built, which will be paid out from the City's Fire-Rescue Department operating fund. The new fire station will be located at the corner of North Torrey Pines Road and Genesee Avenue.

Additionally, Regents has been a long-term tenant of TPCS, and would like to purchase TPCS from the City. The City currently uses the TPCS as collateral for lease revenue bonds and anticipates needing TPCS as collateral through 2042. The City and Regents have reached an agreement wherein, upon Regents fulfilling all of the obligations under the Fire Station Agreement, the City will grant Regents an option to purchase the TPCS property which Regents can exercise on or after October 15, 2042, as more fully set forth below. This option to purchase will become irrevocable, even if Regents retakes possession of the property under one of the reversionary rights retained by Regents in the Grant Deed. Because TPCS is currently collateral for the lease revenue bonds, Regents is requiring that the Public Facilities Financing Authority (PFFA) consent to the Option Agreement. The PFFA's consent is being sought at a separate meeting of the PFFA.

Terms of the Fire Station Agreement

The proposed project site is located on the east side of North Torrey Pines Road, south of Genesee Avenue and contiguous with the University of California, San Diego (UCSD) in the University Community Planning Area, in the northwest region of the City of San Diego. The Property is a portion of a larger parcel owned by Regents which will be established by a lot split. Upon execution of the Fire Station Agreement, the City will have a period of 120 days to conduct due diligence to determine if the real property is suitable for the construction of a fire station. During this time, the City will need to expend funds to conduct the due diligence. Available funds have been identified from Fire Station No. 5 (which has been completed). If the City determines that the property is acceptable, the City will be entitled to reimburse these costs from the Regents Contribution. However, if the City determines that the property is not acceptable, the City would not be reimbursed for any costs expended during the due diligence period.

Upon Regents' approval of City's bridging documents, Regents will process the lot split to create a separate legal parcel for the fire station construction which will be conveyed to the City subject to Regents reversionary rights.

City will design and construct a two-story fire station of approximately 10,500 square feet with a 3-bay apparatus floor and accommodations for up to two engines, a crew of up to 10, up to 16 surface parking stalls, and offsite improvements to North Torrey Pines Road as necessary (Project). Regents will provide the land and up to \$20,556,000 million dollars that can be used for design costs, permitting fees, processing fees, inspection fees, environmental review, and construction costs, and other items more specifically set forth in the Fire Station Agreement. City staff time can be reimbursed from these funds, however, the Fire Station Agreement does limit reimbursement for City staff time to twenty (20%) percent of the Project costs. In the event the project costs less than \$20,556,000, the City shall refund any remaining contribution funds to Regents.

If the Project costs more than \$20,556,000, the City will be responsible for all additional costs incurred by the City in completing the Project. If City staff time chargeable to the Project exceeds twenty (20%) of the Project costs, the City will not be entitled to reimburse itself from the \$20,556,000 and would be solely responsible for the costs associated with that staff time. The City will be the lead agency on the Project, responsible for design, environmental review, permitting and construction. The City is

responsible for the costs of the furniture, fixtures, and equipment, and the ongoing costs of operating and maintaining the fire station.

Regents has retained the right to have the property revert back to Regents ownership if any of the following occur: (a) The City fails to start construction within five (5) years, or fails to substantially complete construction within seven (7) years from the effective date of the Fire Station Agreement, subject to force majeure events; (b) Within the first fifty (50) years after the fire station is placed into service, the City ceases to operate the fire station for a period of more than 12 months, for any reason other than repair or reconstruction, without first obtaining the approval of the Board of Regents; or (3) The City ceases to operate the fire station after 50 years for a period of more than 12 months for any reason other than repair or reconstruction, and the City fails to use the property in a manner that is reasonably beneficial to the UCSD campus without first obtaining the approval of the Regents.

The Fire Station Agreement also prohibits the City from requiring any additional contributions from Regents' for any impacts relating to fire services, and other services typically provided by fire stations and personnel arising from the anticipated future growth of and on the UCSD campus under the Regents' 2018 Long Range Development Plan (2018 LRDP) until the later of December 31, 2035, or substantial completion of the build-out contemplated under the 2018 LRDP, unless (a) Regents amends the 2018 LRDP or engages in a new LRDP planning process; (b) CITY determines, based on a reasonable, evidence-based analysis of the additional development proposed by Regents in comparison to CITY's then-current standard of response coverage review for the SDFD, that such amendment or new LRDP creates the need for additional Fire Services; and (c) CITY determines that Regents' impacts of the amendment or new LRDP, exceed Regents' Contribution in inflation-adjusted dollars.

Terms of the Option Agreement

Scripps (Regents/UCSD) entered into a ground lease with City with an effective lease date of February 23, 1985 for the TPCS property, which is the subject of the Option Agreement, located at 10280 North Torrey Pines Road. The term of the ground Lease is 55 years, expiring on January 31, 2040.

Regents desires to have the right and option to purchase TPCS to assist Regents in providing services and educational facilities required to carry out its mission, pursuant to the University of California's purposes and goals. However, in 2012 the City entered into leases with the Public Facilities Financing Authority, relating to lease revenue bonds issued by the Public Facilities Financing Authority originally set to expire on April 15, 2042. Under the Option Agreement, the City agrees to ensure that Regents can exercise their option to purchase TPCS from October 15, 2042 through October 15, 2044 ("Option Period") subject only to encumbrances approved by Regents. However, Regents desires to purchase TPCS prior to October 15, 2042, if possible. The Option Agreement requires City to provide Regents with notice and the ability to exercise the Option Right earlier, if and only if, City in its sole discretion determines that it no longer desires TPCS for lease revenue bond purposes.

In order to give all parties some certainty, TPCS was appraised by an independent, MAI designated and state-certified appraiser, who determined that the market value of the property was \$35,300,000 as of April 13, 2018. The appraiser then consulted the commercial real estate market, including investors and brokers to arrive at a supported projected annual increase in value through 2042. The appraiser concluded a 2.41% annual increase was supported, and provided a yearly schedule applying that increase from 2019 through 2044. This schedule will determine the price that Regents will pay for

the property based upon the year in which the option is exercised. The price schedule is Exhibit 5 - Purchase Price, to the Option Agreement. This negotiated and agreed upon price schedule was approved by the University of California Board of Regents in May 2018. In addition, City will receive Regents Contribution as consideration for the Option Right itself.

Council Policy 700-10 requires that the minimum sale price be set by an appraisal that is less than six months old. The previous appraisal will be more than six months old at the time this matter is brought to Council. To meet the requirements of 700-10 a current appraisal of the City's existing ownership of the land has been conducted, resulting in an appraised value of \$6,180,000 with an effective date of value of November 1, 2018. This appraisal does not include the building or site improvements, which are not currently owned by the City. This appraisal represents a different interest in the property than the preceding appraisal that was utilized to establish a purchase price for the land and the City's future interest in the building.

Regents will have one hundred twenty (120) days to conduct its due diligence during which time Regents can conduct investigations on TPCS (the Option Property) at its sole costs and expense to determine if it desires to move forward with the purchase of the property. If Regents' due diligence shows that the conditions and assumptions of the appraisal by David F. Davis, MAI, dated April 13, 2018, which was the basis for the agreed upon purchase price are not valid as of the date of exercise, then Regents may request a reduction to the purchase price and City shall present such request to the Council of the City of San Diego. However, City Council shall approve or deny the request in its sole discretion.

Terms of the Third Amendment to Ground Lease

The Third Amendment to the Ground Lease is attached to the Option Agreement as Exhibit 1. The City and Regents wish to amend several provisions of the Ground Lease, specifically provisions relating to the Holdover period, Surrender of Premises, Improvements, and Signs. The Holdover section is being amended to maintain the same rent during the Option Period as was in place at the time that the expiration of the Ground Lease, provided that the Regents remain in possession in a holdover status. The Improvements and Signs sections were amended to add a specific process and time frame for City approvals to be completed within, and the Surrender section was amended to include the holdover period.

City Strategic Plan Goal(s)/Objective(s):

Goal #1: Work in partnership with all communities to achieve safe and livable neighborhoods.

Objective: Improve fire and emergency medical response time.

Goal #2: Provide high quality public service.

Objective: Ensure equipment and technology are in place so that a high quality public service can be achieved.

Fiscal Considerations:

Regents' contribution to the UCSD Fire Station of \$20,556,000 dollars will be deposited in Fund 400871, UCSD Fire Station CONTRIB for CIP S-19003, UCSD Fire Station and ROW Improvements.

The City is responsible for any costs over the contribution of \$20,556,000 and/or staff time over the 20% of project cost limitation as stated in the agreement.

The City is responsible for the cost of \$1,075,000 for furniture, fixtures, and equipment, and the new fire engine, which is anticipated to be paid from CIP Contributions from the General Fund.

The yearly operating cost for the UCSD Fire Station will be approximately \$1,865,000 for personnel and operating expenses.

Regents will have the option to purchase the TPCS during the option period of 2042 through 2044 for the price outlined in the appraisal. The purchase price will be deposited into the City's General Fund.

Environmental Impact:

The City of San Diego, as Lead Agency under CEQA has prepared and completed a Mitigated Negative Declaration Project No. 619013, dated August 31, 2018, and Mitigation, Monitoring and Reporting Program covering this activity.

Equal Opportunity Contracting Information (if applicable):

These Agreements are not subject to the City's Equal Employment Opportunity Outreach Program (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517). However, the anticipated fire station construction contract will be subject to City's Equal Opportunity Contracting Ordinance at a later date.

Previous Council and/or Committee Actions:

This item will be heard at Public Safety and Livable Neighborhoods Committee on December 5, 2018.

Key Stakeholders and Community Outreach Efforts:

Residents who live in the La Jolla community, and students attending the UCSD campus.

Cybele L. Thompson

Director, Real Estate Assets Department

Ronald H. Villa

Acting Assistant Chief Operating Officer



1944

Cost Summary

FY19 - \$65,000.00

The City of San Diego
COMPTROLLER'S CERTIFICATE

CERTIFICATE OF UNALLOTTED BALANCE

ORIGINATING

CC 3000011676

DEPT. NO.: 1613

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount: \$65,000.00

Purpose: To authorize the transfer of appropriations in the amount of \$65,000.00 from CIP S-00788, Fire Station No. 5 - Hillcrest, to CIP S-19003, UCSD Fire Station and ROW Improvements.

Date: November 23, 2018

By: Raymond Iadanza *Raymond Iadanza for Ray Iadanza*
COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA									
Doc. Item	Funded Program	Fund	Grant Number	G/L Account	Functional Area	Business Area	Fund Center or Cost Center	Internal Order or WBS Element	Original Amount
1	S00788	100012	NOT_RELEVANT_GRANT	512117	OTHR-00000000-FI	1912	1912140205	S-00788.07.03	\$65,000.00
TOTAL AMOUNT									\$65,000.00

FUND OVERRIDE ☐

CERTIFICATION OF UNENCUMBERED BALANCE

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the heretofore resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed: _____

Vendor: _____

Purpose: _____

Date: _____

By: _____
COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA									
Doc. Item	Funded Program	Fund	Grant Number	G/L Account	Functional Area	Business Area	Fund Center or Cost Center	Internal Order or WBS Element	Original Amount
1			NOT_RELEVANT_GRANT						
TOTAL AMOUNT									

FUND OVERRIDE ☐

CC 3000011676

FINAL

MITIGATED NEGATIVE DECLARATION

Project No. 619013

SCH No. 2018061017

SUBJECT: NEW FIRE STATION at UCSD. CITY COUNCIL APPROVAL of two agreements being negotiated currently: (1) Fire Station Purchase and Sale Agreement; and (2) the Authorization for the Mayor to execute the Option to Purchase Agreement for the Torrey Pines Center South (TPCS); Acceptance of funds from UCSD for construction of the fire station, associated site improvements, and off-site/right-of-way improvements (ROW) within North Torrey Pines Road, including utility connections/relocations; Approval to add the New Fire Station at UCSD as a Capital Improvement Project (CIP) and create a WBS number; Approval of a consultant contract for the preparation of bridging documents for the Fire Station and associated on-site and off-site/ROW improvements so that the project can be put out to bid; Approval of a design-build construction contract for Fire Station and associated on-site and off-site/ROW improvements within North Torrey Pines Road, including utility connections/relocations to allow for future issuance of Ministerial Construction Permits (Building and ROW permits), and future submittal to the California Coastal Commission for a Coastal Development Permit (CDP) in accordance with the State Coastal Act, respectfully "the Associated Discretionary Actions".

After approval of the above discretionary actions, preparation and review of bridging documents would be processed, finalized and approved through the City's Public Works Department Plan Check review process. A design-build contractor would be hired to implement the plans, obtain ministerial permits, and begin construction activities at the site, including construction staging and implementation of a traffic control plan. The project would require demolition of an existing tennis court, ornamental landscaping and grading to allow for future construction of the fire station (approximately 10,500 square foot, LEED certified building) and associated site improvements (on-site and off-site), such as but not limited to, site lighting, fire alarm systems, new drought tolerant landscaping, hardscape improvements (i.e., walkways, standard and ADA parking, retaining walls, etc.), utility connections/relocations, storm water run-off Best Management Practices (BMPs), roadway improvements to allow for ingress and egress of fire apparatus and privately-owned vehicles, and possible median modifications. Other project features would include emergency generator, flagpole, mailbox, fire hydrant, signage, security fencing, trash enclosures, fueling station, truck wash area, and hose drying area.

This project is being implemented to meet the gap in coverage at the UCSD campus as identified in the San Diego Fire-Rescue Department Standards of Response Cover Review prepared by Citygate Associates, LLC (Citygate) in February 2017.

The proposed project site is located on the east side of North Torrey Pines Road, south of Genesee Avenue and contiguous with the University of California, San Diego (UCSD) in the University Community Planning Area, in the northwest region of the City of San Diego.

Applicant: City of San Diego, Real Estate Assets Department on behalf of the Fire-Rescue Department

- I. PROJECT DESCRIPTION: See attached Initial Study.
- II. ENVIRONMENTAL SETTING: See attached Initial Study.
- III. DETERMINATION:

The City of San Diego conducted an Initial Study which determined that the proposed projects could have a significant environmental effect in the following areas(s): **Historical Resources (Archaeological and Tribal Cultural Resources) and Paleontological Resources**. The project proposal requires the implementation of specific mitigation identified in Section V of this Mitigated Negative Declaration (MND).

The project as presented avoids or mitigates the potentially significant environmental effects identified, and the preparation of an Environmental Impact Report (EIR) would not be required.

- IV. DOCUMENTATION:

The attached Initial Study documents the reasons to support the above Determination.

- V. MITIGATION, MONITORING AND REPORTING PROGRAM:

A. GENERAL REQUIREMENTS – PART I

Plan Check Phase (prior to permit issuance)

- 1. Prior to the issuance Bid Opening/Bid Award 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 have been incorporated.
- 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."
- 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/information/standtemp.shtml>

- 4. The TITLE INDEX SHEET must also show on which pages the "Environmental/Mitigation Requirements" notes are provided.

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:

Archaeological Consultant/Monitor
Native American Kumeyaay Consultant/Monitor
Paleontological Consultant/Monitor

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, it is also required to call RE and MMC at 858-627-3360
2. **MMRP COMPLIANCE:** This Project, Project Tracking System (PTS) 619013, shall conform to the mitigation requirements contained in the associated Environmental Document and implemented to the satisfaction of the DSD's ED, 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.)
- 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 that any other agency requirements or permits have been obtained or are in process 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 for this project.*
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.
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 the Preconstruction Meeting
Archaeology	Archaeology Reports	Archaeology Site Observation
Tribal Cultural Resources	Included in Archaeology Reports	Tribal Monitoring Site Observation
Paleontology	Paleontological Reports	Paleontology Site Observation
Final MMRP		Final MMRP Inspection

C. SPECIFIC MMRP ISSUA AREA CONDITIONS/REQUIREMENTS

Historical Resources (Archaeology and Tribal Cultural Resources)

I. Prior to Permit Issuance or Bid Opening/Bid Award

A. Entitlements Plan Check

1. Prior to permit issuance or Bid Opening/Bid Award, whichever is applicable, the applicable department Environmental Designee shall verify that the requirements for Archaeological Monitoring and Native American monitoring have been noted on the applicable construction documents through the City plan check process.

B. Letters of Qualification have been submitted to Environmental Designee

1. Prior to Bid Award, the applicant shall submit a letter of verification to Mitigation Monitoring Coordination (MMC) identifying the Principal Investigator (PI) for the project and the names of all persons involved in the archaeological monitoring program, as defined in the City of San Diego Historical Resources Guidelines (HRG). If applicable, individuals involved in the archaeological monitoring program must have completed the 40-hour HAZWOPER training with certification documentation.
2. MMC will provide a letter to the applicant confirming the qualifications of the PI and all persons involved in the archaeological monitoring of the project meet the qualifications established in the HRG.
3. Prior to the start of work, the applicant must obtain written approval from MMC for any personnel changes associated with the monitoring program.

II. Prior to Start of Construction

A. Verification of Records Search

1. The PI shall provide verification to MMC that a site-specific records search (1/4 Mile radius) has been completed. Verification includes, but is not limited to a copy of a confirmation letter from South Coastal Information Center, or, if the search was in-house, a letter of verification from the PI stating that the search was completed.
2. The letter shall introduce any pertinent information concerning expectations and probabilities of discovery during trenching and/or grading activities.

3. The PI may submit a detailed letter to MMC requesting a reduction to the ¼ mile radius.
- B. PI Shall Attend Precon Meetings
 1. Prior to beginning any work that requires monitoring; the Applicant shall arrange a Precon Meeting that shall include the PI, Native American consultant/monitor (where Native American resources may be impacted), Construction Manager (CM) and/or Grading Contractor, Resident Engineer (RE), Building Inspector (BI), if appropriate, and MMC. The qualified Archaeologist and Native American Monitor shall attend any grading/excavation related Precon Meetings to make comments and/or suggestions concerning the Archaeological Monitoring program with the Construction Manager and/or Grading Contractor.
 - a. If the PI is unable to attend the Precon Meeting, the Applicant shall schedule a focused Precon Meeting with MMC, the PI, RE, CM or BI, if appropriate, prior to the start of any work that requires monitoring.
 2. Acknowledgement of Responsibility for Curation (CIP or Other Public Projects)
The applicant shall submit a letter to MMC acknowledging their responsibility for the cost of curation associated with all phases of the archaeological monitoring program.
 3. Identify Areas to be Monitored
 - a. Prior to the start of any work that requires monitoring, the PI shall submit an Archaeological Monitoring Exhibit (AME) (with verification that the AME has been reviewed and approved by the Native American consultant/monitor when Native American resources may be impacted) based on the appropriate construction documents (reduced to 11x17) to MMC identifying the areas to be monitored including the delineation of grading/excavation limits.
 - b. The AME shall be based on the results of a site-specific records search as well as information regarding the age of existing pipelines, laterals and associated appurtenances and/or any known soil conditions (native or formation).
 - c. MMC shall notify the PI that the AME has been approved.
 4. When Monitoring Will Occur
 - a. Prior to the start of any work, the PI shall also submit a construction schedule to MMC through the RE indicating when and where monitoring will occur.
 - b. The PI may submit a detailed letter to MMC prior to the start of work or during construction requesting a modification to the monitoring program. This request shall be based on relevant information such as review of final construction documents which indicate conditions such as age of existing pipe to be replaced, depth of excavation and/or site graded to bedrock, etc., which may reduce or increase the potential for resources to be present.
 5. Approval of AME and Construction Schedule
After approval of the AME by MMC, the PI shall submit to MMC written authorization of the AME and Construction Schedule from the CM.

