



**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
STATEMENT OF PROCEEDINGS**

**The Minutes of the Land Use Legislative Session
of the Board of Supervisors**

January 8, 2025

STATEMENT OF PROCEEDINGS
COUNTY OF SAN DIEGO BOARD OF SUPERVISORS
REGULAR MEETING AGENDA

TUESDAY, JANUARY 7, 2025, 9:00 AM AND WEDNESDAY, JANUARY 8, 2025, 9:00 AM
COUNTY ADMINISTRATION CENTER,
BOARD CHAMBER, ROOM 310
1600 PACIFIC HIGHWAY, SAN DIEGO, CA 92101

LAND USE LEGISLATIVE SESSION
WEDNESDAY, JANUARY 8, 2025, 9:00 AM

Order of Business

A. REGULAR SESSION: Meeting was called to order at 9:03 a.m.

PRESENT: Supervisors Terra Lawson-Remer, Vice-Chair; Joel Anderson, Monica Montgomery Steppe; Jim Desmond; also, Ryan Sharp, Assistant Clerk of the Board of Supervisors.

ABSENT: (District 1 Seat Vacant)

- B. Statement (just cause) and/or Consideration of a Request to Participate Remotely (emergency circumstances) by a Supervisor, if applicable.
- C. Closed Session Report
- D. Non-Agenda Public Communication: Individuals can address the Board on topics within its jurisdiction that are not on the agenda. According to the Board's Rules of Procedure, each person may speak at only one Non-Agenda Public Communication session per meeting. Speakers can choose to speak during either the General Legislative or Land Use Legislative Session.
- E. Consent Agenda
- F. Discussion Items

NOTICE: THE BOARD OF SUPERVISORS MAY TAKE ANY ACTION WITH RESPECT TO THE ITEMS INCLUDED ON THIS AGENDA. RECOMMENDATIONS MADE BY COUNTY STAFF DO NOT LIMIT ACTIONS THAT THE BOARD OF SUPERVISORS MAY TAKE. MEMBERS OF THE PUBLIC SHOULD NOT RELY UPON THE RECOMMENDATIONS IN THE BOARD LETTER AS DETERMINATIVE OF THE ACTION THE BOARD OF SUPERVISORS MAY TAKE ON A PARTICULAR MATTER.

Board of Supervisors' Agenda Items

Agenda #	Subject
1.	STATE ROUTE 125 OTAY MESA ROAD FREEWAY MAINTENANCE AGREEMENT AND RELATED CEQA EXEMPTION

2. TRAFFIC ADVISORY COMMITTEE AND RELATED CEQA EXEMPTION
(01/08/2025 - ADOPT RECOMMENDATIONS INCLUDING INTRODUCING AN
ORDINANCE; 01/292/2025 - SECOND READING OF AN ORDINANCE,
UNLESS ORDINANCE IS MODIFIED ON SECOND READING)
3. RETURN BACK ON OPTIONS AND ANALYSIS RELATED TO SUPERFUND
TO UNLOCK STATE AND FEDERAL FUNDS FOR TOXIC REMEDIATION
AND CLEANUP, AND CEQA EXEMPTION
4. CONTINUED ITEM FROM 12/11/2024 (10):
MCCLELLAN - PALOMAR AIRPORT - APPROVE LEASE WITH AMERICAN
AIRLINES, REPEAL, WAIVE, OR AMEND BOARD POLICY F-44, AND
RELATED CEQA FINDINGS
(4 VOTES)
5. NON-AGENDA PUBLIC COMMUNICATION

1. SUBJECT: STATE ROUTE 125 OTAY MESA ROAD FREEWAY MAINTENANCE AGREEMENT AND RELATED CEQA EXEMPTION (DISTRICT: 1)

OVERVIEW

This is a request to approve a Freeway Maintenance Agreement (FMA) to define maintenance responsibilities between Caltrans and County related to specific facilities located within the State's right-of-way in the unincorporated area. On February 23, 2000, the California Transportation Commission added State Route (SR) 125 South to the State freeway system. On January 16, 2002 (10), the County of San Diego (County) entered into a Freeway and Cooperative Agreement with California Department of Transportation (Caltrans) to define the responsibilities of each agency for closure, relocation, construction and maintenance of roads in the unincorporated area that will be affected with the construction of SR 125 South project (Project) in East Otay Mesa. In January 2024, Caltrans completed the construction of the Project.