III. During Construction

- A. Monitor Shall be Present During Grading/Excavation/Trenching
 1. The Archaeological Monitor shall be present full-time during all soil disturbing and grading/excavation/trenching activities which could result in impacts to archaeological resources as identified on the AME. The Construction Manager is responsible for notifying the RE, PI, and MMC of changes to any construction activities such as in the case of a potential safety concern within the area being monitored. In certain circumstances OSHA safety requirements may necessitate modification of the AME.
 2. The Native American consultant/monitor shall determine the extent of their presence during soil disturbing and grading/excavation/trenching activities based on the AME and provide that information to the PI and MMC. If prehistoric

resources are encountered during the Native American consultant/monitor's absence, work shall stop and the Discovery Notification Process detailed in Section III.B-C and IV.A-D shall commence.

3. The PI may submit a detailed letter to MMC during construction requesting a modification to the monitoring program when a field condition such as modern disturbance post-dating the previous grading/trenching activities, presence of fossil formations, or when native soils are encountered that may reduce or increase the potential for resources to be present.
 4. The archaeological and Native American consultant/monitor shall document field activity via the Consultant Site Visit Record (CSVR). The CSVR's shall be faxed by the CM to the RE the first day of monitoring, the last day of monitoring, monthly (Notification of Monitoring Completion), and in the case of ANY discoveries. The RE shall forward copies to MMC.
- B. Discovery Notification Process
1. In the event of a discovery, the Archaeological Monitor shall direct the contractor to temporarily divert all soil disturbing activities, including but not limited to digging, trenching, excavating or grading activities in the area of discovery and in the area reasonably suspected to overlay adjacent resources and immediately notify the RE or BI, as appropriate.
 2. The Monitor shall immediately notify the PI (unless Monitor is the PI) of the discovery.
 3. The PI shall immediately notify MMC by phone of the discovery, and shall also submit written documentation to MMC within 24 hours by fax or email with photos of the resource in context, if possible.
 4. No soil shall be exported off-site until a determination can be made regarding the significance of the resource specifically if Native American resources are encountered.
- C. Determination of Significance
1. The PI and Native American consultant/monitor, where Native American resources are discovered shall evaluate the significance of the resource. If Human Remains are involved, follow protocol in Section IV below.
 - a. The PI shall immediately notify MMC by phone to discuss significance determination and shall also submit a letter to MMC indicating whether additional mitigation is required.
 - b. If the resource is significant, the PI shall submit an Archaeological Data Recovery Program (ADRP) and obtain written approval of the program from MMC, CM and RE. ADRP and any mitigation must be approved by MMC, RE and/or CM before ground disturbing activities in the area of discovery will be allowed to resume. Note: If a unique archaeological site is also an historical resource as defined in CEQA Section 15064.5, then the limits on the amount(s) that a project applicant may be required to pay to cover mitigation costs as indicated in CEQA Section 21083.2 shall not apply.
 - (1). Note: For pipeline trenching and other linear projects in the public Right-of-Way, the PI shall implement the Discovery Process for Pipeline Trenching projects identified below under "D."
 - c. If the resource is not significant, the PI shall submit a letter to MMC indicating that artifacts will be collected, curated, and documented in the Final Monitoring Report. The letter shall also indicate that that no further work is required.
 - (1). Note: For Pipeline Trenching and other linear projects in the public Right-of-Way, if the deposit is limited in size, both in length and depth; the information value is limited and is not associated with any other resource; and there are no unique features/artifacts associated with the deposit, the discovery should be considered not significant.

- (2). Note, for Pipeline Trenching and other linear projects in the public Right-of-Way, if significance cannot be determined, the Final Monitoring Report and Site Record (DPR Form 523A/B) shall identify the discovery as Potentially Significant.

D. Discovery Process for Significant Resources - Pipeline Trenching and other Linear Projects in the Public Right-of-Way

The following procedure constitutes adequate mitigation of a significant discovery encountered during pipeline trenching activities or for other linear project types within the Public Right-of-Way including but not limited to excavation for jacking pits, receiving pits, laterals, and manholes to reduce impacts to below a level of significance:

1. Procedures for documentation, curation and reporting
 - a. One hundred percent of the artifacts within the trench alignment and width shall be documented in-situ, to include photographic records, plan view of the trench and profiles of side walls, recovered, photographed after cleaning and analyzed and curated. The remainder of the deposit within the limits of excavation (trench walls) shall be left intact.
 - b. The PI shall prepare a Draft Monitoring Report and submit to MMC via the RE as indicated in Section VI-A.
 - c. The PI shall be responsible for recording (on the appropriate State of California Department of Park and Recreation forms-DPR 523 A/B) the resource(s) encountered during the Archaeological Monitoring Program in accordance with the City's Historical Resources Guidelines. The DPR forms shall be submitted to the South Coastal Information Center for either a Primary Record or SDI Number and included in the Final Monitoring Report.
 - d. The Final Monitoring Report shall include a recommendation for monitoring of any future work in the vicinity of the resource.

IV. Discovery of Human Remains

If human remains are discovered, work shall halt in that area and no soil shall be exported off-site until a determination can be made regarding the provenance of the human remains; and the following procedures as set forth in CEQA Section 15064.5(e), the California Public Resources Code (Sec. 5097.98) and State Health and Safety Code (Sec. 7050.5) shall be undertaken:

A. Notification

1. Archaeological Monitor shall notify the RE or BI as appropriate, MMC, and the PI, if the Monitor is not qualified as a PI. MMC will notify the appropriate Senior Planner in the Environmental Analysis Section (EAS) of the Development Services Department to assist with the discovery notification process.
2. The PI shall notify the Medical Examiner after consultation with the RE, either in person or via telephone.

B. Isolate discovery site

1. Work shall be directed away from the location of the discovery and any nearby area reasonably suspected to overlay adjacent human remains until a determination can be made by the Medical Examiner in consultation with the PI concerning the provenience of the remains.
2. The Medical Examiner, in consultation with the PI, will determine the need for a field examination to determine the provenience.
3. If a field examination is not warranted, the Medical Examiner will determine with input from the PI, if the remains are or are most likely to be of Native American origin.

C. If Human Remains ARE determined to be Native American

1. The Medical Examiner will notify the Native American Heritage Commission (NAHC) within 24 hours. By law, ONLY the Medical Examiner can make this call.

2. NAHC will immediately identify the person or persons determined to be the Most Likely Descendent (MLD) and provide contact information.
3. The MLD will contact the PI within 24 hours or sooner after the Medical Examiner has completed coordination, to begin the consultation process in accordance with CEQA Section 15064.5(e), the California Public Resources and Health & Safety Codes.
4. The MLD will have 48 hours to make recommendations to the property owner or representative, for the treatment or disposition with proper dignity, of the human remains and associated grave goods.
5. Disposition of Native American Human Remains will be determined between the MLD and the PI, and, if:
 - a. The NAHC is unable to identify the MLD, OR the MLD failed to make a recommendation within 48 hours after being notified by the Commission, OR;
 - b. The landowner or authorized representative rejects the recommendation of the MLD and mediation in accordance with PRC 5097.94 (k) by the NAHC fails to provide measures acceptable to the landowner, THEN
 - c. To protect these sites, the landowner shall do one or more of the following:
 - (1) Record the site with the NAHC;
 - (2) Record an open space or conservation easement; or
 - (3) Record a document with the County.
 - d. Upon the discovery of multiple Native American human remains during a ground disturbing land development activity, the landowner may agree that additional conferral with descendants is necessary to consider culturally appropriate treatment of multiple Native American human remains. Culturally appropriate treatment of such a discovery may be ascertained from review of the site utilizing cultural and archaeological standards. Where the parties are unable to agree on the appropriate treatment measures the human remains and buried with Native American human remains shall be reinterred with appropriate dignity, pursuant to Section 5.c., above.
- D. If Human Remains are NOT Native American
 1. The PI shall contact the Medical Examiner and notify them of the historic era context of the burial.
 2. The Medical Examiner will determine the appropriate course of action with the PI and City staff (PRC 5097.98).
 3. If the remains are of historic origin, they shall be appropriately removed and conveyed to the San Diego Museum of Man for analysis. The decision for internment of the human remains shall be made in consultation with MMC, EAS, the applicant/landowner, any known descendant group, and the San Diego Museum of Man.

V. Night and/or Weekend Work

- A. If night and/or weekend work is included in the contract
 1. When night and/or weekend work is included in the contract package, the extent and timing shall be presented and discussed at the precon meeting.
 2. The following procedures shall be followed.
 - a. No Discoveries
In the event that no discoveries were encountered during night and/or weekend work, the PI shall record the information on the CSV and submit to MMC via fax by 8AM of the next business day.
 - b. Discoveries
All discoveries shall be processed and documented using the existing procedures detailed in Sections III - During Construction, and IV - Discovery of Human Remains. Discovery of human remains shall always be treated as a significant discovery.

- c. Potentially Significant Discoveries
If the PI determines that a potentially significant discovery has been made, the procedures detailed under Section III - During Construction and IV-Discovery of Human Remains shall be followed.
- d. The PI shall immediately contact the RE and MMC, or by 8AM of the next business day to report and discuss the findings as indicated in Section III-B, unless other specific arrangements have been made.
- B. If night and/or weekend work becomes necessary during the course of construction
 - 1. The Construction Manager shall notify the RE, or BI, as appropriate, a minimum of 24 hours before the work is to begin.
 - 2. The RE, or BI, as appropriate, shall notify MMC immediately.
- C. All other procedures described above shall apply, as appropriate.

VI. Post Construction

A. Submittal of Draft Monitoring Report

- 1. The PI shall submit two copies of the Draft Monitoring Report (even if negative), prepared in accordance with the Historical Resources Guidelines (Appendix C/D) which describes the results, analysis, and conclusions of all phases of the Archaeological Monitoring Program (with appropriate graphics) to MMC via the RE for review and approval within 90 days following the completion of monitoring. It should be noted that if the PI is unable to submit the Draft Monitoring Report within the allotted 90-day timeframe as a result of delays with analysis, special study results or other complex issues, a schedule shall be submitted to MMC establishing agreed due dates and the provision for submittal of monthly status reports until this measure can be met.
 - a. For significant archaeological resources encountered during monitoring, the Archaeological Data Recovery Program or Pipeline Trenching Discovery Process shall be included in the Draft Monitoring Report.
 - b. Recording Sites with State of California Department of Parks and Recreation
The PI shall be responsible for recording (on the appropriate State of California Department of Park and Recreation forms-DPR 523 A/B) any significant or potentially significant resources encountered during the Archaeological Monitoring Program in accordance with the City's Historical Resources Guidelines, and submittal of such forms to the South Coastal Information Center with the Final Monitoring Report.
- 2. MMC shall return the Draft Monitoring Report to the PI via the RE for revision or, for preparation of the Final Report.
- 3. The PI shall submit revised Draft Monitoring Report to MMC via the RE for approval.
- 4. MMC shall provide written verification to the PI of the approved report.
- 5. MMC shall notify the RE or BI, as appropriate, of receipt of all Draft Monitoring Report submittals and approvals.

B. Handling of Artifacts

- 1. The PI shall be responsible for ensuring that all cultural remains collected are cleaned and catalogued
- 2. The PI shall be responsible for ensuring that all artifacts are analyzed to identify function and chronology as they relate to the history of the area; that faunal material is identified as to species; and that specialty studies are completed, as appropriate.

C. Curation of artifacts: Accession Agreement and Acceptance Verification

- 1. The PI shall be responsible for ensuring that all artifacts associated with the survey, testing and/or data recovery for this project are permanently curated with an appropriate institution. This shall be completed in consultation with MMC and the Native American representative, as applicable.

2. When applicable to the situation, the PI shall include written verification from the Native American consultant/monitor indicating that Native American resources were treated in accordance with state law and/or applicable agreements. If the resources were reinterred, verification shall be provided to show what protective measures were taken to ensure no further disturbance occurs in accordance with Section IV – Discovery of Human Remains, Subsection C.
 3. The PI shall submit the Accession Agreement and catalogue record(s) to the RE or BI, as appropriate for donor signature with a copy submitted to MMC.
 4. The RE or BI, as appropriate shall obtain signature on the Accession Agreement and shall return to PI with copy submitted to MMC.
 5. The PI shall include the Acceptance Verification from the curation institution in the Final Monitoring Report submitted to the RE or BI and MMC.
- D. Final Monitoring Report(s)
1. The PI shall submit one copy of the approved Final Monitoring Report to the RE or BI as appropriate, and one copy to MMC (even if negative), within 90 days after notification from MMC of the approved report.
 2. The RE shall, in no case, issue the Notice of Completion until receiving a copy of the approved Final Monitoring Report from MMC which includes the Acceptance Verification from the curation institution.

Paleontological Resources

I. Prior to Permit Issuance or Bid Opening/Bid Award

A. Entitlements Plan Check

1. Prior to permit issuance or Bid Opening/Bid Award, whichever is applicable, the Environmental Designee shall verify that the requirements for Paleontological Monitoring have been noted on the appropriate construction documents.

B. Letters of Qualification have been submitted to ADD

1. Prior to Bid Award, the applicant shall submit a letter of verification to Mitigation Monitoring Coordination (MMC) identifying the Principal Investigator (PI) for the project and the names of all persons involved in the paleontological monitoring program, as defined in the City of San Diego Paleontology Guidelines.
2. MMC will provide a letter to the applicant confirming the qualifications of the PI and all persons involved in the paleontological monitoring of the project.
3. Prior to the start of work, the applicant shall obtain approval from MMC for any personnel changes associated with the monitoring program.

II. Prior to Start of Construction

A. Verification of Records Search

1. The PI shall provide verification to MMC that a site-specific records search has been completed. Verification includes, but is not limited to a copy of a confirmation letter from San Diego Natural History Museum, other institution or, if the search was in-house, a letter of verification from the PI stating that the search was completed.
2. The letter shall introduce any pertinent information concerning expectations and probabilities of discovery during trenching and/or grading activities.

B. PI Shall Attend Precon Meetings

1. Prior to beginning any work that requires monitoring, the Applicant shall arrange a Precon Meeting that shall include the PI, Construction Manager (CM) and/or Grading Contractor, Resident Engineer (RE), Building Inspector (BI), if appropriate, and MMC. The qualified paleontologist shall attend any grading/excavation related Precon Meetings to make comments and/or suggestions

concerning the Paleontological Monitoring program with the Construction Manager and/or Grading Contractor.

- a. If the PI is unable to attend the Precon Meeting, the Applicant shall schedule a focused Precon Meeting with MMC, the PI, RE, CM or BI, if appropriate, prior to the start of any work that requires monitoring.
2. Acknowledgement of Responsibility for Curation (CIP or Other Public Projects)
The applicant shall submit a letter to MMC acknowledging their responsibility for the cost of curation associated with all phases of the paleontological monitoring program.
3. Identify Areas to be Monitored
 - a. Prior to the start of any work that requires monitoring, the PI shall submit a Paleontological Monitoring Exhibit (PME) based on the appropriate construction documents (reduced to 11x17) to MMC for approval identifying the areas to be monitored including the delineation of grading/excavation limits. Monitoring shall begin at depths below 10 feet from existing grade or as determined by the PI in consultation with MMC. The determination shall be based on site specific records search data which supports monitoring at depths less than ten feet.
 - b. The PME shall be based on the results of a site-specific records search as well as information regarding existing known soil conditions (native or formation).
 - c. MMC shall notify the PI that the PME has been approved.
4. When Monitoring Will Occur
 - a. Prior to the start of any work, the PI shall also submit a construction schedule to MMC through the RE indicating when and where monitoring will occur.
 - b. The PI may submit a detailed letter to MMC prior to the start of work or during construction requesting a modification to the monitoring program. This request shall be based on relevant information such as review of final construction documents which indicate conditions such as depth of excavation and/or site graded to bedrock, presence or absence of fossil resources, etc., which may reduce or increase the potential for resources to be present.
5. Approval of PME and Construction Schedule
After approval of the PME by MMC, the PI shall submit to MMC written authorization of the PME and Construction Schedule from the CM.

III. During Construction

A. Monitor Shall be Present During Grading/Excavation/Trenching

1. The monitor shall be present full-time during grading/excavation/trenching activities including, but not limited to mainline, laterals, jacking and receiving pits, services and all other appurtenances associated with underground utilities as identified on the PME that could result in impacts to formations with high and/or moderate resource sensitivity. **The Construction Manager is responsible for notifying the RE, PI, and MMC of changes to any construction activities such as in the case of a potential safety concern within the area being monitored. In certain circumstances OSHA safety requirements may necessitate modification of the PME.**
2. The PI may submit a detailed letter to MMC during construction requesting a modification to the monitoring program when a field condition such as trenching activities that do not encounter formational soils as previously assumed, and/or when unique/unusual fossils are encountered, which may reduce or increase the potential for resources to be present.
3. The monitor shall document field activity via the Consultant Site Visit Record (CSVR). The CSVR's shall be faxed by the CM to the RE the first day of monitoring, the last day of monitoring, monthly (**Notification of Monitoring Completion**), and in the case of ANY discoveries. The RE shall forward copies to MMC.

B. Discovery Notification Process

1. In the event of a discovery, the Paleontological Monitor shall direct the contractor to temporarily divert trenching activities in the area of discovery and immediately notify the RE or BI, as appropriate.
2. The Monitor shall immediately notify the PI (unless Monitor is the PI) of the discovery.
3. The PI shall immediately notify MMC by phone of the discovery, and shall also submit written documentation to MMC within 24 hours by fax or email with photos of the resource in context, if possible.

C. Determination of Significance

1. The PI shall evaluate the significance of the resource.
 - a. The PI shall immediately notify MMC by phone to discuss significance determination and shall also submit a letter to MMC indicating whether additional mitigation is required. The determination of significance for fossil discoveries shall be at the discretion of the PI.
 - b. If the resource is significant, the PI shall submit a Paleontological Recovery Program (PRP) and obtain written approval of the program from MMC, MC and/or RE. PRP and any mitigation must be approved by MMC, RE and/or CM before ground disturbing activities in the area of discovery will be allowed to resume.
 - (1). Note: For pipeline trenching projects only, the PI shall implement the Discovery Process for Pipeline Trenching projects identified below under "D."
 - c. If resource is not significant (e.g., small pieces of broken common shell fragments or other scattered common fossils) the PI shall notify the RE, or BI as appropriate, that a non-significant discovery has been made. The Paleontologist shall continue to monitor the area without notification to MMC unless a significant resource is encountered.
 - d. The PI shall submit a letter to MMC indicating that fossil resources will be collected, curated, and documented in the Final Monitoring Report. The letter shall also indicate that no further work is required.
 - (1). Note: For Pipeline Trenching Projects Only. If the fossil discovery is limited in size, both in length and depth; the information value is limited and there are no unique fossil features associated with the discovery area, then the discovery should be considered not significant.
 - (2). Note, for Pipeline Trenching Projects Only: If significance can not be determined, the Final Monitoring Report and Site Record shall identify the discovery as Potentially Significant.

D. Discovery Process for Significant Resources - Pipeline Trenching Projects

The following procedure constitutes adequate mitigation of a significant discovery encountered during pipeline trenching activities including but not limited to excavation for jacking pits, receiving pits, laterals, and manholes to reduce impacts to below a level of significance.

1. Procedures for documentation, curation and reporting
 - a. One hundred percent of the fossil resources within the trench alignment and width shall be documented in-situ, photographically drawn in plan view (trench and profiles of side walls), recovered from the trench and photographed after cleaning, then analyzed and curated consistent with Society of Invertebrate Paleontology Standards. The remainder of the deposit within the limits of excavation (trench walls) shall be left intact and so documented.
 - b. The PI shall prepare a Draft Monitoring Report and submit to MMC via the RE as indicated in Section VI-A.
 - c. The PI shall be responsible for recording (on the appropriate forms for the San Diego Natural History Museum) the resource(s) encountered during the

Paleontological Monitoring Program in accordance with the City's Paleontological Guidelines. The forms shall be submitted to the San Diego Natural History Museum and included in the Final Monitoring Report.

- d. The Final Monitoring Report shall include a recommendation for monitoring of any future work in the vicinity of the resource.

IV. Night and/or Weekend Work

- A. If night and/or weekend work is included in the contract
 1. When night and/or weekend work is included in the contract package, the extent and timing shall be presented and discussed at the precon meeting.
 2. The following procedures shall be followed.
 - a. No Discoveries
In the event that no discoveries were encountered during night and/or weekend work, The PI shall record the information on the CSV and submit to MMC via the RE via fax by 8AM on the next business day.
 - b. Discoveries
All discoveries shall be processed and documented using the existing procedures detailed in Sections III - During Construction.
 - c. Potentially Significant Discoveries
If the PI determines that a potentially significant discovery has been made, the procedures detailed under Section III - During Construction shall be followed.
 - d. The PI shall immediately contact the RE and MMC, or by 8AM on the next business day to report and discuss the findings as indicated in Section III-B, unless other specific arrangements have been made.
- B. If night and/or weekend work becomes necessary during the course of construction
 1. The Construction Manager shall notify the RE, or BI, as appropriate, a minimum of 24 hours before the work is to begin.
 2. The RE, or BI, as appropriate, shall notify MMC immediately.
- C. All other procedures described above shall apply, as appropriate.

V. Post Construction

- A. Preparation and Submittal of Draft Monitoring Report
 1. The PI shall submit two copies of the Draft Monitoring Report (even if negative), prepared in accordance with the Paleontological Guidelines which describes the results, analysis, and conclusions of all phases of the Paleontological Monitoring Program (with appropriate graphics) to MMC via the RE for review and approval within 90 days following the completion of monitoring,
 - a. For significant paleontological resources encountered during monitoring, the Paleontological Recovery Program or Pipeline Trenching Discovery Process shall be included in the Draft Monitoring Report.
 - b. Recording Sites with the San Diego Natural History Museum
The PI shall be responsible for recording (on the appropriate forms) any significant or potentially significant fossil resources encountered during the Paleontological Monitoring Program in accordance with the City's Paleontological Guidelines, and submittal of such forms to the San Diego Natural History Museum with the Final Monitoring Report.
 2. MMC shall return the Draft Monitoring Report to the PI via the RE for revision or, for preparation of the Final Report.
 3. The PI shall submit revised Draft Monitoring Report to MMC via the RE for approval.
 4. MMC shall provide written verification to the PI of the approved report.
 5. MMC shall notify the RE or BI, as appropriate, of receipt of all Draft Monitoring Report submittals and approvals.
- B. Handling of Fossil Remains

1. The PI shall be responsible for ensuring that all fossil remains collected are cleaned and catalogued.
- C. Curation of artifacts: Deed of Gift and Acceptance Verification
 1. The PI shall be responsible for ensuring that all fossil remains associated with the monitoring for this project are permanently curated with an appropriate institution.
 2. The PI shall submit the Deed of Gift and catalogue record(s) to the RE or BI, as appropriate for donor signature with a copy submitted to MMC.
 3. The RE or BI, as appropriate shall obtain signature on the Deed of Gift and shall return to PI with copy submitted to MMC.
 4. The PI shall include the Acceptance Verification from the curation institution in the Final Monitoring Report submitted to the RE or BI and MMC.
- D. Final Monitoring Report(s)
 1. The PI shall submit two copies of the Final Monitoring Report to MMC (even if negative), within 90 days after notification from MMC of the approved report.
 2. The RE shall, in no case, issue the Notice of Completion until receiving a copy of the approved Final Monitoring Report from MMC which includes the Acceptance Verification from the curation institution.

VI. PUBLIC REVIEW DISTRIBUTION:

Draft copies or notice of this Mitigated Negative Declaration were distributed to:

United States Government

MCAS Miramar (13/24)
Fish & Wildlife Service (23)
Army Corps of Engineers (26)

State of California

CALTRANS District 11 (31)
Department of Fish & Wildlife (32)
Cal EPA (37A)
Department of Toxic Substances Control (39)
California State Parks - Southern Service Center (40A)
Natural Resources Agency (43)
Regional Water Quality Control Board, Region 9 (44)
State Clearinghouse (46A)
Coastal Commission (47)
California Department of Transportation - Division of Aeronautics (51A)
Native American Heritage Commission (56)

County of San Diego

Air Pollution Control District (65)
Planning & Development Services (68)
Department of Environmental Health (75)

City of San Diego:

Mayor's Office
Councilmember Barbara Bry - Council District 1
Office of the City Attorney
Real Estate Assets Department (Applicant)
Fire-Rescue Department (Applicant)
Planning Department
Public Works Department

Development Services Department
Transportation & Storm Water Department
Environmental Services Department
Library Dept.-Gov. Documents (81)
University City Branch Library (81JJ)
North University City Branch Library (81JJJ)
La Jolla/Riford Branch Library (81L)

Other Groups and Individuals

Honorable Scott Peters, U.S. House of Representatives, District 52
Honorable Toni Atkins, California State Senate, 39th State District
Honorable Todd Gloria, California State Assembly, 78th State District
Honorable Kristen Gaspar, San Diego County Board of Supervisors, District 3
Honorable Ron Roberts, San Diego County Board of Supervisors, District 4
University City Community Planning Group (480)
University City Community Association (486)
UCSD Physical & Community Planning (482)
Chamber of Commerce (492)
La Jolla Shores Association (472)
La Jolla Town Council (273)
La Jolla Community Planning Association (275)
SANDAG (108)
San Diego County Regional Airport Authority (110)
San Diego Gas and Electric (114)
Metropolitan Transit System (112)
San Diego Unified School District (125)
UCSD Library (134)
La Jolla Light (142)
Jewish Community Center
La Jolla Country Day school
La Jolla Village Community Council
Veterans Affairs Medical Center
Scripps Memorial Hospital
Carmen Lucas (206)
South Coastal Information Center (210)
San Diego Archaeological Center (212)
San Diego Natural History Museum (213)
San Diego History Center (211)
Save our Heritage Organisation (214)
Ron Christman (215)
Clint Linton (215b)
Frank Brown (216)
Campo Band of Mission Indians (217)
San Diego County Archaeological Society (218)
Kumeyaay Cultural Heritage Preservation (223)
Kumeyaay Cultural Repatriation Society (225)
Native American Distribution (225 A-S)
Barona Group of Capitan Grande Band of Mission Indians (225A)
Campo Band of Mission Indians (225B)
Ewiiapaayp Band of Mission Indians (225C)
Inaja Band of Mission Indians (225D)
Jamul Indian Village (225E)
La Posta Band of Mission Indians (225F)
Manzanita Band of Mission Indians (225G)

Sycuan Band of Mission Indians (225H)
Viejas Group of Capitan Grande Band of Mission Indians (225I)
Mesa Grande Band of Mission Indians (225J)
San Pasqual Band of Mission Indians (225K)
Ipai Nation of Santa Ysabel (225L)
La Jolla Band of Mission Indians (225M)
Pala Band of Mission Indians (225N)
Pauma Band of Mission Indians (225O)
Pechanga Band of Mission Indians (225P)
Rincon Band of Luiseno Indians (225Q)
San Luis Rey Band of Luiseno Indians (225R)
Los Coyotes Band of Mission Indians (225S)

VII. RESULTS OF PUBLIC REVIEW:

- () No comments were received during the public input period.
- () Comments were received but did not address the draft Mitigated Negative Declaration finding or the accuracy/completeness of the Initial Study. No response is necessary. The letters are attached.
- (X) Comments addressing the findings of the draft Mitigated Negative Declaration and/or accuracy or completeness of the Initial Study were received during the public input period. The letters and responses follow.

Copies of the draft Mitigated Negative Declaration, the Mitigation, Monitoring and Reporting Program and any Initial Study material are available in the office of the Planning Department for review, or for purchase at the cost of reproduction.



Myra Herrmann, Senior Planner
Planning Department

June 7, 2018
Date of Draft Report

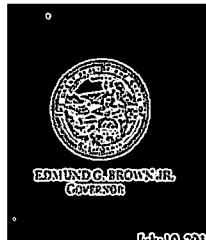
August 31, 2018
Date of Final Report

Attachments:

Figure 1 – Location Map
Figure 2 – Project Location Aerial
Initial Study Checklist

LETTER

RESPONSE



July 10, 2018

STATE OF CALIFORNIA
GOVERNOR'S OFFICE of PLANNING AND RESEARCH



Myra Hermann
City of San Diego
9485 Acero Dr
San Diego, CA 92123

Subject: New Fire Station at UCSD
SCH#: 2018061017

Dear Myra Hermann:

A-1

The State Clearinghouse submitted the above named Mitigated Negative Declaration to selected state agencies for review. The review period closed on July 9, 2018, and no state agencies submitted comments by that date. This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act.

Please call the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Sincerely,

Scott Morgan
Director, State Clearinghouse

STATE CLEARINGHOUSE (JULY 10, 2018)

A-1 Comment Noted.

**Document Details Report
State Clearinghouse Data Base**

SCH# 2018061017
Project Title New Fire Station at UCSD
Lead Agency San Diego, City of

Type MHD Mitigated Negative Declaration
Description City Council approval of two agreements being negotiated currently: 1) fire station purchase and sale agreement; and 2) the authorization for the Mayor to execute the option to purchase agreement for the Torrey Pines Center South; acceptance of funds from UCSD for construction of the fire station, associated site improvements, and off-site/ROW improvements within North Torrey Pines Rd, including utility connections/relocations; approval to add the new fire station at UCSD as a capital improvement project and create a VBS number; approval of a consultant contract for the preparation of bridging documents for the fire station and associated on-site and off-site/ROW improvements so that the project can be put out to bid; approval of a design-build construction contract for fire station and associated on-site and off-site/ROW improvements within North Torrey Pines Rd, including utility connections/relocations to allow for future issuance of Ministerial Construction permits, and future submittal to the Coastal Commission for a coastal development permit in accordance with the State Coastal Act, respectfully the Associated Discretionary Actions.

Lead Agency Contact

Name Myra Hermann
Agency City of San Diego
Phone (619) 445-5372
email
Address 9485 Aero Dr
City San Diego
State CA **Zip** 92123

Project Location

County San Diego
City San Diego, La Jolla
Region
Lat / Long 32° 53' 28" N / 117° 15' 05" W
Cross Streets Torrey Pines Scenic Dr
Parcel No.
Township 15S **Range** 4W **Section** 25 **Base** SB, Del

Proximity to:

Highways I-5
Airports
Railways Alchison Topoka & Santa Fe
Waterways Pacific Ocean (west)
Schools UCSD
Land Use PFI Institutional/RS-1-14 within the coastal overlay zone

Project Issues Aesthetic/Visual; Air Quality; Archeologic-Historic; Coastal Zone; Drainage/Absorption; Geologic/Seismic; Soil Erosion/Compaction/Grading; Toxic/Hazardous; Traffic/Circulation; Water Quality; Landuse; Cumulative Effects

Reviewing Agencies Resources Agency; California Coastal Commission; Department of Fish and Wildlife, Region 5; Cal Fire; Department of Parks and Recreation; Department of Water Resources; California Highway Patrol; Caltrans, District 11; Regional Water Quality Control Board, Region 9; Department of Toxic Substances Control; Native American Heritage Commission; Public Utilities Commission; State Lands Commission; San Diego River Conservancy

Date Received 08/08/2018 **Start of Review** 06/05/2018 **End of Review** 07/09/2018

Note: Blanks in data fields result from insufficient information provided by lead agency

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LETTER

RESPONSE



San Diego County Archaeological Society, Inc.

Environmental Review Committee

17 June 2018

To:

Ms. Myra Hermann
Planning Department
City of San Diego
Suite 1200, East Tower, MS413
1010 Second Avenue
San Diego, California 92101

Subject: Draft Mitigated Negative Declaration
New Fire Station at UCSD

Dear Ms. Hermann:

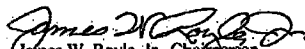
I have reviewed the subject DMND on behalf of this committee of the San Diego County Archaeological Society.

B-1

Based on the information contained in the DMND and the cultural resources report prepared by Helix Environmental, we agree with the impact analysis and conclusion that no mitigation measures are required. We note that the City is requiring its standard archaeological and Native American monitoring program.

SDCAS appreciates participating in the environmental review process for this project.

Sincerely,


James W. Royle, Jr., Chairperson
Environmental Review Committee

cc: Helix Environmental
SDCAS President
File

P.O. Box 81106 San Diego, CA 92138-1106 (858) 536-0935

SAN DIEGO COUNTY ARCHEOLOGICAL SOCIETY (JUNE 17, 2018)

B-1 Comment noted.

LETTER

RESPONSE

VIEJAS
TRIBAL GOVERNMENT

PO Box 908
Alpine, CA 91903
#1 Viejas Grade Road
Alpine, CA 91901

Phone: 6194453810
Fax: 6194453337
viejas.com

June 18, 2018

Myra Hermann
Environmental Planner
City of San Diego Planning Dept.
9485 Aero Drive, MS 413
San Diego, CA 92123

RE: New Fire Station at UCSD

Dear Ms. Hermann,

The Viejas Band of Kumeyaay Indians ("Viejas") has reviewed the proposed project and at this time we have determined that the project site has cultural significance or ties to Viejas.

B-2

Viejas Band request that a Kumeyaay Cultural Monitor be on site for ground disturbing activities to inform us of any new developments such as inadvertent discovery of cultural artifacts, cremation sites, or human remains.

Please call me at 619-659-2312 or Ernest Pingleton at 619-659-2314 or email, teran@viejas-nsn.gov or epingleton@viejas-nsn.gov, for scheduling. Thank you.

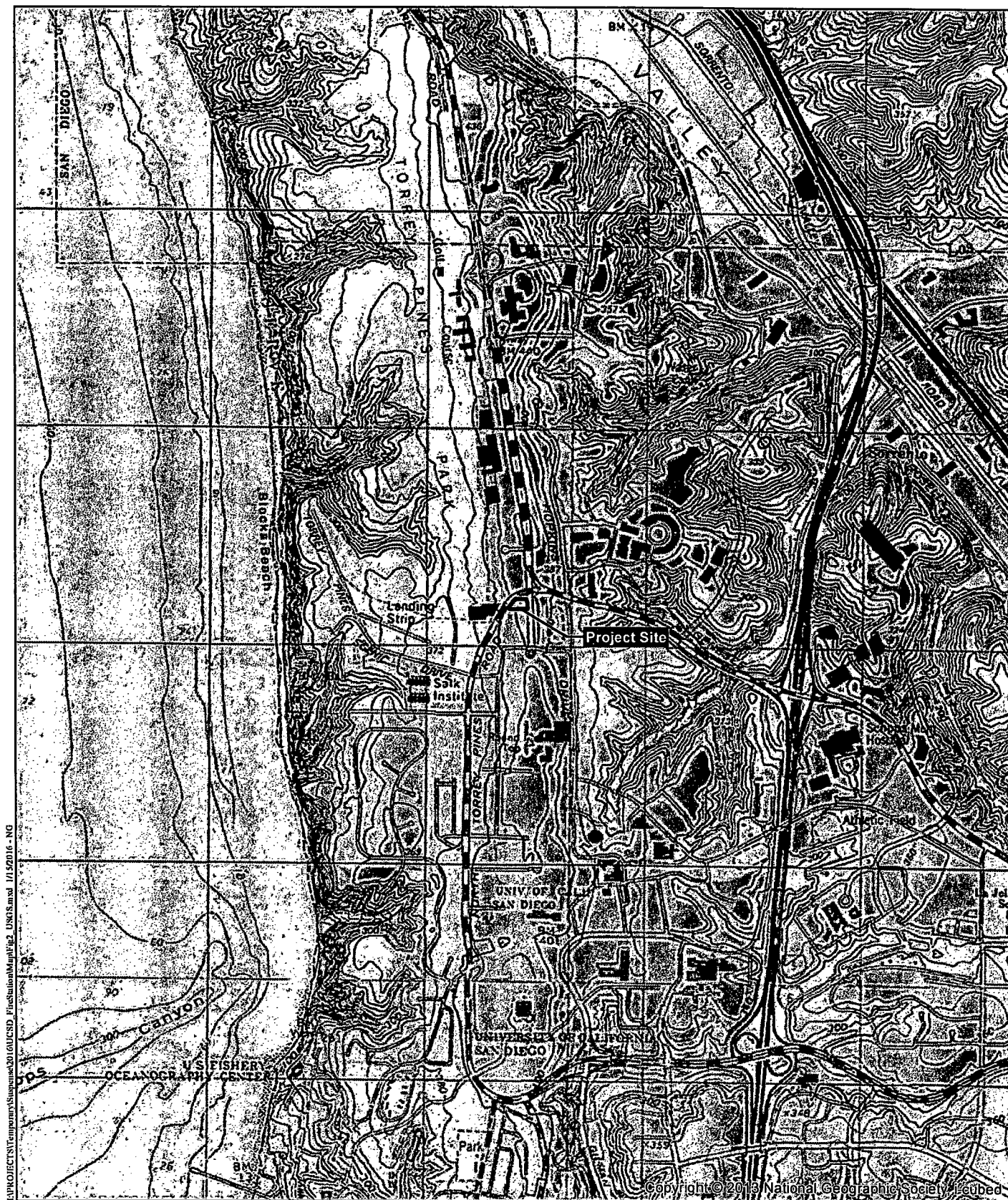
Sincerely,



Ray Teran, Resource Management
VIEJAS BAND OF KUMEYAAY INDIANS

VIEJAS TRIBAL GOVERNMENT (JUNE 18, 2018)

B-2 Comment noted. As noted in the Final MND, a Native American (Kumeyaay) monitor will be on-site to monitor any ground disturbing activities associated with project implementation.