The County will have maintenance responsibility for portions of Otay Mesa Road within the State's right-of-way to ensure ongoing access and safety for the public. A right-of-way is defined as an area designated for use as a public street, including the travel portion of the street, the shoulders, curbs, gutters, sidewalks, utilities, drainage facilities, traffic signs and any other improvements. Caltrans will continue to maintain all its freeway facilities in its right-of-way, including freeway surfaces, on and off-ramps, and bridge structures. This is a request to approve a Freeway Maintenance Agreement (FMA) for the Project to define maintenance responsibilities between Caltrans and County related to facilities located within the State's right-of-way, consistent with the 2002 Freeway and Cooperative Agreement.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed activity is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(3) and 15378. Section 15060(c)(3) specifies that activities which do not cause a direct or reasonably foreseeable indirect physical change in the environment are not considered "projects." Since entering into the freeway maintenance agreement (FMA) will have no impact on the environment, it does not meet the definition of a project and is therefore not subject to CEQA review.
2. Approve and authorize the Clerk of the Board and the Director, Department of Public Works to execute, upon receipt, four copies of the State Route 125 Otay Mesa Road FMA 11-8403 with Caltrans.

EQUITY IMPACT STATEMENT

Otay Mesa Road is an important route to connect to new and future developments in the East Otay Mesa area. These developments will provide jobs and support other economic opportunities to serve East Otay Mesa, which is an underserved community. Through the County of San Diego's (County's) partnership with Caltrans, Caltrans completed the construction of State Route 125 South (Project), which included a new overpass spanning Otay Mesa Road, with north and southbound access ramps connecting to Otay Mesa Road. These actions will provide connectivity to the community members in these new developments.

SUSTAINABILITY IMPACT STATEMENT

Today's action will support the County's sustainability initiatives of the by ensuring the proper maintenance of County roads. Maintaining County roads has benefits to sustainability in terms of the economy, environment, social health, and well-being. Maintaining roads in a timely manner prevents more costly maintenance treatments in the future, thereby supporting economic sustainability. Well-maintained roads allow vehicle owners to use fewer resources for vehicle maintenance and operation providing social sustainability benefits. Drainage improvements proposed in this action, such as rehabilitating culverts, curbs, and gutters contribute to the County's sustainability goals to improve water quality and extend the useful life of facilities, by protecting County-maintained roads from costly and resource-intensive repairs.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year (FY) 2024-25 Operational Plan in the Department of Public Works, Road Fund. If approved, the estimated fiscal impact associated with the approval of the State Route 125 Otay Mesa Road Freeway Maintenance Agreement is approximately \$5,000 per year for ongoing maintenance starting in FY 2024-25. The funding source is State Highway User Tax Account (HUTA). There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Montgomery Steppe, seconded by Supervisor Desmond, the Board of Supervisors took action as recommended, on Consent.

AYES: Anderson, Lawson-Remer, Montgomery Steppe, Desmond

ABSENT: (District 1 Seat Vacant)

2. **SUBJECT: TRAFFIC ADVISORY COMMITTEE AND RELATED CEQA EXEMPTION (01/08/2025 - ADOPT RECOMMENDATIONS INCLUDING INTRODUCING AN ORDINANCE; 01/29/2025 - SECOND READING OF AN ORDINANCE, UNLESS ORDINANCE IS MODIFIED ON SECOND READING) (DISTRICTS: 3, 4, & 5)**