Project Location (USGS Topography)

NEW FIRE STATION AT UCSF

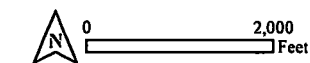


Figure 1



Project Location Aerial
New Fire Station at UCSD
City of San Diego – Planning Department

FIGURE
No. 2

INITIAL STUDY CHECKLIST

1. Project Title/Project Number: New Fire Station at UCSD / Project No. 619013
2. Lead agency name and address: City of San Diego, Planning Department, 9485 Aero Drive, MS 413, San Diego, CA 92123-1801
3. Contact person and phone number: Myra Herrmann, Senior Planner. (619) 446-5372
4. Project location: On the east side of North Torrey Pines Road, south of Genesee Avenue and contiguous with the University of California, San Diego (UCSD) in the University Community Planning Area, in the northwest region of the City of San Diego.
5. Project Applicant/Sponsor's name and address: City of San Diego, Real Estate Assets Department on behalf of the San Diego Fire-Rescue Department, 1200 3rd Avenue, Suite 1700, MS 51A, San Diego, CA 92101, Roswitha Sanchez, (619) 236-6721.
6. General Plan designation: Public Facilities/Institutional
7. Zoning: RS-1-14 (Residential) within the Coastal Overlay Zone.
8. Description of project (Describe the whole action involved, including but not limited to, later phases of the project, and any secondary, support, or off-site features necessary for its implementation.): CITY COUNCIL APPROVAL of two agreements being negotiated currently: (1) Fire Station Purchase and Sale Agreement; and (2) the Authorization for the Mayor to execute the Option to Purchase Agreement for the Torrey Pines Center South (TPCS); Acceptance of funds from UCSD for construction of the fire station, associated site improvements, and off-site/right-of-way improvements (ROW) within North Torrey Pines Road, including utility connections/relocations; Approval to add the New Fire Station at UCSD as a Capital Improvement Project (CIP) and create a WBS number; Approval of a consultant contract for the preparation of bridging documents for the Fire Station and associated on-site and off-site/ROW improvements so that the project can be put out to bid; Approval of a design-build construction contract for Fire Station and associated on-site and off-site/ROW improvements within North Torrey Pines Road, including utility connections/relocations to allow for future issuance of Ministerial Construction Permits (Building and ROW permits), and future submittal to the California Coastal Commission for a Coastal Development Permit (CDP) in accordance with the State Coastal Act, respectfully "the Associated Discretionary Actions". After approval of the above discretionary actions, preparation and review of bridging documents would be processed, finalized and approved through the City's Public Works Department Plan Check review process. A design-build contractor would be hired to implement the plans, obtain ministerial permits, and begin construction activities at the site, including construction staging and implementation of a traffic control plan. The project would require demolition of an existing tennis court, ornamental landscaping and grading to allow for future construction of the fire station (approximately 10,500 square foot, LEED certified building) and associated site improvements (on-site and off-site), such as but not limited to, site lighting, fire alarm systems, new drought tolerant landscaping, hardscape improvements (i.e., walkways, standard and ADA parking, retaining walls, etc.), utility connections/relocations, storm water run-off Best Management Practices (BMPs), roadway improvements to allow for ingress and egress of fire

apparatus and privately-owned vehicles, and possible median modifications. Other project features would include emergency generator, flagpole, mailbox, fire hydrant, signage, security fencing, trash enclosures, fueling station, truck wash area, and hose drying area.

This project is being implemented to meet the gap in coverage at the UCSD campus as identified in the San Diego Fire-Rescue Department Standards of Response Cover Review prepared by Citygate Associates, LLC (Citygate) in February 2017.

9. Surrounding land uses and setting: Within the northernmost portion of the Recreation and Intramural Athletic Area (RIMAC) on the campus of UCSD; approximately 900 feet to the east across North Point Lane from the Spanos Athletic Training Facility, 200 feet to the west across North Torrey Pines Road from the Torrey Pines Center North and Torrey Pines Center South office buildings, and approximately 700 feet to the south of The Village at Torrey Pines UCSD student housing.
10. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement.): California Coastal Commission
11. Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code (PRC) section 21080.3.1? If so, has consultation begun? Tribal consultation was conducted on May 11, 2018 with representatives from the Jipay Nation of Santa Ysabel, and Jamul Indian Village. Consultation concluded with all parties in agreement with a recommendation for Native American Kumeyaay monitoring during all construction-related activities in the project area.

Note: Conducting consultation early in the CEQA process allows tribal governments, lead agencies, and project proponents to discuss the level of environmental review, identify and address potential adverse impacts to tribal cultural resources, and reduce the potential for delay and conflict in the environmental review process. (See PRC section 21083.3.2.)

Information may also be available from the California Native American Heritage Commission's Sacred Lands File per PRC section 5097.96 and the California Historical Resources Information System administered by the California Office of Historic Preservation. Please also note that PRC section 21082.3(c) contains provisions specific to confidentiality.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- | | | |
|--|--|---|
| ☐ Aesthetics | ☐ Greenhouse Gas Emissions | ☐ Population/Housing |
| ☐ Agriculture and Forestry Resources | ☐ Hazards & Hazardous Materials | ☐ Public Services |
| ☐ Air Quality | ☐ Hydrology/Water Quality | ☐ Recreation |
| ☐ Biological Resources | ☐ Land Use/Planning | ☐ Transportation/Traffic |
| ☒ Cultural Resources | ☐ Mineral Resources | ☒ Tribal Cultural Resources |
| ☐ Utilities/Service System | ☐ Geology/Soils | ☐ Noise |
| ☒ Mandatory Findings of Significance | | |

DETERMINATION: (To be completed by Lead Agency)

On the basis of this initial evaluation:

- ☐ The proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☒ Although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ The proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ The proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect (a) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (b) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required.
- ☐ Although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or (MITIGATED) NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or (MITIGATED) NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

PLEASE NOTE: Technical reports as well as the consistency analysis with the UCSD Long Range Development Plan (2004) referred to within this Initial Study Checklist were prepared for a similar project at the same site by the University of California, San Diego (UCSD) that is no longer being processed by UCSD. Some of that information is being used to supplement the City of San Diego's environmental analysis for the New Fire Station at UCSD located on the same site.

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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I) AESTHETICS – Would the project:

- a) Have a substantial adverse effect on a scenic vista?

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The University Community Plan does not identify a public view corridor through the property intended for construction of the new fire station. The project site is also within the City's Coastal Overlay Zone and as such, would be subject to height limits established under Proposition D. Additionally, the project site is located within a developed area of the UC San Diego West Campus, outside of any areas identified as Visual Sensitive Zones in the 2004 LRDP Program EIR. Specifically, the project site is in a highly urbanized area bounded by a six-lane public roadway and multi-story office buildings to the west, a recreational area to the south/southeast, student housing to the south, and a public roadway to the north. A mature tree canopy surrounds the project site on a slightly raised manufactured slope. The future fire station would be designed in a manner that would not exceed the 30-foot height limit, complementing the surrounding UCSD campus buildings and as such, the project would not have a substantial adverse effect on a scenic vista.

- b) Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?

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Interstate 5 (I-5) is located to the east of the project site but is not officially designated as a state scenic highway, and although the project site contains landscaping with mature trees, none are considered unique, and there are no unique rock outcroppings, or historic buildings considered to scenic resources that would be damaged as a result of project implementation.

- c) Substantially degrade the existing visual character or quality of the site and its surroundings?

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Please see I. a. Additionally, the project would modify the existing setting which currently consists one tennis court, fencing and landscaped vegetation. Although the project would remove several existing mature trees and low brush, the future fire station would be designed with an urban theme, complementing the adjacent UCSD campus buildings and would retain as much of the mature landscaping as possible so as not to substantially degrade the existing visual character of the site or it's surroundings. Construction documents would be reviewed by staff from both the City of San Diego and UCSD to ensure that mutually agreeable site considerations and design aesthetics have been achieved.

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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- d) Create a new source of substantial light or glare that would adversely affect day or nighttime views in the area?

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The future fire station would have an urban design theme, utilizing construction materials that are not reflective; specifically, the building would be constructed of concrete and painted to complement the existing surroundings. Project implementation would not create a new source of light or glare that would adversely affect day or nighttime views in the area.

- II) AGRICULTURAL AND FOREST RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. – Would the project:

- a) Converts Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

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The project site is zoned RM-1-14 (Residential) and surrounded by the UCSD campus. The site is not classified as farmland by the Farmland Mapping and Monitoring Program (FMMP). Similarly, land surrounding the proposed project is not classified as farmland by the FMMP. Therefore, the proposed project would not convert farmland to non-agricultural uses.

- b) Conflict with existing zoning for agricultural use, or a Williamson Act Contract?

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Please see II.a

- c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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1220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?

The project site and land surrounding the site are not zoned as forest land. Therefore, the proposed project would not conflict with existing zoning for forest land.

- d) Result in the loss of forest land or conversion of forest land to non-forest use?

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The project site and land surrounding the site are not designated forest land. Therefore, the proposed project would not convert forest land to non-forest use.

- e) Involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?

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No existing agricultural uses are located in proximity of the project site that could be affected by the proposed project.

- III. AIR QUALITY – Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied on to make the following determinations – Would the project:

- a) Conflict with or obstruct implementation of the applicable air quality plan?

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The San Diego Air Pollution Control District (SDAPCD) air quality management plans were developed based on growth assumptions prepared by the San Diego Association of Governments (SANDAG) and are intended to address nonattainment status. According to the SDAPCD, the 2004 LRDP is consistent with the growth assumptions in SANDAG's Regional Transportation Plan. The UCSD 2004 LRDP Program EIR concludes that campus development under the 2004 LRDP would not conflict with or obstruct implementation of the applicable air quality plan. City staff has reviewed this data and concurs that once the proposed discretionary actions are approved, including transfer of the property to the City of San Diego, the project will not conflict with or obstruct implementation of the applicable air quality plan. Furthermore, project implementation would result in construction-related and operational air quality emissions that would be well below SDAPCD thresholds and would only incrementally

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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increase the emission of criteria pollutants resulting from site development. Data to support a less than significant impact are included in the project-level analysis prepared by Amec Foster Wheeler Environment & Infrastructure, Inc. (Amec Foster Wheeler) in support of the impact analysis for the project originally proposed by UCSD, and tiering off the cumulative construction air quality analysis conducted for campus projects included in the East Campus Bed Tower (ECBT) Project EIR certified in July 2010 by the UC Regents.

- b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?

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Please see III.a.

Construction of the proposed project would result in temporary, short-term emissions of pollutants to the local airshed as a result of soil disturbance, dust emissions, and combustion pollutants from on-site heavy construction equipment, and heavy haul trucks removing demolition debris and delivering construction materials to the project site. Construction emissions can vary substantially from day to day, depending on level of activity, specific type of operation and, for dust, prevailing weather conditions. Therefore, such emission levels are estimated with reasonable assumptions based on the project description to generate potential emissions and related effects upon ambient air quality. Fugitive dust emissions would primarily result from grading, vegetation removal, and other site preparation activities. Nitrogen oxide (NOx) and carbon monoxide (CO) emissions would primarily result from the use of construction equipment and motor vehicles. Reactive organic gases (ROGs) would be released during the paving operations and finishing phases. Emissions associated with construction of the proposed project were calculated using the California Emissions Estimator Model (CalEEMod) version 2016.3.1 (see Appendix A).

Operational emissions associated with the proposed project would include emissions of criteria pollutants associated with area sources, such as energy use, landscape maintenance, and stationary sources associated with functions of the facility (e.g., emergency generator). Additional operational impacts associated with the proposed project would include emissions of criteria pollutants associated with vehicle trips (i.e., day-to-day fire rescue personnel commutes to the fire station as well as emissions from fire apparatus during response). Emissions associated with facility operations were calculated using CalEEMod version 2016.3.1. Usage assumptions are based on project-specific data and model defaults, where appropriate. Project EIRs for other UCSD campus projects determined that operational emissions, including emissions from vehicular sources, would not cause or contribute to a violation of an ambient air quality standards and associated impacts would be less than significant. Although vehicular emissions from future projects within the project vicinity (e.g. the North Campus Neighborhood) may generate additional vehicle trips; however, those would be evaluated in future CEQA analysis process for those projects. As such,

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
-------	--------------------------------	--	------------------------------	-----------

- a. operational impacts for the future fire station at this location would be less than significant and no mitigation measures would be required.

- c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?

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The proposed project would not result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under applicable federal or state ambient air quality standards.

- d) Expose sensitive receptors to substantial pollutant concentrations?

☐ ☐ ☒ ☐

Construction activities could increase emissions of harmful pollutants, which could affect sensitive receptors adjacent to the proposed project. However, such emissions during would be temporary over the course of construction and therefore would not be expected to expose sensitive receptors to substantial pollutant concentrations.

- e) Create objectionable odors affecting a substantial number of people?

☐ ☐ ☒ ☐

Operation of construction equipment such as, but not limited to backhoes, bobcats, and dump trucks could generate odors associated with fuel combustion. However, these odors would only remain temporarily during construction-related activities in proximity to the equipment and vehicles being used. Odors would be generated from vehicles and/or equipment exhaust emissions during construction of the proposed project. Odors produced during construction would be attributable to concentrations of unburned hydrocarbons from tailpipes of construction equipment. Such odors are temporary and generally occur at magnitudes that would not affect substantial numbers of people. Operationally, the proposed kitchen and living areas may produce minimal food-related smells and/or odors related to food waste and trash. However, the kitchen would be located indoors, with appropriate venting systems and any associated food-related odors would be very localized, if at all noticeable, similar to other residences. Additionally, while petroleum, oils, and lubricants would be used on-site in support of fire truck and equipment maintenance, use of these substances would be confined to the vehicle bay and on-site fueling facility, and would not expose the surrounding area to widespread odors. Therefore, impacts associated with

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
-------	--------------------------------------	--	------------------------------------	--------------

odors during construction and operation of the proposed project would be considered less than significant.

IV. BIOLOGICAL RESOURCES – Would the project:

- a) Have substantial adverse effects, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?

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The project site consists of an existing tennis court (one of eight located within the UCSD North Campus Recreation Area) and surrounding landscaping, including several eucalyptus trees, low landscaped vegetation, and pine trees along North Torrey Pines Road. The project site is not located within the City's Multi-Habitat Planning Area (MHPA) and does not support sensitive species or habitat identified or listed in local or regional plans, policies or regulations, and therefore would not result in impacts requiring mitigation in accordance with CEQA, or a Site Development Permit pursuant to the City's Land Development Code, Environmentally Sensitive Lands Regulation.

- b) Have a substantial adverse effect on any riparian habitat or other community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?

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Please see IV.a above.

- c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including but not limited to marsh, vernal pool, coastal, etc.) through direct removal, filling,

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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hydrological interruption,
or other means?

Please see IV.a above.

- d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? ☐ ☐ ☒ ☐

The project site has potentially suitable nesting habitat (e.g., eucalyptus trees) for raptors, which are considered sensitive due to their protection under the federal Migratory Bird Treaty Act (MBTA) and California Fish and Game Code. Although the project site is not in the MHPA, the City would be required to ensure compliance with the MBTA, by avoiding potential impacts to nesting raptors and other sensitive bird species from construction activities during established breeding seasons. This requirement would be identified on future construction documents as a condition of future project approval, and as such potential impacts would be less than significant.

- e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? ☐ ☐ ☐ ☒

The project includes mature ornamental landscaping, a portion of which would be removed during construction; however, removal of the trees and other landscaping would not conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance.

- f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan? ☐ ☐ ☐ ☒

The project site is not within the City's MHPA, and therefore would not conflict with an adopted Habitat Conservation Plan or other approved local, regional or state habitat conservation plan.

IV. CULTURAL RESOURCES – Would the project:

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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- a) Cause a substantial adverse change in the significance of an historical resource as defined in §15064.5?

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The purpose and intent of the *Historical Resources Regulations of the Land Development Code (Chapter 14, Division 3, and Article 2)* is to protect, preserve and, where damaged, restore the historical resources of San Diego. The regulations apply to all proposed development within the City of San Diego when historical resources are present on the premises. CEQA requires that before approving discretionary projects, the Lead Agency must identify and examine the significant adverse environmental effects, which may result from that project. A project may have a significant effect on the environment (Sections 15064.5(b) and 21084.1). A substantial adverse change is defined as demolition, destruction, relocation, or alteration activities, which would impair historical significance (Sections 15064.5(b)(1)). Any historical resource listed in, or eligible to be listed in the California Register of Historical Resources, including archaeological resources, is considered to be historically or culturally significant.

The project site consists of one existing tennis court, ornamental landscaping and manufactured slopes. Prior to development of the tennis courts in 1994, this area was within the historical boundaries of U.S. Army Camp Robert E. Callan (Camp Callan), which covered the northwestern portion of the UCSD campus, followed by development of the UCSD campus in the mid-1960's.

According to information obtained through review of records search information and cultural resources reports for projects within UCSD, and the surrounding area under the City's purview, the project site is located within an area of high archaeological (historic and prehistoric) and tribal cultural resource sensitivity. Specifically, one site (CA-SDI-8470) is mapped abutting the southwest corner of the project area. This site was described as containing flakes, manos, shell, and midden soils and may have been a secondary deposit of cultural material that was removed from SDMW-9N (CA-SDI-525) by the US Army and transported to Camp Callan in the early 1940s. The project site itself however, is within a previously disturbed footprint where tennis courts and manufactured slopes currently exist above an area of imported fill soil. Based on the records search results and associated survey performed by Helix Environmental Planning (January 2016) for a similar project on the same site, ground visibility was excellent and only one *Donax* shell was observed, along with modern refuse. No other cultural resources were identified. Prior surveys for campus properties in this area did not encounter any remnants of CA-SDI-8470, and no mitigation was required. Furthermore, construction of the northernmost tennis court located on the project site resulted in grading to a maximum depth of approximately 13 feet from an elevation of 434 feet above MSL to an elevation of 420.65 feet MSL. During these grading activities, no buried archaeological finds were reported.

Although the prior studies in this area concluded no potential for impacts to cultural resources, the City of San Diego considers the coastal mesas in this area archaeologically sensitive, and as such requires monitoring to reduce potential for

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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encountering unknown archaeological and tribal resources during construction-related activities. The requirement is consistent with the City's commitment to the local Native American Kumeyaay community to include monitoring in areas of high sensitivity to minimize and reduce inadvertent discoveries. As such, an archaeological and Native American Kumeyaay monitor would be present on site during on-site and off-site (ROW) construction-related activities. Implementation of the mitigation measures outlined in Section V of the MND under Historical Resources (Archaeological and Tribal Cultural Resources) would reduce potential impacts to historical resources to below a level of significance and would not result in a substantial adverse change to the significance of an historical resource.

- b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5? ☐ ☒ ☐ ☐

See V.a. The project would occur in an area where archaeological resources have been recorded. Specifically, one site (CA-SDI-8470) is mapped abutting the southwest corner of the project area. This site was described as containing flakes, manos, shell, and midden soils and may have been a secondary deposit of cultural material that was removed from CA-SDI-525 (SDM-W-9N) by the U.S. Army and transported to Camp Callan in the early 1940s. Subsequent surveys and monitoring efforts in the area concluded that the site had been previously destroyed by campus-related construction activities. However, it is unknown whether any intact remnants of the recorded site remain within the public ROW, or associated with fill soils from prior construction activities. Furthermore, this project was subject to tribal consultation in accordance with Assembly Bill 52 (AB52) and as such resulted in a recommendation for Native American Kumeyaay monitoring due to the high potential for human remains to be encountered anywhere in the project vicinity. As such, the project is required to implement the mitigation measures outlined in Section V of the MND under Historical Resources (Archaeological and Tribal Cultural Resources) which will reduce potential impacts to below a level of significance.