OVERVIEW

The Traffic Advisory Committee (TAC) supports the Department of Public Works (DPW) traffic engineering program. The TAC was established by the Board of Supervisors (Board) in the 1960s to provide traffic regulations and recommendations within the unincorporated areas of the region. To be effective, the TAC proposes policies that will enhance safety, reduce congestion, and be legally enforceable. The TAC meets every two months to review proposed additions, deletions, or changes to regulatory traffic control devices such as speed limits, stop signs, traffic signals, and parking regulations on County of San Diego (County) maintained roads. Upon receipt of a request or recommendation for the implementation of a traffic safety measure in unincorporated areas, the TAC reviews and investigates the requested item, including engineering and traffic condition studies. The TAC recommendations are provided to the Board for consideration.

The TAC recommends the Board act on four items from the August 2, 2024, TAC meeting:

District	Item	Location	Action
3	3-A*	Via de Santa Fe from Via de la Valle to Calzada del Bosque in Rancho Santa Fe	Reduce the 40 MPH speed limit to 35 MPH and certify for radar enforcement.
3	3-B*	Via de Santa Fe/El Apajo from Calzada del Bosque to San Dieguito Road in Fairbanks Ranch	Reduce the 45 MPH speed limit to 40 MPH and certify for radar enforcement.
4	4-A*	Fuerte Drive from the La Mesa city limit (west of Grossmont Boulevard) to Chase Avenue in La Mesa/El Cajon	Certify the 35 MPH speed limit for radar enforcement.
5	5-A*	Rock Springs Road from the Escondido city limit (near Hagen Oakes Court) to Bennett Avenue in unincorporated Escondido	Relocate the eastern endpoint, reduce the 40 MPH speed limit to 35 MPH, and certify for radar enforcement.
* Indicates a second reading of the ordinance is required. These items are not in the vicinity of tribal lands.			

Approval of Items 3-A on Via de Santa Fe in Rancho Santa Fe (District 3), 3-B on Via de Santa Fe/El Apajo in Fairbanks Ranch (District 3), 4-A on Fuerte Drive in unincorporated La Mesa/El Cajon (District 4), and 5-A on Rock Springs Road in unincorporated Escondido (District 5) would support speed enforcement which enhances roadway safety. Properly posted speed limits inform drivers on safe speeds, reducing the number and severity of collisions, and allow for enforcement.

The Board's action on Items 3-A on Via de Santa Fe in Rancho Santa Fe (District 3), 3-B on Via de Santa Fe/El Apajo in Fairbanks Ranch (District 3), 4-A on Fuerte Drive in unincorporated La Mesa/El Cajon (District 4), and 5-A on Rock Springs Road in unincorporated Escondido (District 5) would introduce an ordinance to amend speed limit zones. This action would revise the County Code and require two steps. On January 8, 2025, the Board would consider the TAC items. If the Board takes action as recommended on January 8, 2025, then on January 29~~2~~, 2025, a second reading and adoption of ordinances amending the County Code would be necessary to implement the Board's direction. If the proposed ordinance is altered on January 29~~2~~, 2025, then on that date a subsequent meeting date will be selected for the ordinance's adoption.

RECOMMENDATION(S)
TRAFFIC ADVISORY COMMITTEE
District 3:

Item 3-A. Via de Santa Fe from Via de la Valle to Calzada del Bosque in Rancho Santa Fe - Reduce the 40 MPH speed limit to 35 MPH and certify for radar enforcement.

Item 3-B. Via de Santa Fe/El Apajo from Calzada del Bosque to San Dieguito Road in Fairbanks Ranch - Reduce the 45 MPH speed limit to 40 MPH and certify for radar enforcement.

District 4:

Item 4-A. Fuerte Drive from the La Mesa city limit (west of Grossmont Boulevard) to Chase Avenue in unincorporated La Mesa/El Cajon - Certify the 35 MPH speed limit for radar enforcement.

District 5:

Item 5-A. Rock Springs Road from the Escondido city limit (near Hagen Oakes Court) to Bennett Avenue in unincorporated Escondido - Relocate the eastern endpoint, reduce the 40 MPH speed limit to 35 MPH, and certify for radar enforcement.

CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed project is exempt from the California Environmental Quality Act (CEQA) as specified under Section 15301 of the CEQA Guidelines because the proposed action involves minor alterations of existing public facilities relating to regulatory traffic control on County of San Diego maintained roadways, resulting in negligible or no expansion of existing or former use.
2. Adopt the Traffic Advisory Committee's recommendations.
3. Approve the introduction of the following Ordinance:
ORDINANCE AMENDING SECTIONS 72.161.90., 72.162.31., 72.169.33., AND 72.169.97. OF THE SAN DIEGO COUNTY CODE RELATING TO SPEED LIMITS ON COUNTY MAINTAINED ROADS IN SAN DIEGO COUNTY (Items 3-A, 3-B, 4-A, and 5-A).

If, on January 8, 2025, the Board takes action as recommended, then, on January 29, 2025:
Adopt the following Ordinance:

ORDINANCE AMENDING SECTIONS 72.161.90., 72.162.31., 72.169.33., AND 72.169.97. OF THE SAN DIEGO COUNTY CODE RELATING TO SPEED LIMITS ON COUNTY MAINTAINED ROADS IN SAN DIEGO COUNTY (Items 3-A, 3-B, 4-A, and 5-A).

EQUITY IMPACT STATEMENT

The review of traffic signs, intersection controls, and roadway markings supports vehicle safety on County of San Diego maintained roads. The transportation system must be safe for all road users, for all modes of transportation, in all communities, and for people of all incomes, races, ethnicities, ages, and abilities. Understanding travel patterns, where correctable crashes are occurring, and the disproportionate impacts on certain communities will allow the Department of Public Works to identify actions to address the underlying causes, improve safety, and ensure there is justice in the enforcement of traffic regulations.

DPW's Local Roadway Safety Plan reviews correctable collisions along road segments within the unincorporated areas of the region and utilizes the Healthy Places Index (3.0) and CalEnviroScreen 4.0 to ensure underserved populations are prioritized. The Traffic Advisory Committee (TAC) relies on the Local Roadway Safety Plan and performs reviews of regulatory traffic control devices such as signs and markings. While adherence to sign and marking standards developed by the California Department of Transportation is crucial to obtaining the compliance of most drivers, the TAC also relies on various community engagement methods such as the Tell Us Now! Mobile app, toll-free hotlines, and a customer service request program to intake reports on a wide variety of traffic concerns and ensure the concerns are addressed.

SUSTAINABILITY IMPACT STATEMENT

The proposed action has social, health and well-being, and environmental sustainability benefits. The Traffic Advisory Committee has made addressing sustainability a top priority by partnering with local communities and industry leaders in a public forum every two months to find timely, reasonable, and cost-effective in-road traffic solutions that reduce costly traffic delays, mitigate vehicle idling to reduce emissions, improve fire response times and regional readiness, and ensure justice in enforcement of traffic regulations.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year (FY) 2024-25 Operational Plan in the Department of Public Works Road Fund. If approved, this request will result in costs and revenue of \$9,704 in FY 2024-25 for staff time, materials, and supplies. The funding source is State Highway User Tax Account. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Desmond, seconded by Supervisor Montgomery Steppe, the Board of Supervisors took action as recommended, and will further consider adoption of the Ordinance on January 29, 2025.

AYES: Anderson, Lawson-Remer, Montgomery Steppe, Desmond

ABSENT: (District 1 Seat Vacant)

3. **SUBJECT: RETURN BACK ON OPTIONS AND ANALYSIS RELATED TO SUPERFUND TO UNLOCK STATE AND FEDERAL FUNDS FOR TOXIC REMEDIATION AND CLEANUP, AND CEQA EXEMPTION (DISTRICTS: ALL)**

OVERVIEW

On October 8, 2024 (13), the San Diego County Board of Supervisors (Board), directed the Chief Administration Officer (CAO) to return with recommendations for legal options and funding opportunities available at the State and federal levels to help address the Tijuana River Valley pollution crisis, and an assessment of how these options, including potential Superfund designation, would impact the communities most affected by the crisis. The term "Superfund"

refers to a fund managed by the United States Environmental Protection Agency (USEPA) designed to clean up some of the nation's most contaminated land and respond to environmental emergencies, oil spills and natural disasters pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act.

Today's item provides an update on research from County Counsel (Counsel) regarding potentially applicable hazardous materials laws and actions for remediation, as well as regulations governing water and air quality. This analysis includes a high-level overview of these laws without offering a legal opinion on whether facts support the County of San Diego (County) or any other party using these regulatory programs.

Today's actions request the Board find that the proposed actions are not subject to the California Environmental Quality Act (CEQA) as the recommended actions are administrative in nature and not a project as defined in CEQA Guidelines Section 15378(b)(5) and to receive this update (refer to background) related to Superfund designations and other laws and regulations that can unlock State and federal funds for toxic remediation and cleanup.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed actions are not subject to the California Environmental Quality Act (CEQA) as the recommended actions are administrative in nature and not a project as defined in CEQA Guidelines Section 15378(b)(5).
2. Receive this update related to Superfund designation and other laws and regulations that can unlock State and federal funds for toxic remediation and cleanup.

EQUITY IMPACT STATEMENT

The communities closest to the San Diego International Border, including the communities of Imperial Beach, San Ysidro, Otay Mesa-Nestor, and Tijuana River Valley are identified by SB 535 (2012) and CalEnviroScreen 4.0 as being Environmental Justice communities having high pollution burdens for impaired water bodies, elevated hazardous inhalable particulate matter, elevated linguistic isolation, and poverty rates. Local Environmental Justice communities have suffered for decades from various pollution sources, have been advocating and working to raise their concerns to the various agencies, and have elevated the need for data collection to document environmental injustices.

SUSTAINABILITY IMPACT STATEMENT

This update aligns with the County of San Diego's (County) Sustainability Goals: protect health and wellbeing and the environment. The proposed action contributes to the County's Sustainability Goal No. 6 to protect the environment and promote our natural resources, diverse habitats, and cultivate a natural environment for residents, visitors, and future generations to enjoy.

FISCAL IMPACT

There is no fiscal impact associated with today's recommendations. There will be no change in net General Fund costs and no additional staff years. There may be future fiscal impacts associated with direction to pursue a specific action or direction within the TJRV that could impact the community if the action includes direction to County staff to explore additional opportunities for community input and engagement. Fiscal impacts will be identified and funding sources may include the reallocation of resource from another County program.

BUSINESS IMPACT STATEMENT

Increased beach water closures resulting from sewage impacts have a direct effect on the surrounding community due to decreased tourism, patronage of local businesses, and opportunities for youth recreation and camps. Through this action and others related to the Tijuana River Valley pollution crisis, the County continues to engage businesses, non-profit service providers and residents who are negatively impacted by this crisis with the goal of assisting in identifying ways to connect them to any State or federal relief programs and contributing to the regional efforts to resolve the crisis.

ACTION:

ON MOTION of Supervisor Desmond, seconded by Supervisor Montgomery Steppe, the Board of Supervisors took action as recommended.

AYES: Anderson, Lawson-Remer, Montgomery Steppe, Desmond

ABSENT: (District 1 Seat Vacant)

4. **SUBJECT: CONTINUED ITEM FROM 12/11/2024 (10):
MCCLELLAN - PALOMAR AIRPORT - APPROVE LEASE WITH
AMERICAN AIRLINES, REPEAL, WAIVE, OR AMEND BOARD
POLICY F-44, AND RELATED CEQA FINDINGS
(DISTRICTS: 3 AND 5)**