- c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature? ☐ ☒ ☐ ☐

Geologic formations in the San Diego region are rated by the City of San Diego according to their potential for yielding paleontological Resources (Paleontology Guidelines 2002). The project site is located in an area where the Ardath Shale and Scripps formations are overlain by the Lindavista Formation. Based on information included in the 2004 UCSD LRDP Program EIR, numerous excavations into formational materials campus-wide have not yielded significant paleontological resources. However, the City of San Diego Significance Thresholds (July 2016) identifies a potentially significant impact when a project requires over 1,000 cubic yards of excavation and 10 feet or more in depth in a high resource potential formation, or 2,000 cubic yards of excavation and 10 feet or more in depth in a

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moderate resource potential formation. Impacts can also occur when grading on a known fossil recovery site or near a fossil recovery site in the same geologic deposit/formation/rock unit, or for shallow grading when the site has previously been graded or unweathered formation/rock units are present at the surface. According to the City's Significance Thresholds, the Ardath Shale and Scripps Formation have a high sensitivity rating in all communities where the unit occurs; and the Lindavista Formation has a moderate sensitivity rating.

As previously described in Section V.a., above, previous site grading reached a maximum depth of 13 feet during construction in the project area, and as such, additional grading to accommodate a future fire station could result in direct impacts to moderate and high sensitivity formations. Furthermore, because the current actions covered by this environmental document do not include project specific details regarding fire station design or site layout, grading quantities and depth of cut cannot be ascertained. As such, the potential for impacting fossil bearing formations is considered potentially significant and mitigation is required. Therefore, implementation of mitigation measures outlined in Section V of the MND under Paleontological Resources would reduce potential impacts to below a level of significance. [Please also note that the City recently adopted revisions to the Land Development Code (LDC) Grading Regulations (SDMC Section 142.0151 - Paleontological Resources Requirements for Grading Activities). This revision does not apply in the Coastal Zone until the California Coastal Commission certifies it as a Local Coastal Program Amendment. Once certified, the requirement for monitoring as required in this section of the LDC would be considered regulatory compliance for the purpose of CEQA review and the monitoring program would be a condition of project approval.]

- d) Disturb any human remains, including those interred outside of dedicated cemeteries?

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Please refer to section V.a. Archaeological and Native American monitoring will be required during all construction/maintenance-related activities. If human remains are encountered, all provisions of the Mitigation Monitoring and Reporting Program (MMRP), the Public Resources Code, and the California Health and Safety Code will be implemented to ensure the appropriate treatment of any burials or associated grave goods.

VI. GEOLOGY AND SOILS – Would the project:

- a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:

- i) Rupture of a known earthquake fault, as

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.

According to the City of San Diego Seismic Safety Study Map, the project site is located in Geologic Hazard Category 51, which is defined as level mesas underlain by terrace deposits and bedrock with nominal risk. The closest known active fault is the Rose Canyon Fault zone located about 2.1 miles west-southwest of the site. This fault is believed to cause earthquakes with maximum magnitude of 7.2. The project site is bisected by the Saulk Fault, a fault with an unknown seismic safety risk. However, more recent mapping (e.g., Draft Provisional Fault Map for San Diego/Tijuana Earthquake Scenario) do not map the Saulk Fault, indicating that it may not be significant enough to warrant consideration by the State. Additional mapping (e.g., SONGS Regional Study) is currently underway, with data being compiled and reviewed by the State. Furthermore, an Alquist-Priolo Earthquake Fault Zone has not been established for the fault.

Although further study at the state level is underway, development of the site to accommodate a future fire station will still require further analysis. As such, because the future fire station would be built within 100 feet of a fault trace, a fault study would be conducted as a part of a site-specific geotechnical report required to demonstrate compliance with the California Building Code (CBC) and the City's Land Development Code. The technical analysis for the fault study reflect the most current regional geologic mapping and regulatory standards and will be reviewed by the City Geologist during the design and development phase of the project. The geotechnical report would be prepared by a qualified registered engineering geologist. The fault study would be used to determine the location and orientation of the Saulk Fault, to evaluate the potential geological anomalies adjacent to the fault trace, and to evaluate the fault plane as a potential slope stability factor. The fault study would be used by structural engineers to determine the most appropriate design and building techniques for the future fire station. The project would be required to comply with the CBC, the LDC and City Engineering requirements and as such, the risk from rupture of a known earthquake fault and potential impacts associated with strong seismic ground shaking would be less than significant.

ii) Strong seismic ground shaking?

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See VI.a.i.

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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- iii) Seismic-related ground failure, including liquefaction?

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According to the City of San Diego Seismic Safety Maps, the proposed project is located on soil that has a low potential for liquefaction. Due to the dense nature of the underlying formational materials (i.e., Lindavista Formation) and lack of near surface groundwater over the majority of the campus, the potential for liquefaction occurring on the project site is considered very low. Compliance with the most recent CBC, LDC and City Engineering standards would reduce any hazards associated with liquefaction to below a level of significance.

- iv) Landslides?

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Areas having the potential for earthquake-induced landslides generally occur within areas of previous landslide movement, or where local topographic, geological, geotechnical, and subsurface water conditions indicate a potential for permanent ground displacement. Ardath Shale and the Scripps Formation are sedimentary rocks that may contain planes of weakness. Although the Saul Fault bisects the project site, it's not near any areas that have a potential for permanent ground displacements. Because the project will be required to comply with the most recent CBC, LDC and City Engineering standards the potential for impacts from landslides would be less than significant.

- b) Result in substantial soil erosion or the loss of topsoil?

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Ground-disturbing activities associated with project implementation, including grading, vegetation removal, and construction of retaining walls would produce temporary erosion effects. However, the project would be required to comply with the provisions of the City's LDC Storm Water Standards and Storm Water Standard Manual and would be required to implement an erosion control plan and Best Management Practices (BMPs). Implementation of approved measures in compliance with the City's standards would ensure no substantial soil erosion or loss of topsoil other than what is required pursuant to an approved grading plan for site development. Impacts would be less than significant.

- c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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See IV.a.1. Geologically, the project site is underlain by early- to middle Pleistocene paralic deposits consisting of "dune and back beach 'beach ridge' deposits composed of cross-bedded sandstone" (Kennedy and Tan 2005; HELIX 2016c). Carlsbad gravelly loamy sand, 5 to 9 percent slopes, is the only soil type mapped for the project area (Bowman 1973; HELIX 2016c). The City of San Diego Seismic Safety Maps indicate the project is located within Geologic Hazard Category 51, which is defined as level mesas underlain by terrace deposits and bedrock with nominal risk. the potential for landslides, collapse, liquefaction, and other seismic-related soils hazards is anticipated to be low and impacts would be considered less than significant.

- d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?

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The project site is located in an area not known for expansive or unstable soils. As such, because the project will be required to comply with the most recent CBC, LDC, recommendations from the required geotechnical report, and City Engineering standards the project would result in, or create substantial risks to life or property and the impact would be less than significant.

- e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?

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The proposed project would not utilize septic tanks or alternative wastewater systems. The future fire station would be connected to the City's existing sanitary sewer system. Therefore, no impact would occur.

VII. GREENHOUSE GAS EMISSIONS - Would the project:

- a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?

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The City's CAP Consistency Checklist (Checklist) (revised June 2017), in conjunction with the City's CAP, provides a streamlined review process for proposed new development projects that trigger environmental review pursuant to CEQA. Analysis of GHG emissions and potential climate change impacts from new development is required under CEQA. The City's CAP is a plan for the reduction of GHG emissions in accordance with CEQA

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Guidelines Section 15183.5. Pursuant to CEQA Guidelines Sections 15064(h)(3), 15130(d), and 15183(b), a project's incremental contribution to a cumulative GHG emissions effect may be determined not to be cumulatively considerable if it complies with the requirements of the City's CAP.

The Checklist contains measures that are required to be implemented on a project-by-project basis to ensure that the specified emissions targets identified in the CAP are achieved. Implementation of these measures would ensure that new development is consistent with the CAP's assumptions for relevant CAP strategies toward achieving the identified GHG reduction targets. Per the Checklist, the future project would be consistent with the City's CAP and have a less than significant impact on the environment, through implementation of CAP Strategy 1 addressing Energy and Water Efficient Buildings, and Strategy 2 addressing Bicycling, Walking, Transit & Land Use. Furthermore, the project is consistent with the existing General Plan and Community Plan land use and zoning designations. The proposed project, which includes future construction of a new fire station is consistent with both the General Plan and Community Plan land use and zoning designations. Once the project design bridging documents are complete, which includes meeting LEED certification, the project will be submitted to the Development Services Department for ministerial permitting, at which time Step 2 of the CAP checklist will be reviewed for compliance with the California Green Building Standards Code and all requirements of the City's LDC to be determined consistent with the CAP. Compliance with the CAP ensures that impacts would be less than significant.

- b) Conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

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Please also see VII.a. It is anticipated that the proposed project would not conflict with any applicable plans, policies, or regulations related to greenhouse gases. There is no impact.

VIII. HAZARDS AND HAZARDOUS MATERIALS – Would the project:

- a) Create a significant hazard to the public or the environment through routine transport, use, or disposal of hazardous materials?

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Use of the backhoes, Bobcats, and dump trucks to remove the existing landscaping and demolition debris transport to a licensed off-site disposal facility may require the use of hazardous materials (fuels, lubricants, solvents, etc.), which would require proper storage, handling, use and disposal during construction-related activities. Additionally, the potential to encounter hazardous chemicals, lead-based paints, mercury, or asbestos-containing materials during demolition activities is anticipated to be low as the existing tennis court on the project site was constructed in 2001 and no hazardous materials storage has occurred on the site since that time. However, if encountered

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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during construction, all hazardous materials would be removed and disposed of according to all applicable federal and state regulations in coordination with the City's Environmental Services Department and Local Enforcement Agency.

Operation of the proposed fire station by SDFD would include activities that would involve the routine use of hazardous materials, primarily petroleum, oils, and lubricants associated with the fire apparatus and other equipment that would be located at proposed fire station. Additional hazardous materials used at the project could include cleaners, degreasers, solvents, paints, pesticides and herbicides, adhesives, and sealers. This use of hazardous materials at the proposed fire station would generate hazardous waste that would be collected and transported by SDFD for disposal off-site. All chemical waste recycling or disposal would be managed by the City of San Diego in accordance with the provisions of the San Diego Municipal Code. All use of hazardous materials and disposal of hazards wastes at the project site would comply with all applicable federal, state, and local safety regulations, guidelines, and policies. As such, the impact of the incremental increase in the use and transport of hazardous materials and wastes associated with the proposed fire station would be less than significant.

- b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

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Hazardous materials and waste would be used and handled during construction and as a part of routine fire station operations by the SDFD during operation of the proposed fire station; however, these materials would not exist in quantities significant enough to pose a risk to occupants of the West Campus of UCSD or the campus community. In addition, all City contractors are required to implement §803, "Encountering or Releasing Hazardous Substances or Petroleum Products," of the City of San Diego Standard Specifications for Public Works Construction ("Whitebook") in the event that construction activities encounter underground contamination to ensure the proper handling and disposal of any contaminated soils in accordance with all applicable local, state, and federal regulations. Compliance with all applicable federal, state and local safety regulations and guidelines. As such, the impact of the incremental increase in the use and transport of hazardous materials and wastes associated with the proposed fire station would be less than significant.

- c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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The project site is located within the North Campus Neighborhood of the West Campus, within UCSD and as such is located in close proximity to academic, laboratory, and administrative buildings on the UC San Diego campus.us. However, there are no K-12 educational facilities (e.g., elementary schools, middle schools, high schools, etc.) located within 0.25 mile of the project site. Additionally, there are currently no childcare facilities within a 0.25 mile of the project site; however, future development within the UCSD campus could include the construction of additional childcare facilities on the UC San Diego campus in the future. Hazardous materials and waste would be used and handled during construction and as a part of routine fire station operations by the SDFD during operation of the proposed fire station; however, these materials would not exist in quantities significant enough to pose a risk to occupants within the UCSD campus. Compliance with all applicable state and federal regulations pertaining to hazardous wastes would ensure that risks associated with hazardous emissions or materials to existing or proposed schools located 0.25 miles from the project site would remain less than significant.

- d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?

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According to information provided by UCSD, a records search of federal, state, and county hazardous waste lists and databases was conducted for the campus as part of the 2004 LRDP Program EIR (Ninyo and Moore 2003). At least two cases of Leaking Underground Storage Tanks (LUSTs) were identified in or adjacent to the West Campus (San Diego County Department of Environmental Health [DEH] No. H02535-012 and H12902-002) at the intersections of Gilman Drive and Myers Drive (approximately 0.15 miles southeast of the project site) and La Jolla Village Drive and Villa La Jolla Drive (approximately 0.25 miles southeast of the project site), respectively. H02535-012 is considered case closed, with low likelihood for environmental concern, and H12902-002 is a Mobil Service Station, which based on activities performed to date, more information is needed to determine whether the release presented an environmental concern. Based on the distance of these LUST sites from the project site, construction or operation of the project is not likely to create a significant hazard to the public or the environment. No new hazardous waste sites have been identified in the vicinity of the project site since the 2004 LRDP Program EIR was certified (California EnviroStor 2017).

Although the project site is located within an area of historic military use, the project site and surrounding areas have been developed and has undergone extensive grading in 2001 as a part of the addition to the NCRA Tennis Courts. According to the 2004 LRDP Program EIR, the likelihood of uncovering munitions or ordnance and creating impacts to the public or environment is extremely low. Furthermore, the 2004 LRDP Program EIR indicated that the likelihood of uncovering historic hazardous materials and creating

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impacts to the public or environment would not likely occur and impacts would be less than significant.

- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?

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The project site is not located within 2 miles of a public airport, public use airport, or private airstrip, but it is located within approximately 2.5 miles of Marine Corps Air Station (MCAS) Miramar and is adjacent to the Torrey Pines Gliderport (a local launch point for fixed wing gliders, paragliders and hang gliders). The federal Department of Defense has established Accident Potential Zones (APZs) for the air station. The project site is not located within any APZs for MCAS Miramar. With regard to the Torrey Pines Gliderport, this fixed wing glider use is not a safety hazard to the campus and surrounding area because the paragliders and hang gliders do not take-off or land over the project site. Aircraft operations would not pose a hazard to people visiting or working at the project site, therefore the impact would be considered less than significant.

- f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?

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See VIII.e.

- g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?

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Site development and construction of the future fire station would temporarily affect traffic circulation within the project boundary. However, traffic control measures would be implemented during construction-related activities which would allow emergency plans to be employed. Impacts would be less than significant.

- h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
<u>According to information from UCSD, structures west of I-5 (where most of the campus and the project site are located) are rated lower in terms of fire hazard severity due to favorable geographic proximity to the coast as compared to locations east of I-5 where fire hazard jumps up quickly. Nevertheless, areas to the east of the project site include open space containing vegetation that could be susceptible to wildfires. The new fire station would include fire sprinklers and appropriate emergency access/egress routes for emergency evacuation. SDFD would be responsible for operating and maintaining of the proposed fire station. Additionally, the staffing and operation of the new fire station by SDFD would result in beneficial impacts with regard to improved emergency response time at the UC San Diego campus and the surrounding community. With implementation of the proposed project the SDFD would be better positioned to quickly and efficiently respond to wildfires in the surrounding vicinity, resulting in beneficial impacts. Therefore, impacts would be less than significant.</u>				

IX. HYDROLOGY AND WATER QUALITY - Would the project:

- a) Violate any water quality standards or waste discharge requirements? ☐ ☐ ☒ ☐

Potential impacts to existing water quality standards associated with the proposed project would include minimal short-term maintenance-related erosion/sedimentation and no long term operational storm water discharge. Conformance to the City's Storm Water Standards would prevent or effectively minimize short-term water quality impacts. Therefore, the proposed project would not violate any existing water quality standards or discharge requirements and impacts are less than significant.

- b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)? ☐ ☐ ☐ ☒

The proposed project does not propose the use of groundwater. Potable water is supplied by the City of San Diego Public Utilities Department and will be connected to the new fire station via existing pipelines within the public ROW. The City receives deliveries of imported water from the San Diego County Water Authority (SDCWA) to satisfy potable water demand. Consequently, no impacts to groundwater supplies would occur with implementation of the proposed project. Therefore, the proposed project would not

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substantially deplete groundwater supplies or interfere substantially with groundwater recharge.

- c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner, which would result in substantial erosion or siltation on- or off-site?

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The improvements associated with the proposed future fire station would result in minor alterations to existing drainage patterns on the project site. The project site, including the existing tennis court, implements surface grading and storm drain infrastructure to convey surface water flows to a topographic low point on the west side of the project site. The project site is located in the Scripps hydrologic area (HA), which drains to storm drains that flow to the west under off-campus residential areas and into short coastal canyons that lead to the Pacific Ocean (UC San Diego 2004a). To avoid impacts related to increases in runoff and potential erosion, the proposed project would comply with all current applicable storm water standards of the Land Development Code. In addition, to further ensure avoidance of significant impacts, design measures for permanent storm water retention or infiltration measures and other recommendations are incorporated into project development plans and construction documents satisfactory to the City Engineer. Compliance with all applicable storm water permits, plans, and regulations would ensure potential impacts associated with alteration of drainage patterns that could cause substantial erosion/flooding, or create/contribute runoff that would exceed the capacity of existing/planned drainage systems would not occur.

- d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner, which would result in flooding on- or off-site?

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Please see IX.c. Compliance with the City's Storm Water Standards would prevent or effectively minimize the potential for surface run-off resulting in flooding on-site or off-site impacts.

- e) Create or contribute runoff water, which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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additional sources of polluted runoff?

Please see IX.c and d. Compliance with the City's Storm Water Standards would prevent or effectively minimize short-term impacts. Therefore, the proposed project would not contribute runoff water that would exceed the capacity of existing storm water systems.

- f) Otherwise substantially degrade water quality? ☐ ☐ ☒ ☐

Compliance with the City's Storm Water Standards would prevent or effectively minimize impacts and would preclude impacts to water quality.

- g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map? ☐ ☐ ☐ ☒

The project site is within FEMA Flood Zone X and does not propose construction of any new housing within a 100-year flood hazard area.

- h) Place within a 100-year flood hazard area, structures that would impede or redirect flood flows? ☐ ☐ ☐ ☒

The proposed project is not located within the 100 year floodplain, nor does the proposed project propose any new structures that would impede or redirect flood flows. Therefore, no impact would occur.

- i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam? ☐ ☐ ☐ ☒

The proposed project would not include any new features that would increase the risk associated with flooding beyond those of the existing conditions.

- j) Inundation by seiche, tsunami, or mudflow? ☐ ☐ ☐ ☒

The proposed project would not include any new features that would increase the risk associated with seiche, tsunami, or mudflow beyond those of the existing conditions.

X. LAND USE AND PLANNING – Would the project:

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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- a) Physically divide an established community?

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Implementation of the proposed project would not introduce any features that would physically divide an established community.

- b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?

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The proposed project is located within a previously developed parcel and is be consistent with all applicable land use plans, policies, or regulations of an agency with jurisdiction over the project and would not conflict with any applicable land use plans. The project is not within any environmentally sensitive areas requiring permitting pursuant to the City's Land Development.