OVERVIEW

On December 11, 2024 (10), the Board of Supervisors (Board) voted to continue this item to the January 8, 2025 hearing. The County of San Diego (County) Department of Public Works (DPW) operates eight airports: Agua Caliente Springs Airport, Borrego Valley Airport, Fallbrook Community Airpark, Gillespie Field, Jacumba Airport, McClellan-Palomar Airport, Ocotillo Airport, and Ramona Airport. McClellan-Palomar Airport (Palomar) has been in operation in Carlsbad since 1959 and is designated by the Federal Aviation Administration (FAA) as a Commercial Service Airport. Aside from San Diego International Airport, Palomar is the only other airport in the County providing access to commercial flights. The airport has a terminal building and supporting infrastructure for commercial service with available space. As the operator of a Commercial Service Airport with available facilities, the County is obligated by federal law and FAA regulations to review and negotiate in good faith with aeronautical service providers wishing to lease space from the County to provide passenger service. The FAA certifies individual airlines for commercial operations, and as part of that process determines if proposed operations are compatible with an airport chosen by a carrier to support operations.

American Airlines is seeking a lease agreement (Attachment B) with the County to use the County's terminal building to begin passenger service at Palomar Airport. American Airlines proposes to operate the Embraer 175 aircraft (EMB 175), which is a dual-engine jet with a maximum of 76 seats. As part of the certification process, the FAA will certify that the EMB 175 can safely operate from Palomar using existing facilities approximately 30-60 days prior to the start of service. American Airlines proposes to operate two departures and two arrivals per day to Phoenix, AZ, and commence service on February 13, 2025.

The County Airport system is operated, maintained, and improved using lease revenues and federal and State grant funding. The County accepts federal grant funding from the FAA Airport Improvement Program (AIP) and, as a condition of receiving funding from the FAA, the County must comply with a list of Airport Sponsor Assurances. Grant Sponsor Assurance 22 (Grant Assurance 22) prohibits the County from discriminating against any type, kind, or class of aeronautical user. The FAA in Order 5190.6B of the FAA Airport Compliance Manual, explains the reach of Grant Assurance 22:

“[Airport sponsors are required to] make [the] airport available as an airport for public use on reasonable terms, and without unjust discrimination, to all types, kinds, and classes of aeronautical activities including commercial aeronautical activities offering services to the public at the airport.”

Both the airline's commercial service operating certificate and Grant Assurance 22 guide the review of American Airlines' lease proposal. If the County were to deny an airline the right to use this commercial facility the FAA may seek to revoke, deny or withhold grants to compel compliance, which would, if imposed, negatively impact the entire County Airport System making critical infrastructure improvements challenging and depleting the Airport Enterprise Fund. It is also possible that American Airlines, the FAA, or other interested party could sue in federal court or bring an administrative enforcement action to challenge denial of the lease agreement.

The proposed lease would accommodate commercial passenger services using the existing passenger terminal, parking facilities, aircraft ramp space, and infrastructure. To support commercial service, the County obtained funds and completed over 20 million dollars of improvements from 2008-2011, underscoring the County's significant improvement and investment in the airport which have largely been underused for the last nine years. Resuming commercial service to Palomar Airport allows the County to maximize the return on these investments, as well as strengthens the economy through job creation, increased access to air travel, and additional infrastructure investments.

This proposal is for a lease that would allow American Airlines to occupy two ticket counter spaces, a kiosk, and office space at the passenger terminal totaling about 479 square feet of exclusive use space. American Airlines estimates there would be about 150 employees and passengers entering the airport on an average day. This lease proposal is consistent with the historical use outlined in the County's Airport Master Plan (Master Plan) and Program Environmental Impact Report (PEIR). No additional facilities would need to be constructed to support the lease as the proposed uses are within the scope of uses the existing facilities were

designed and built to accommodate. As an established commercial airport, any airline can seek a lease to utilize Palomar airport's facilities for commercial flights. The County is prohibited by federal law and grant assurances from discriminating against American Airlines and is obligated to negotiate in good faith with the airline for the use of available space.