The project will be required to obtain a Coastal Development Permit from the California Coastal Commission (CCC) once design bridging documents have been completed, and ministerial permits approved. Under the California Coastal Act (CCA); the CCC has the authority to review and approve state and local government plans located within their jurisdiction, which is defined as the coastal zone. The CCA requires cities and counties to prepare Local Coastal Plans (LCPs) to implement its conservation, development, and regulatory policies at the local level in areas of the coastal zone. The project site is located within the within the coastal zone, and as such will require a CDP as noted above. The City of San Diego's University Community Plan, North City LCP and La Jolla Community Plan and LCP are the local planning documents for the coastal zone near the project area. Although the project site is identified in the University Community Plan within a discussion of the UCSD campus, it is not covered by under the associated LCP's and, thus, is governed solely by the CCA. Under Chapter 3 of the CCA, the proposed project would be submitted to the CCC for review and permitting.

The project area is consistent with the General Plan and Community Plan designation for the site, and the community plan already identifies a fire station within the UCSD campus, however, not specifically at this location, but will be included in the document during the upcoming community plan update and LCP amendment process. The project will not impede access to coastal resources. The proposed project site is not located within or immediately adjacent to land that is included in the MHPA, and as such no impacts to the City's MSCP would occur from the implementation. The project will not adversely affect pedestrian and bicycle circulation, landscaping, and alternative transportation facilities (such as bike rack and shuttle stops), and as such, would have a less than significant impact on land use.

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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- c) Conflict with any applicable habitat conservation plan or natural community conservation plan?

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The project site is not located within or adjacent to any applicable habitat or natural community conservation plans.

XI. MINERAL RESOURCES – Would the project?

- a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?

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The area surrounding the proposed project is not being used for the recovery of mineral resources. Similarly, the area surrounding the proposed project site is not designated for the recovery of mineral resources on the City of San Diego General Plan Land Use Map. Therefore, the proposed project would not result in the loss of availability of a known mineral resource.

- b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

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Please see XI.a.

XII. NOISE – Would the project result in:

- a) Exposure of persons to, or generation of, noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?

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The proposed project would generate noise during construction, which would be temporary and transitory in nature.

Noise associated with the use of emergency vehicle sirens is often a concern as it relates to the

quality of life of nearby residents. Part of these concerns is related to the perception that fire stations would typically respond to many emergencies with multiple emergency vehicles leaving the site daily. Another concern is that emergency sirens are intentionally

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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loud and that such loud noise could disrupt the UC San Diego campus and surrounding communities.

While the proposed fire station would be occupied and operated on a 24-hour/7-day per week schedule, the majority of routine operations (e.g., engines, vehicle maintenance, fueling, etc.) at the proposed fire station would occur within typically defined daytime hours (7:00 AM to 7:00 PM). Periodic training exercises would occur at the proposed fire station, and would occasionally raise noise levels from the use of engines or fire protection equipment; however, such noise levels from training activities would be periodic and temporary. Volume controls would be installed with the proposed exterior address system, and the exterior address system would not be used during the evening hours, except in cases of emergency. Intermittent noise from emergency generator testing would be limited to daytime hours on weekdays for 15-minute durations once per week and for 2-hour full load tests once per year. Routine daily operations of the proposed fire station would not substantially increase ambient noise levels in the area or expose nearby residents or sensitive noise-receptors to exterior noise levels in excess of adopted City of San Diego Standards as defined in City of San Diego Municipal Code §59.5.0401.

The operation of the proposed fire station could result in permanent noise impacts by increasing noise within the vicinity of sensitive receptors. For example, new or modified major mechanical HVAC equipment located on the ground or on rooftops of new buildings have the potential to generate noise levels that average 69 to 73 dBA CNEL at 50 feet. The 2004 LRDP concludes that potentially significant impacts to ambient noise levels could result from such new stationary noise sources on campus. However, this increase in noise could be mitigated through the installation of shielding around all new equipment, which could reduce noise by up to 15 dBA, or by placing equipment below grade in basement space.

The nearest sensitive receptors to the proposed fire station is The Village at Torrey Pines, a housing area located approximately 700 feet to the south of the project site. Additionally, the Sanford Consortium for Regenerative Medicine – a research facility – is located approximately 825 feet southwest of the project site.

- b) Exposure of persons to, or generation of, excessive ground borne vibration or ground borne noise levels?

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Construction of the proposed project would not involve activities that would result in major groundborne vibration (i.e., pile driving) that would adversely impact vibration sensitive operations to adjacent land uses. In addition, adequate construction notice would be provided to all surrounding land uses to ensure that adjacent users can plan their activities accordingly. Therefore, this impact is considered to be less than significant and no mitigation measures would be required.

- c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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Please see XII.a.

- d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above existing without the project?

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Construction of the proposed project would result in temporary noise impacts in the immediate vicinity of the project site due to operation of heavy equipment. However, based upon the transitory nature of the project and surrounding noise levels in the area resulting from traffic along North Torrey Pines Road, the increase in ambient noise would be less than significant during construction.

- e) For a project located within an airport land use plan, or, where such a plan has not been adopted, within two miles of a public airport or public use airport would the project expose people residing or working in the area to excessive noise levels?

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The proposed project area is not within an airport land use plan or two miles of a public airport. however, the project site is approximately 2.5 miles west of MCAS Miramar, and the major flight corridor for both helicopters and planes in proximity to the site is Seawolf/Beach/Fairway, located approximately 0.5 mile north of the UCSD over the Carmel Valley/Del Mar area. The other flight corridors associated with MCAS operations (i.e. Julian, Interstate 15 [I-15], Ground Controlled Approach Box, etc.) are located east of Interstate 805 (I-805), at a distance of more than 2 miles from the project site. Although SDFD staff working at the new station would be exposed to periodic noise from aircraft, the impacts would be considered nuisance level in nature and less than significant.

- f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?

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The proposed project area is not within the vicinity of a private airstrip.

XIII. POPULATION AND HOUSING – Would the project:

- a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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businesses) or indirectly (for example, through extension of roads or other infrastructure)?

The proposed project involves future fire and emergency services anticipated to serve the existing and projected needs of the UCSD campus and surrounding communities, impacts related to direct and indirect inducement of population growth are not considered significant.

- b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?

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The proposed project involves future fire and emergency services anticipated to serve the existing and projected needs of the UCSD campus and surrounding communities, and would not remove, displace, or otherwise affect existing housing in any way that would necessitate the construction of replacement housing.

- c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

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The proposed project involves future fire and emergency services anticipated to serve the existing and projected needs of the UCSD campus and surrounding communities, and would not result in the displacement of people, which would necessitate the construction of replacement housing.

XIV. PUBLIC SERVICES

- a) Would the project result in substantial adverse physical impacts associated with the provisions of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service rations, response times or other performance objectives for any of the public services:

- i) Fire Protection

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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The proposed project involves future fire and emergency services anticipated to serve the existing and projected needs of the UCSD campus and surrounding communities and would comply with all applicable building and fire code requirements, including installation of a fire sprinkler system inside the building and the installation of new fire hydrants. Properly designed sprinkler systems have been found to be 98 percent effective in extinguishing incipient phase (small) fires. Therefore, if a fire were to occur at the proposed fire station, it likely would be quickly extinguished. Additionally, if the sprinkler system were not effective, there would be adequate responses resources and fire rescue personal to address the fire quickly and effectively, as necessary. The future fire station would be constructed to improve fire protection services on the UCSD West Campus and the surrounding community. It would not increase demand for fire services, but rather provide services to a priority gap area located outside of the 4-minute response times as identified in the 2011 and 2017 Citygate studies.

ii) Police Protection ☐ ☐ ☒ ☐

The proposed project would not physically alter any police protection facilities. UC San Diego provides its own police service for the campus as well as other UC San Diego properties. Pursuant to California Education Code Section 67381, the UC San Diego Police Department and the San Diego Police Department (SDPD) have adopted and signed a written agreement that clarifies and affixes operational responsibilities for the investigation of violent and non-violent crimes occurring on UC San Diego property. Pursuant to the agreement, UC San Diego Police Department is the primary reporting and investigating law enforcement agency for nearly all crimes occurring on campus and over all UC San Diego-administered properties located within up to 1-mile of campus. Both UC San Diego Police Department and SDPD provide mutual aid assistance as appropriate, when requested (UC San Diego 2015). As a result, the SDPD rarely responds to calls for police services. The campus' low demand for SDPD police services reduces the need for new off campus police facilities or expansions of existing facilities. Further, the proposed project is not expected to generate the need for new police facilities or expansions of existing facilities. Therefore, the physical impacts of providing police protection to the proposed project would be less than significant.

iii) Schools ☐ ☐ ☐ ☒

The proposed project would not trigger the need to physically alter any schools. Additionally, the proposed project would not include construction of future housing or induce growth that could increase demand for schools in the area.

v) Parks ☐ ☐ ☐ ☒

The proposed project would not physically alter any parks. Therefore, the proposed project would not create demand for new parks or other recreational facilities.

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
vi) Other public facilities	☐	☐	☐	☒

The proposed project would not increase the demand for electricity, gas, or other public facilities.

XV. RECREATION –

- a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?

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Implementation of the project would remove one of eight existing tennis courts for use by UCSD students and alumni. The proposed project would not directly generate additional trips to existing recreation areas or induce future growth that would result in additional trips to these facilities. Therefore, the proposed project would not increase the use of existing recreational areas such that substantial physical deterioration of the facility would occur or be accelerated.

- b) Does the project include recreational facilities or require the construction or expansion of recreational facilities, which might have an adverse physical effect on the environment?

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The proposed project does not include the construction of recreational facilities or require construction or expansion of recreational facilities.

XVI. TRANSPORTATION/TRAFFIC – Would the project?

- a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways,

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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pedestrian and bicycle paths,
and mass transit?

An access study was conducted by UCSD for a similar project at the same site resulting in proposed roadway modifications to improve emergency vehicle access to the project site and circulation along North Torrey Pines Road. A similar study will be required for the future project once site layout has been determined and design bridging documents are completed. It is anticipated that proposed future roadway improvements would be incorporated into the project design and become conditions of project approval. As such, impacts would be less than significant. Additionally, the proposed project would temporarily affect traffic circulation within the project vicinity. However, traffic control measures would be implemented during construction so that traffic circulation would not be substantially impacted. Therefore, the project would not result in an increase of traffic which is substantial in relation to existing traffic capacity.

- b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?

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The proposed project would temporarily affect traffic circulation within the project vicinity area. However, traffic control measures would be implemented during construction and project features to improve circulation and site access would ensure that traffic would not exceed cumulative or individual level of service.

- c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?

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Construction of a new fire station would be required to meet the coastal height limit of 30 feet and would not exceed height requirements. Therefore, the project would not affect air traffic patterns or introduce new safety hazards related to air traffic.

- d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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The proposed project will not increase hazards due to a design feature or incompatible uses. However, traffic control measures would be implemented during maintenance and, therefore, would meet existing levels of safety.

- e) Result in inadequate emergency access? ☐ ☐ ☒ ☐

The proposed project would temporarily affect traffic circulation within the project area. However, traffic control measures would be implemented and project features to improve circulation and site access would ensure emergency access would not be impeded.

- f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities? ☐ ☐ ☐ ☒

The proposed project is consistent with the community plan designation and underlying zone and would not result in any conflicts regarding policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities. Once completed, the project will not preclude safe access for bicyclists or pedestrians along North Torrey Pines Road.

XVII. TRIBAL CULTURAL RESOURCES

- a) Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:

- a) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or

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The proposed project would occur in an area where archaeological resources have been recorded. Site CA-SDI-8470 was described as containing flakes, manos, shell, and

Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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midden soils and may have been a secondary deposit of cultural material that was removed from CA-SDI-525 (SDM-W-9N) by the U.S. Army and transported to Camp Callan in the early 1940s. The site was previously evaluated in accordance with CEQA and the Public Resources Code (PRC), but do not meet the criteria for listing on the local, state or federal registers as defined in PRC Section 5020.1(k).

- b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.

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As stated above, the project has a potential to impact buried components of site CA-SDI-8470, which abuts the project below existing disturbed areas and within the adjacent public right of way. As such, Tribal Consultation in accordance with AB 52 was initiated with the Director of Cultural Resources for the Iipay Nation of Santa Ysabel, and representatives from the Jamul Indian Village to determine if the project area contains any Tribal Cultural Resources or areas of tribal importance which would require further evaluation or special consideration during the environmental review process. Confidential site information was provided during the consultation process which included reference to the presence of human remains near the project site. Tribal consultation also made note of this information and a recommendation was made for Native American-Kumeyaay monitoring during all construction-related activities to assure that potential impacts to Tribal Cultural Resources are reduced to below a level of significance with implementation of the archaeological monitoring program outlined in Section V of the MND.

XVIII. UTILITIES AND SERVICE SYSTEMS – Would the project:

- a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?

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The increase in staff occupying the future fire station would not exceed the wastewater treatment requirements of the Regional Water Quality Control Board. The project site would be connected to existing City infrastructure which already account for the water usage and waste generation in the project vicinity.

- b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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which could cause significant environmental effects?

Please see XVIII.a above; the construction of new water or wastewater facilities would not be required. The proposed fire station would require connections to the City sewer and storm drain. Additionally, the proposed project would be tied into the existing electrical, telecommunication, and water infrastructure within the City's public ROW.

- c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

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The proposed project would be designed to comply with the City's Storm Water Standards including construction of a new storm drain connecting to an existing storm drain running under North Torrey Pines Road. Impacts would be less than significant.

- d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?

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The proposed fire station would require minimal use of potable water for the living quarters, kitchen areas, restroom, fire truck washing stations, and fire sprinkler system. Reclaimed water would be used for landscaping irrigation on-site. The project would connect to existing services within the City's Public ROW. Impacts would be less than significant.

- e) Result in a determination by the wastewater treatment provided which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?

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The project would user reclaimed water for landscaping irrigation on-site, and would not impact an existing wastewater treatment provider.

- f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?

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Issue	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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The proposed project would generate waste associated with construction activities and normal operations. Construction debris removed from the site would be disposed of in accordance with all applicable local and state regulations pertaining to solid waste including permitting capacity of the landfill serving the project area. Materials that can be recycled would be done to local standards regulating such activity. The solid waste material generated from the proposed project is not anticipated to exceed thresholds, and therefore, would not affect the permitted capacity of the landfill serving the project area.

- g) Comply with federal, state, and local statutes and regulation related to solid waste?

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The proposed project is not anticipated to generate significant amounts solid waste and, therefore, would not affect solid waste statutes and regulations. Any solid waste generated during project-related activities would be recycled or disposed of in accordance with all applicable local, state and federal regulations.

XVIV. MANDATORY FINDINGS OF SIGNIFICANCE –

- a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

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As noted above under the discussions for Cultural Resources (Section V) and Tribal Cultural Resources (Section XVII), the proposed project area is within proximity to one recorded archaeological site which has yielded information that is important to the local Kumeyaay community in that it provides evidence of native use and exploitation of resources prior to the development of the area. As such, Tribal Consultation was conducted in accordance with AB52 which concluded that the erosion control maintenance activities associated have the potential to impact archaeological and tribal cultural resources which requires implementation of the mitigation measures outlined in Section V of the MND and would reduce potential impacts to below a level of significance. In the project has the potential to impact paleontological resources if grading activities exceed established thresholds into fossil bearing formations which requires

implementation of the mitigation measures outlined in Section V of the MND and would reduce potential impacts to below a level of significance.

- b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?

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When viewed in connection with the effects of other projects in the area, the project activities have the potential to impact archaeological and tribal cultural resources and paleontological resources which could incrementally contribute to a cumulative loss of non-renewable resources. However, with implementation of the mitigation measures identified in Section V of the MND, this incremental impact would be reduced to below a level of significance.

- c) Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?

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As proposed, the proposed project does not have the potential to cause substantial adverse effects on human beings.

INITIAL STUDY CHECKLIST
REFERENCES

I. AESTHETICS / NEIGHBORHOOD CHARACTER

- ☐ City of San Diego General Plan.
- ☒ Community Plan.
- ☐ Local Coastal Plan.

II. AGRICULTURAL RESOURCES & FOREST RESOURCES

- ☒ City of San Diego General Plan.
- ☐ U.S. Department of Agriculture, Soil Survey - San Diego Area, California, Part I and II, 1973.
- ☐ California Agricultural Land Evaluation and Site Assessment Model (1997)
- ☒ California Department of Conservation, Farmland Mapping and Monitoring Program, <http://www.conservation.ca.gov/dlrp/fmmp/Pages/SanDiego.aspx>
- ☐ Site Specific Report:

III. AIR QUALITY

- ☐ California Clean Air Act Guidelines (Indirect Source Control Programs) 1990.
- ☐ Regional Air Quality Strategies (RAQS) - APCD.
- ☐ Site Specific Report:

IV. BIOLOGY

- ☐ City of San Diego, Multiple Species Conservation Program (MSCP), Subarea Plan, 1997
- ☐ City of San Diego, MSCP, "Vegetation Communities with Sensitive Species and Vernal Pools" Maps, 1996.
- ☒ City of San Diego, MSCP, "Multi-Habitat Planning Area" Maps, 1997.
- ☐ Community Plan - Resource Element.
- ☐ California Department of Fish and Game, California Natural Diversity Database, "State and Federally-listed Endangered, Threatened, and Rare Plants of California," January 2001.

— California Department of Fish & Game, California Natural Diversity Database, "State and Federally-listed Endangered and Threatened Animals of California," January 2001.

— City of San Diego Land Development Code Biology Guidelines.

— Site Specific Report:

V. CULTURAL RESOURCES (INCLUDES HISTORICAL RESOURCES)

X City of San Diego Historical Resources Guidelines.

X City of San Diego Archaeology Library.

— Historical Resources Board List.

— Community Historical Survey:

X Tribal Consultation in accordance with AB52 (May 2018)

X Site Specific Report: Robbins-Wade, Mary, "Phase I Cultural Resources Survey," Helix Environmental Planning, Inc., 2016.

VI. GEOLOGY/SOILS

X City of San Diego Seismic Safety Maps.

X U.S. Department of Agriculture Soil Survey - San Diego Area, California, Part I and II, December 1973 and Part III, 1975 via
<http://websoilsurvey.nrcs.usda.gov/app/HomePage.htm>.

— State of California Earthquake Fault Zones Maps, Point Loma Quadrangle, May 2003.

X California Department of Conservation Division of Mines and Geology, Landslide Hazards map, 1995,
<http://maps.conservation.ca.gov/cgs/informationwarehouse/index.html?map=landslides>

— Site Specific Reports:

VII. GREENHOUSE GAS EMISSIONS

— Site Specific Report:

VIII. HAZARDS AND HAZARDOUS MATERIALS

— San Diego County Hazardous Materials Environmental Assessment Listing

— San Diego County Hazardous Materials Management Division

- ☐ FAA Determination
- ☒ California State Water Resources Control Board's GeoTracker,
<https://geotracker.waterboards.ca.gov/>
- ☐ State Assessment and Mitigation, Unauthorized Release Listing, Public Use
Authorized.
- ☒ Airport Land Use Compatibility Plan.
- ☐ Site Specific Report:
- IX. HYDROLOGY/WATER QUALITY**
- ☒ Flood Insurance Rate Map (FIRM).
- ☒ Federal Emergency Management Agency (FEMA), National Flood Insurance
Program - Flood Boundary and Floodway Map, <https://msc.fema.gov/portal/search>.
- ☐ Clean Water Act Section 303(b) list.
- ☐ Site Specific Report:
- X. LAND USE AND PLANNING**
- ☒ City of San Diego General Plan.
- ☒ Community Plan.
- ☒ Airport Land Use Compatibility Plan
- ☒ City of San Diego Zoning Maps
- ☐ FAA Determination
- ☒ UCSD Long Range Development Plan 2004 FEIR
- XI. MINERAL RESOURCES**
- ☒ California Department of Conservation - Division of Mines and Geology, Mineral Land
Classification.
- ☐ Division of Mines and Geology, Special Report 153 - Significant Resources Maps.
- ☐ California Geological Survey - SMARA Mineral Land Classification Maps.
- ☐ Site Specific Report:
- XII. NOISE**
- ☒ City of San Diego General Plan.
- ☐ Community Plan
- ☐ San Diego International Airport Master Plan CNEL Maps.

- ___ MCAS Miramar ACLUP
- ___ Brown Field Airport Master Plan CNEI Maps.
- ___ Montgomery Field CNEI Maps.
- ___ San Diego Association of Governments - San Diego Regional Average Weekday Traffic Volumes.
- ___ San Diego Metropolitan Area Average Weekday Traffic Volume Maps, SANDAG.
- ___ City of San Diego General Plan.
- ___ Site Specific Report:

XIII. PALEONTOLOGICAL RESOURCES

- X City of San Diego Paleontological Guidelines.
- ___ Site Specific Report:

XIV. POPULATION / HOUSING

- ___ City of San Diego General Plan.
- ___ Community Plan.
- ___ Series 11 Population Forecasts, SANDAG.
- ___ Other:

XV. PUBLIC SERVICES

- ___ City of San Diego General Plan.
- ___ Community Plan.

XVI. RECREATIONAL RESOURCES

- ___ City of San Diego General Plan.
- X Community Plan.
- ___ Department of Park and Recreation
- ___ City of San Diego - San Diego Regional Bicycling Map
- ___ Additional Resources:

XVII. TRANSPORTATION / CIRCULATION

- ___ City of San Diego General Plan.
- ___ Community Plan.
- ___ San Diego Metropolitan Area Average Weekday Traffic Volume Maps, SANDAG.
- ___ San Diego Region Weekday Traffic Volumes, SANDAG.

___ Site Specific Report:

XVIII. TRIBAL CULTURAL RESOURCES

- ☒ City of San Diego Historical Resources Guidelines.
- ☒ City of San Diego Archaeology Library.
- ___ Historical Resources Board List
- ☒ Tribal Consultation in accordance with AB52 (May 2018)
- ☒ Site Specific Report: Robbins-Wade, Mary, "Phase I Cultural Resources Survey," Helix Environmental Planning, Inc., 2016.

XVIX. UTILITIES

- ___ City of San Diego General Plan.
- ___ Community Plan.
- ___ Site Specific Report:

XX. WATER CONSERVATION

- ___ City of San Diego General Plan.
- ___ Community Plan.
- ___ Sunset Magazine, New Western Garden Book. Rev. ed. Menlo Park, CA: Sunset Magazine.
- ___ Site Specific Report:

Created 2017

NEW FIRE STATION AT UCSD
MITIGATED NEGATIVE DECLARATION No. 619013
MITIGATION, MONITORING AND REPORTING PROGRAM (MMRP)
ADOPTED ON _____

WHEREAS, on March 8, 2018, the Real Estate Assets Department submitted an application to the Planning Department for the New Fire Station @ UCSD (Project); and

WHEREAS, the matter was set for a public hearing to be conducted by the City Council of the City of San Diego; and

WHEREAS, the issue was heard by the City Council on _____; and

WHEREAS, under Charter section 280(a)(2) this resolution is not subject to veto by the Mayor because this matter requires the City Council to act as a quasi-judicial body, a public hearing is required by law implicating due process rights of individuals affected by the decision, and the Council is required by law to consider evidence at the hearing and to make legal findings based on the evidence presented; and

WHEREAS, the City Council considered the issues discussed in Mitigated Negative Declaration No. 619013 (Declaration) prepared for this Project; NOW THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that it is certified that the Declaration has been completed in compliance with the California Environmental Quality Act of 1970 (CEQA) (Public Resources Code Section 21000 et seq.), as amended, and the State CEQA Guidelines thereto (California Code of Regulations, Title 14, Chapter 3, Section 15000 et seq.), that the Declaration reflects the independent judgment of the City of San Diego as Lead Agency and that the information contained in said Declaration, together with any comments received during the public

review process, has been reviewed and considered by the City Council in connection with the approval of the Project.

BE IT FURTHER RESOLVED, that the City Council finds on the basis of the entire record that project revisions now mitigate potentially significant effects on the environment previously identified in the Initial Study, that there is no substantial evidence that the Project will have a significant effect on the environment, and therefore, that said Declaration is hereby adopted.

BE IT FURTHER RESOLVED, that pursuant to CEQA Section 21081.6, the City Council hereby adopts the Mitigation Monitoring and Reporting Program, or alterations to implement the changes to the Project as required by this City Council in order to mitigate or avoid significant effects on the environment, which is attached hereto as Exhibit A.

BE IT FURTHER RESOLVED, that the Report and other documents constituting the record of proceedings upon which the approval is based are available to the public at the office of the CITY CLERK, 202 C STREET, SAN DIEGO, CA 92101.

BE IT FURTHER RESOLVED, that THE CITY CLERK is directed to file a Notice of Determination with the Clerk of the Board of Supervisors for the County of San Diego regarding the Project.

APPROVED: MARA ELLIOTT, CITY ATTORNEY

By: _____
Deputy City Attorney

ATTACHMENT: Exhibit A, Mitigation Monitoring and Reporting Program

EXHIBIT A
MITIGATION, MONITORING, AND REPORTING PROGRAM
NEW FIRE STATION @ UCSD
PROJECT NO. 619013

This Mitigation Monitoring and Reporting Program is designed to ensure compliance with AB 3180 (1989) during implementation of mitigation measures. This program identifies at a minimum: the department responsible for the monitoring, what is to be monitored, how the monitoring shall be accomplished, the monitoring and reporting schedule, and completion requirements. The Public Works Department and the City of San Diego Development Services Department are jointly responsible for ensuring that this program is carried out.

A. GENERAL REQUIREMENTS – PART I

Plan Check Phase (prior to permit issuance)

1. Prior to issuance of any construction permits, such as Demolition, Grading or Building, or beginning any construction related activity on-site, the Transportation and Storm Water Department Environmental Designee (ED) shall review and approve all Construction Documents (CD), (plans, specification, details, etc.) to ensure the MMRP requirements are incorporated.
2. In addition, the ED shall verify that the MMRP Conditions/Notes that apply ONLY to the construction phases of the project(s) are included VERBATIM, under the heading, "ENVIRONMENTAL/MITIGATION REQUIREMENTS."
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.

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:

*Archaeological Consultant/Monitor
Native American Kumeyaay Consultant/Monitor
Paleontological Consultant/Monitor*

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, it is also required to call RE and MMC at (858)627-3360

2. **MMRP COMPLIANCE:** This Project (No. 619013) shall conform to the mitigation requirements contained in the associated Construction Plans 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.)

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 for this project*
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.
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 the Preconstruction Meeting
Archaeology	Archaeology Reports	Archaeology Site Observation
Paleontology	Paleontology Reports	Paleontology Site Observation
Final MMRP		Final MMRP Inspection

C. SPECIFIC MMRP ISSUE AREA CONDITIONS/REQUIREMENTS

Historical Resources (Archaeology and Tribal Cultural Resources)

I. Prior to Permit Issuance or Bid Opening/Bid Award

A. Entitlements Plan Check

1. Prior to permit issuance or Bid Opening/Bid Award, whichever is applicable, the Assistant Deputy Director (ADD) Environmental designee shall verify that the requirements for Archaeological Monitoring and Native American monitoring have been noted on the applicable construction documents through the plan check process.

B. Letters of Qualification have been submitted to ADD

1. Prior to Bid Award, the applicant shall submit a letter of verification to Mitigation Monitoring Coordination (MMC) identifying the Principal Investigator (PI) for the project and the names of all persons involved in the archaeological monitoring program, as defined in the City of San Diego Historical Resources Guidelines (HRG). If applicable, individuals involved in the archaeological monitoring program must have completed the 40-hour HAZWOPER training with certification documentation.
2. MMC will provide a letter to the applicant confirming the qualifications of the PI and all persons involved in the archaeological monitoring of the project meet the qualifications established in the HRG.
3. Prior to the start of work, the applicant must obtain written approval from MMC for any personnel changes associated with the monitoring program.

II. Prior to Start of Construction

A. Verification of Records Search

1. The PI shall provide verification to MMC that a site specific records search (1/4 mile radius) has been completed. Verification includes, but is not limited to a copy of a confirmation letter from South Coastal Information Center, or, if the search was in-house, a letter of verification from the PI stating that the search was completed.
2. The letter shall introduce any pertinent information concerning expectations and probabilities of discovery during trenching and/or grading activities.
3. The PI may submit a detailed letter to MMC requesting a reduction to the 1/4 mile radius.

B. PI Shall Attend Precon Meetings

1. Prior to beginning any work that requires monitoring; the Applicant shall arrange a Precon Meeting that shall include the PI, Native American consultant/monitor (where Native American resources may be impacted), Construction Manager (CM) and/or Grading Contractor, Resident Engineer (RE), Building Inspector (BI), if appropriate, and MMC. The qualified Archaeologist and Native American Monitor shall attend any grading/excavation related Precon Meetings to make comments and/or suggestions concerning the Archaeological Monitoring program with the Construction Manager and/or Grading Contractor.
 - a. If the PI is unable to attend the Precon Meeting, the Applicant shall schedule a focused Precon Meeting with MMC, the PI, RE, CM or BI, if appropriate, prior to the start of any work that requires monitoring.
2. Acknowledgement of Responsibility for Curation (CIP or Other Public Projects)
The applicant shall submit a letter to MMC acknowledging their responsibility for the cost of curation associated with all phases of the archaeological monitoring program.
3. Identify Areas to be Monitored
 - b. Prior to the start of any work that requires monitoring, the PI shall submit an Archaeological Monitoring Exhibit (AME) (with verification that the AME has been reviewed and approved by the Native American consultant/monitor when

Native American resources may be impacted) based on the appropriate construction documents (reduced to 11x17) to MMC identifying the areas to be monitored including the delineation of grading/excavation limits.

- c. The AME shall be based on the results of a site specific records search as well as information regarding the age of existing pipelines, laterals and associated appurtenances and/or any known soil conditions (native or formation).
- d. MMC shall notify the PI that the AME has been approved.
4. When Monitoring Will Occur
 - a. Prior to the start of any work, the PI shall also submit a construction schedule to MMC through the RE indicating when and where monitoring will occur.
 - b. The PI may submit a detailed letter to MMC prior to the start of work or during construction requesting a modification to the monitoring program. This request shall be based on relevant information such as review of final construction documents which indicate conditions such as age of existing pipe to be replaced, depth of excavation and/or site graded to bedrock, etc., which may reduce or increase the potential for resources to be present.
5. Approval of AME and Construction Schedule

After approval of the AME by MMC, the PI shall submit to MMC written authorization of the AME and Construction Schedule from the CM.

III. During Construction

A. Monitor Shall be Present During Grading/Excavation/Trenching

1. The Archaeological Monitor shall be present full-time during all soil disturbing and grading/excavation/trenching activities which could result in impacts to archaeological resources as identified on the AME. **The Construction Manager is responsible for notifying the RE, PI, and MMC of changes to any construction activities such as in the case of a potential safety concern within the area being monitored. In certain circumstances OSHA safety requirements may necessitate modification of the AME.**
 2. The Native American consultant/monitor shall determine the extent of their presence during soil disturbing and grading/excavation/trenching activities based on the AME and provide that information to the PI and MMC. If prehistoric resources are encountered during the Native American consultant/monitor's absence, work shall stop and the Discovery Notification Process detailed in Section III.B-C and IV.A-D shall commence.
 3. The PI may submit a detailed letter to MMC during construction requesting a modification to the monitoring program when a field condition such as modern disturbance post-dating the previous grading/trenching activities, presence of fossil formations, or when native soils are encountered that may reduce or increase the potential for resources to be present.
 4. The archaeological and Native American consultant/monitor shall document field activity via the Consultant Site Visit Record (CSVR). The CSVR's shall be faxed by the CM to the RE the first day of monitoring, the last day of monitoring, monthly (**Notification of Monitoring Completion**), and in the case of ANY discoveries. The RE shall forward copies to MMC.
- #### B. Discovery Notification Process
1. In the event of a discovery, the Archaeological Monitor shall direct the contractor to temporarily divert all soil disturbing activities, including but not limited to digging, trenching, excavating or grading activities in the area of discovery and in the area reasonably suspected to overlay adjacent resources and immediately notify the RE or BI, as appropriate.
 2. The Monitor shall immediately notify the PI (unless Monitor is the PI) of the discovery.

3. The PI shall immediately notify MMC by phone of the discovery, and shall also submit written documentation to MMC within 24 hours by fax or email with photos of the resource in context, if possible.
 4. No soil shall be exported off-site until a determination can be made regarding the significance of the resource specifically if Native American resources are encountered.
- C. Determination of Significance
1. The PI and Native American consultant/monitor, where Native American resources are discovered shall evaluate the significance of the resource. If Human Remains are involved, follow protocol in Section IV below.
 - a. The PI shall immediately notify MMC by phone to discuss significance determination and shall also submit a letter to MMC indicating whether additional mitigation is required.
 - b. If the resource is significant, the PI shall submit an Archaeological Data Recovery Program (ADRP) and obtain written approval of the program from MMC, CM and RE. ADRP and any mitigation must be approved by MMC, RE and/or CM before ground disturbing activities in the area of discovery will be allowed to resume.
Note: If a unique archaeological site is also an historical resource as defined in CEQA Section 15064.5, then the limits on the amount(s) that a project applicant may be required to pay to cover mitigation costs as indicated in CEQA Section 21083.2 shall not apply.
 - (1). **Note: For pipeline trenching and other linear projects in the public Right-of-Way, the PI shall implement the Discovery Process for Pipeline Trenching projects identified below under "D."**
 - c. If the resource is not significant, the PI shall submit a letter to MMC indicating that artifacts will be collected, curated, and documented in the Final Monitoring Report. The letter shall also indicate that that no further work is required.
 - (1). **Note: For Pipeline Trenching and other linear projects in the public Right-of-Way, if the deposit is limited in size, both in length and depth; the information value is limited and is not associated with any other resource; and there are no unique features/artifacts associated with the deposit, the discovery should be considered not significant.**
 - (2). **Note, for Pipeline Trenching and other linear projects in the public Right-of-Way, if significance can not be determined, the Final Monitoring Report and Site Record (DPR Form 523A/B) shall identify the discovery as Potentially Significant.**
- D. Discovery Process for Significant Resources - Pipeline Trenching and other Linear Projects in the Public Right-of-Way

The following procedure constitutes adequate mitigation of a significant discovery encountered during pipeline trenching activities or for other linear project types within the Public Right-of-Way including but not limited to excavation for jacking pits, receiving pits, laterals, and manholes to reduce impacts to below a level of significance:

1. Procedures for documentation, curation and reporting
 - a. One hundred percent of the artifacts within the trench alignment and width shall be documented in-situ, to include photographic records, plan view of the trench and profiles of side walls; recovered, photographed after cleaning and analyzed and curated. The remainder of the deposit within the limits of excavation (trench walls) shall be left intact.
 - b. The PI shall prepare a Draft Monitoring Report and submit to MMC via the RE as indicated in Section VI-A.
 - c. The PI shall be responsible for recording (on the appropriate State of California Department of Park and Recreation forms-DPR 523 A/B) the resource(s) encountered during the Archaeological Monitoring Program in accordance with the City's Historical Resources Guidelines. The DPR forms shall be submitted to

- the South Coastal Information Center for either a Primary Record or SDI Number and included in the Final Monitoring Report.
- d. The Final Monitoring Report shall include a recommendation for monitoring of any future work in the vicinity of the resource.

IV. Discovery of Human Remains

If human remains are discovered, work shall halt in that area and no soil shall be exported off-site until a determination can be made regarding the provenance of the human remains; and the following procedures as set forth in CEQA Section 15064.5(e), the California Public Resources Code (Sec. 5097.98) and State Health and Safety Code (Sec. 7050.5) shall be undertaken:

A. Notification

1. Archaeological Monitor shall notify the RE or BI as appropriate, MMC, and the PI, if the Monitor is not qualified as a PI. MMC will notify the appropriate Senior Planner in the Environmental Analysis Section (EAS) of the Development Services Department to assist with the discovery notification process.
2. The PI shall notify the Medical Examiner after consultation with the RE, either in person or via telephone.

B. Isolate discovery site

1. Work shall be directed away from the location of the discovery and any nearby area reasonably suspected to overlay adjacent human remains until a determination can be made by the Medical Examiner in consultation with the PI concerning the provenience of the remains.
2. The Medical Examiner, in consultation with the PI, will determine the need for a field examination to determine the provenience.
3. If a field examination is not warranted, the Medical Examiner will determine with input from the PI, if the remains are or are most likely to be of Native American origin.

C. If Human Remains **ARE** determined to be Native American

1. The Medical Examiner will notify the Native American Heritage Commission (NAHC) within 24 hours. By law, **ONLY** the Medical Examiner can make this call.
2. NAHC will immediately identify the person or persons determined to be the Most Likely Descendent (MLD) and provide contact information.
3. The MLD will contact the PI within 24 hours or sooner after the Medical Examiner has completed coordination, to begin the consultation process in accordance with CEQA Section 15064.5(e), the California Public Resources and Health & Safety Codes.
4. The MLD will have 48 hours to make recommendations to the property owner or representative, for the treatment or disposition with proper dignity, of the human remains and associated grave goods.
5. Disposition of Native American Human Remains will be determined between the MLD and the PI, and, if:
 - a. The NAHC is unable to identify the MLD, OR the MLD failed to make a recommendation within 48 hours after being notified by the Commission, OR;
 - b. The landowner or authorized representative rejects the recommendation of the MLD and mediation in accordance with PRC 5097.94 (k) by the NAHC fails to provide measures acceptable to the landowner, THEN
 - c. To protect these sites, the landowner shall do one or more of the following:
 - (1) Record the site with the NAHC;
 - (2) Record an open space or conservation easement; or
 - (3) Record a document with the County.
 - d. Upon the discovery of multiple Native American human remains during a ground disturbing land development activity, the landowner may agree that additional conferral with descendants is necessary to consider culturally appropriate treatment of multiple Native American human remains. Culturally appropriate treatment of such a discovery may be ascertained from review of the site utilizing

cultural and archaeological standards. Where the parties are unable to agree on the appropriate treatment measures the human remains and items associated and buried with Native American human remains shall be reinterred with appropriate dignity, pursuant to Section 5.c., above.

D. If Human Remains are NOT Native American

1. The PI shall contact the Medical Examiner and notify them of the historic era context of the burial.
2. The Medical Examiner will determine the appropriate course of action with the PI and City staff (PRC 5097.98).
3. If the remains are of historic origin, they shall be appropriately removed and conveyed to the San Diego Museum of Man for analysis. The decision for internment of the human remains shall be made in consultation with MMC, EAS, the applicant/landowner, any known descendant group, and the San Diego Museum of Man.

V. Night and/or Weekend Work

A. If night and/or weekend work is included in the contract

1. When night and/or weekend work is included in the contract package, the extent and timing shall be presented and discussed at the precon meeting.
2. The following procedures shall be followed.
 - a. No Discoveries
In the event that no discoveries were encountered during night and/or weekend work, the PI shall record the information on the CSV and submit to MMC via fax by 8AM of the next business day.
 - b. Discoveries
All discoveries shall be processed and documented using the existing procedures detailed in Sections III - During Construction, and IV - Discovery of Human Remains. Discovery of human remains shall always be treated as a significant discovery.
 - c. Potentially Significant Discoveries
If the PI determines that a potentially significant discovery has been made, the procedures detailed under Section III - During Construction and IV-Discovery of Human Remains shall be followed.
 - d. The PI shall immediately contact the RE and MMC, or by 8AM of the next business day to report and discuss the findings as indicated in Section III-B, unless other specific arrangements have been made.

B. If night and/or weekend work becomes necessary during the course of construction

1. The Construction Manager shall notify the RE, or BI, as appropriate, a minimum of 24 hours before the work is to begin.
2. The RE, or BI, as appropriate, shall notify MMC immediately.

C. All other procedures described above shall apply, as appropriate.

VI. Post Construction

A. Submittal of Draft Monitoring Report

1. The PI shall submit two copies of the Draft Monitoring Report (even if negative), prepared in accordance with the Historical Resources Guidelines (Appendix C/D) which describes the results, analysis, and conclusions of all phases of the Archaeological Monitoring Program (with appropriate graphics) to MMC via the RE for review and approval within 90 days following the completion of monitoring. It should be noted that if the PI is unable to submit the Draft Monitoring Report within the allotted 90-day timeframe as a result of delays with analysis, special study results or other complex issues, a schedule shall be submitted to MMC establishing agreed due dates and the provision for submittal of monthly status reports until this measure can be met.

- a. For significant archaeological resources encountered during monitoring, the Archaeological Data Recovery Program or Pipeline Trenching Discovery Process shall be included in the Draft Monitoring Report.
- b. Recording Sites with State of California Department of Parks and Recreation

The PI shall be responsible for recording (on the appropriate State of California Department of Park and Recreation forms-DPR 523 A/B) any significant or potentially significant resources encountered during the Archaeological Monitoring Program in accordance with the City's Historical Resources Guidelines, and submittal of such forms to the South Coastal Information Center with the Final Monitoring Report.

2. MMC shall return the Draft Monitoring Report to the PI via the RE for revision or, for preparation of the Final Report.
 3. The PI shall submit revised Draft Monitoring Report to MMC via the RE for approval.
 4. MMC shall provide written verification to the PI of the approved report.
 5. MMC shall notify the RE or BI, as appropriate, of receipt of all Draft Monitoring Report submittals and approvals.
- B. Handling of Artifacts
1. The PI shall be responsible for ensuring that all cultural remains collected are cleaned and catalogued
 2. The PI shall be responsible for ensuring that all artifacts are analyzed to identify function and chronology as they relate to the history of the area; that faunal material is identified as to species; and that specialty studies are completed, as appropriate.
- C. Curation of artifacts: Accession Agreement and Acceptance Verification
1. The PI shall be responsible for ensuring that all artifacts associated with the survey, testing and/or data recovery for this project are permanently curated with an appropriate institution. This shall be completed in consultation with MMC and the Native American representative, as applicable.
 2. When applicable to the situation, the PI shall include written verification from the Native American consultant/monitor indicating that Native American resources were treated in accordance with state law and/or applicable agreements. If the resources were reinterred, verification shall be provided to show what protective measures were taken to ensure no further disturbance occurs in accordance with Section IV - Discovery of Human Remains, Subsection C.
 3. The PI shall submit the Accession Agreement and catalogue record(s) to the RE or BI, as appropriate for donor signature with a copy submitted to MMC.
 4. The RE or BI, as appropriate shall obtain signature on the Accession Agreement and shall return to PI with copy submitted to MMC.
 5. The PI shall include the Acceptance Verification from the curation institution in the Final Monitoring Report submitted to the RE or BI and MMC.
- D. Final Monitoring Report(s)
1. The PI shall submit one copy of the approved Final Monitoring Report to the RE or BI as appropriate, and one copy to MMC (even if negative), within 90 days after notification from MMC of the approved report.
 2. The RE shall, in no case, issue the Notice of Completion until receiving a copy of the approved Final Monitoring Report from MMC which includes the Acceptance Verification from the curation institution.

Paleontological Resources

I. Prior to Permit Issuance or Bid Opening/Bid Award

A. Entitlements Plan Check

1. Prior to permit issuance or Bid Opening/Bid Award, whichever is applicable, the Assistant Deputy Director (ADD) Environmental designee shall verify that the requirements for Paleontological Monitoring have been noted on the appropriate construction documents.

B. Letters of Qualification have been submitted to ADD

1. Prior to Bid Award, the applicant shall submit a letter of verification to Mitigation Monitoring Coordination (MMC) identifying the Principal Investigator (PI) for the project and the names of all persons involved in the paleontological monitoring program, as defined in the City of San Diego Paleontology Guidelines.
2. MMC will provide a letter to the applicant confirming the qualifications of the PI and all persons involved in the paleontological monitoring of the project.
3. Prior to the start of work, the applicant shall obtain approval from MMC for any personnel changes associated with the monitoring program.

II. Prior to Start of Construction

A. Verification of Records Search

1. The PI shall provide verification to MMC that a site specific records search has been completed. Verification includes, but is not limited to a copy of a confirmation letter from San Diego Natural History Museum, other institution or, if the search was in-house, a letter of verification from the PI stating that the search was completed.
2. The letter shall introduce any pertinent information concerning expectations and probabilities of discovery during trenching and/or grading activities.

B. PI Shall Attend Precon Meetings

1. Prior to beginning any work that requires monitoring, the Applicant shall arrange a Precon Meeting that shall include the PI, Construction Manager (CM) and/or Grading Contractor, Resident Engineer (RE), Building Inspector (BI), if appropriate, and MMC. The qualified paleontologist shall attend any grading/excavation related Precon Meetings to make comments and/or suggestions concerning the Paleontological Monitoring program with the Construction Manager and/or Grading Contractor.
 - a. If the PI is unable to attend the Precon Meeting, the Applicant shall schedule a focused Precon Meeting with MMC, the PI, RE, CM or BI, if appropriate, prior to the start of any work that requires monitoring.
2. Acknowledgement of Responsibility for Curation (CIP or Other Public Projects)
The applicant shall submit a letter to MMC acknowledging their responsibility for the cost of curation associated with all phases of the paleontological monitoring program.
3. Identify Areas to be Monitored
 - a. Prior to the start of any work that requires monitoring, the PI shall submit a Paleontological Monitoring Exhibit (PME) based on the appropriate construction documents (reduced to 11x17) to MMC for approval identifying the areas to be monitored including the delineation of grading/excavation limits. Monitoring shall begin at depths below 10 feet from existing grade or as determined by the PI in consultation with MMC. The determination shall be based on site specific records search data which supports monitoring at depths less than ten feet.
 - b. The PME shall be based on the results of a site specific records search as well as information regarding existing known soil conditions (native or formation).
 - c. MMC shall notify the PI that the PME has been approved.
4. When Monitoring Will Occur
 - a. Prior to the start of any work, the PI shall also submit a construction schedule to MMC through the RE indicating when and where monitoring will occur.

- b. The PI may submit a detailed letter to MMC prior to the start of work or during construction requesting a modification to the monitoring program. This request shall be based on relevant information such as review of final construction documents which indicate conditions such as depth of excavation and/or site graded to bedrock, presence or absence of fossil resources, etc., which may reduce or increase the potential for resources to be present.
5. Approval of PME and Construction Schedule
After approval of the PME by MMC, the PI shall submit to MMC written authorization of the PME and Construction Schedule from the CM.

III. During Construction

- A. Monitor Shall be Present During Grading/Excavation/Trenching
 1. The monitor shall be present full-time during grading/excavation/trenching activities including, but not limited to mainline, laterals, jacking and receiving pits, services and all other appurtenances associated with underground utilities as identified on the PME that could result in impacts to formations with high and/or moderate resource sensitivity. **The Construction Manager is responsible for notifying the RE, PI, and MMC of changes to any construction activities such as in the case of a potential safety concern within the area being monitored. In certain circumstances OSHA safety requirements may necessitate modification of the PME.**
 2. The PI may submit a detailed letter to MMC during construction requesting a modification to the monitoring program when a field condition such as trenching activities that do not encounter formational soils as previously assumed, and/or when unique/unusual fossils are encountered, which may reduce or increase the potential for resources to be present.
 3. The monitor shall document field activity via the Consultant Site Visit Record (CSVR). The CSVR's shall be emailed by the CM to the RE the first day of monitoring, the last day of monitoring, monthly (**Notification of Monitoring Completion**), and in the case of ANY discoveries. The RE shall forward copies to MMC.
- B. Discovery Notification Process
 1. In the event of a discovery, the Paleontological Monitor shall direct the contractor to temporarily divert trenching activities in the area of discovery and immediately notify the RE or BI, as appropriate.
 2. The Monitor shall immediately notify the PI (unless Monitor is the PI) of the discovery.
 3. The PI shall immediately notify MMC by phone of the discovery, and shall also submit written documentation to MMC within 24 hours by email with photos of the resource in context, if possible.
- C. Determination of Significance
 1. The PI shall evaluate the significance of the resource.
 - a. The PI shall immediately notify MMC by phone to discuss significance determination and shall also submit a letter to MMC indicating whether additional mitigation is required. The determination of significance for fossil discoveries shall be at the discretion of the PI.
 - b. If the resource is significant, the PI shall submit a Paleontological Recovery Program (PRP) and obtain written approval of the program from MMC, MC and/or RE. PRP and any mitigation must be approved by MMC, RE and/or CM before ground disturbing activities in the area of discovery will be allowed to resume.
 - (1). Note: For pipeline trenching projects only, the PI shall implement the Discovery Process for Pipeline Trenching projects identified below under "D."
 - c. If resource is not significant (e.g., small pieces of broken common shell fragments or other scattered common fossils) the PI shall notify the RE, or BI as appropriate, that a non-significant discovery has been made. The Paleontologist

shall continue to monitor the area without notification to MMC unless a significant resource is encountered.

- d. The PI shall submit a letter to MMC indicating that fossil resources will be collected, curated, and documented in the Final Monitoring Report. The letter shall also indicate that no further work is required.
 - (1). Note: For Pipeline Trenching Projects Only. If the fossil discovery is limited in size, both in length and depth; the information value is limited and there are no unique fossil features associated with the discovery area, then the discovery should be considered not significant.
 - (2). Note, for Pipeline Trenching Projects Only: If significance can not be determined, the Final Monitoring Report and Site Record shall identify the discovery as Potentially Significant.
- D. Discovery Process for Significant Resources - Pipeline Trenching Projects
The following procedure constitutes adequate mitigation of a significant discovery encountered during pipeline trenching activities including but not limited to excavation for jacking pits, receiving pits, laterals, and manholes to reduce impacts to below a level of significance.
 - 1. Procedures for documentation, curation and reporting
 - a. One hundred percent of the fossil resources within the trench alignment and width shall be documented in-situ photographically, drawn in plan view (trench and profiles of side walls), recovered from the trench and photographed after cleaning, then analyzed and curated consistent with Society of Invertebrate Paleontology Standards. The remainder of the deposit within the limits of excavation (trench walls) shall be left intact and so documented.
 - b. The PI shall prepare a Draft Monitoring Report and submit to MMC via the RE as indicated in Section VI-A.
 - c. The PI shall be responsible for recording (on the appropriate forms for the San Diego Natural History Museum) the resource(s) encountered during the Paleontological Monitoring Program in accordance with the City's Paleontological Guidelines. The forms shall be submitted to the San Diego Natural History Museum and included in the Final Monitoring Report.
 - d. The Final Monitoring Report shall include a recommendation for monitoring of any future work in the vicinity of the resource.

IV. Night and/or Weekend Work

- A. If night and/or weekend work is included in the contract
 - 1. When night and/or weekend work is included in the contract package, the extent and timing shall be presented and discussed at the precon meeting.
 - 2. The following procedures shall be followed.
 - a. No Discoveries
In the event that no discoveries were encountered during night and/or weekend work, The PI shall record the information on the CSV and submit to MMC via the RE via email by 8AM on the next business day.
 - b. Discoveries
All discoveries shall be processed and documented using the existing procedures detailed in Sections III - During Construction.
 - c. Potentially Significant Discoveries
If the PI determines that a potentially significant discovery has been made, the procedures detailed under Section III - During Construction shall be followed.
 - d. The PI shall immediately contact the RE and MMC, or by 8AM on the next business day to report and discuss the findings as indicated in Section III-B, unless other specific arrangements have been made.
- B. If night and/or weekend work becomes necessary during the course of construction
 - 1. The Construction Manager shall notify the RE, or BI, as appropriate, a minimum of 24 hours before the work is to begin.

2. The RE, or BI, as appropriate, shall notify MMC immediately.
- C. All other procedures described above shall apply, as appropriate.

V. Post Construction

A. Preparation and Submittal of Draft Monitoring Report

1. The PI shall submit two copies of the Draft Monitoring Report (even if negative), prepared in accordance with the Paleontological Guidelines which describes the results, analysis, and conclusions of all phases of the Paleontological Monitoring Program (with appropriate graphics) to MMC via the RE for review and approval within 90 days following the completion of monitoring,
 - a. For significant paleontological resources encountered during monitoring, the Paleontological Recovery Program or Pipeline Trenching Discovery Process shall be included in the Draft Monitoring Report.
 - b. Recording Sites with the San Diego Natural History Museum
The PI shall be responsible for recording (on the appropriate forms) any significant or potentially significant fossil resources encountered during the Paleontological Monitoring Program in accordance with the City's Paleontological Guidelines, and submittal of such forms to the San Diego Natural History Museum with the Final Monitoring Report.
2. MMC shall return the Draft Monitoring Report to the PI via the RE for revision or, for preparation of the Final Report.
3. The PI shall submit revised Draft Monitoring Report to MMC via the RE for approval.
4. MMC shall provide written verification to the PI of the approved report.
5. MMC shall notify the RE or BI, as appropriate, of receipt of all Draft Monitoring Report submittals and approvals.

B. Handling of Fossil Remains

1. The PI shall be responsible for ensuring that all fossil remains collected are cleaned and catalogued.

C. Curation of artifacts: Deed of Gift and Acceptance Verification

1. The PI shall be responsible for ensuring that all fossil remains associated with the monitoring for this project are permanently curated with an appropriate institution.
2. The PI shall submit the Deed of Gift and catalogue record(s) to the RE or BI, as appropriate for donor signature with a copy submitted to MMC.
3. The RE or BI, as appropriate shall obtain signature on the Deed of Gift and shall return to PI with copy submitted to MMC.
4. The PI shall include the Acceptance Verification from the curation institution in the Final Monitoring Report submitted to the RE or BI and MMC.

D. Final Monitoring Report(s)

1. The PI shall submit two copies of the Final Monitoring Report to MMC (even if negative), within 90 days after notification from MMC of the approved report.
2. The RE shall, in no case, issue the Notice of Completion until receiving a copy of the approved Final Monitoring Report from MMC which includes the Acceptance Verification from the curation institution.

NOTICE OF DETERMINATION

TO: X Recorder/County Clerk
P.O. Box 1750, MS A33
1600 Pacific Hwy, Room 260
San Diego, CA 92101-2422

FROM: City of San Diego
Planning Department
9485 Aero Drive, MS 413
San Diego, CA 92101

— Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

Project Number: 619013 Permit number: N/A State Clearinghouse Number: 2018061017

Project Title: New Fire Station @ UCSD

PROJECT LOCATION: The project site is located on the east side of North Torrey Pines Road, south of Genesee Avenue and contiguous with the University of California, San Diego (UCSD) in the University Community Planning Area, in the northwest region of the City of San Diego.

DESCRIPTION OF ACTION: CITY COUNCIL APPROVAL of two agreements being negotiated currently: (1) Fire Station Purchase and Sale Agreement; and (2) the Authorization for the Mayor to execute the Option to Purchase Agreement for the Torrey Pines Center South (TPCS); Acceptance of funds from UCSD for construction of the fire station, associated site improvements, and off-site/right-of-way improvements (ROW) within North Torrey Pines Road, including utility connections/relocations; Approval to add the New Fire Station at UCSD as a Capital Improvement Project (CIP) and create a WBS number; Approval of a consultant contract for the preparation of bridging documents for the Fire Station and associated on-site and off-site/ROW improvements so that the project can be put out to bid; Approval of a design-build construction contract for Fire Station and associated on-site and off-site/ROW improvements within North Torrey Pines Road, including utility connections/relocations to allow for future issuance of Ministerial Construction Permits (Building and ROW permits), and future submittal to the California Coastal Commission for a Coastal Development Permit (CDP) in accordance with the State Coastal Act, respectfully "the Associated Discretionary Actions".

After approval of the above discretionary actions, preparation and review of bridging documents would be processed, finalized and approved through the City's Public Works Department Plan Check review process. A design-build contractor would be hired to implement the plans, obtain ministerial permits, and begin construction activities at the site, including construction staging and implementation of a traffic control plan. The project would require demolition of an existing tennis court, ornamental landscaping and grading to allow for future construction of the fire station (approximately 10,500 square foot, LEED certified building) and associated site improvements (on-site and off-site), such as but not limited to, site lighting, fire alarm systems, new drought tolerant landscaping, hardscape improvements (i.e., walkways, standard and ADA parking, retaining walls, etc.), utility connections/relocations, storm water run-off Best Management Practices (BMPs), roadway improvements to allow for ingress and egress of fire apparatus and privately-owned vehicles, and possible median modifications. Other project features would include emergency generator, flagpole, mailbox, fire hydrant, signage, security fencing, trash enclosures, fueling station, truck wash area, and hose drying area.

This project is being implemented to meet the gap in coverage at the UCSD campus as identified in the San Diego Fire-Rescue Department Standards of Response Cover Review prepared by Citygate Associates, LLC (Citygate) in February 2017.

PROJECT APPLICANT: City of San Diego, Real Estate Assets Department, 1200 Third Avenue, Suite 1700, MS 51A, San Diego, CA 92101. Contact: Roswitha Sanchez, (619) 236-6987.

This is to advise that the City of San Diego City Council on _____ approved the above described project and made the following determinations:

1. The project in its approved form ____ will, X will not, have a significant effect on the environment.
2. ____ An Environmental Impact Report was prepared for this project and certified pursuant to the provisions of CEQA.
X A Mitigated Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures X were, ____ were not, made a condition of the approval of the project.

Record of project approval may be examined at the address above

It is hereby certified that the final environmental report, including comments and responses, is available to the general public at the office of the Planning Department, 9485 Aero Drive, MS 413, San Diego, CA 92123

Analyst: M. Herrmann

Telephone: (619) 446-5372

Filed by: _____

Signature

Title

Reference: California Public Resources Code, Sections 21108 and 21152.