Approving the lease with American Airlines is consistent with FAA grant assurances, aligns with the existing Conditional Use Permit 172 (CUP), and represents an implementation of the County's Airport Master Plan and PEIR which outlines the use of commercial service at Palomar Airport. Specifically, the County would not require an amendment to the existing CUP issued by the City of Carlsbad as limited commercial airline service at Palomar is consistent with the facilities and uses allowed by right under the current CUP. Additionally, the Master Plan Update and PEIR approved by the Board of Supervisors for Palomar on December 8, 2021, included a facilities review and a 20-year forecast of anticipated aviation activity at the airport. The Master Plan update anticipated the continuation of commercial service at the airport and identified safety improvements to continue to support these activities over the planning period.

American Airlines has proposed that one of its flights occur at 6:15 am which is within the quiet hours recommended in the Voluntary Noise Abatement Program (VNAP) approved by the FAA for Palomar. In 1992 and 2006 the County sought FAA permission to establish mandatory noise restrictions, including a curfew at Palomar, in accordance with the Airport Noise and Compatibility Act of 1990 (ANCA) and FAA implementing regulations. The FAA rejected the County's request and approved only the voluntary program in the VNAP. Consistent with ANCA and Grant Assurance 22, the County does not have the authority to impose what would amount to a curfew on American Airlines by prohibiting the airline from flying before 7:00 am. Consistent with the voluntary nature of the VNAP, the County informed American Airlines of the VNAP and requested that American Airlines comply with it. American Airlines cannot meet the VNAP quiet hours requirement for its first flight because of the need to timely connect passengers with its regional hub facilities at Phoenix, AZ. In accordance with ANCA, only the FAA can establish flight curfews. Imposition of a curfew at Palomar is unsupported by federal requirements set forth in ANCA and federal regulation.

However, County Airports takes the concerns of area residents about noise seriously. To support our commitment to being a good neighbor, the County has expanded its noise monitoring efforts by installing additional noise monitors in local communities, increased our educational outreach to pilots, added staff to support noise complaints, created a public dashboard to track and log concerns, and continue to work with air traffic controllers to encourage compliance with our voluntary noise abatement program. County Airports will continue to engage with pilots, aviation businesses, and the FAA about noise on behalf of area residents and seek voluntary compliance with the VNAP whenever possible.

Additionally, approving the lease with American Airlines is consistent with the forecasted economic impact in 2026 and 2036 under the Full Development model detailed in the Airport Economic Impact Analysis (2021) representing the least constrained economic scenario to facilitate current and forecasted aviation activity and accommodate commercial air service. This analysis provided baseline data outlining the Airport's current economic contribution as well as the potential benefit to the region under various growth scenarios and timeframes as discussed in the Master Plan Update. The Airport's operational and capital expenditure, tenant activity, and

passenger spending supported 2,590 jobs, drove \$460.6 million in industry activity, and generated \$72.2 million in federal, State, and local tax revenue. In 2019, the off-airport business park activity generated an additional 622 jobs, \$82.6 million in industry activity, and \$14.9 million in tax revenue. The economic impact associated with the addition of future American Airlines services at Palomar Airport will continue to expand Palomar Airport's regional economic impact and critical role in supporting the growth of economic activity in the region.

Total fees and charges the County Airports is anticipated to receive from American Airlines in the first year of operations is \$606,678. Moreover, approving the lease and re-establishing commercial service at Palomar Airport will help Palomar Airport's annual FAA entitlement funding to increase from \$150,000 to \$1.0M once the airport exceeds 10,000 enplaned passengers. This represents an \$850,000 entitlement increase for the County to receive through FAA grants to utilize for eligible capital improvement projects. Additional entitlement funding would allow for improved infrastructure at any County airport facility, further strengthening the Airport System and benefiting the San Diego County aviation community through access to improved facilities and the general public through increased economic activity. Consistent with industry standards, County Airports recommends partially waiving fees for the first year of its operations. Fee Waivers are a common practice across the industry for an airport to incentivize new services bringing economic and transportation benefits to the region. Additionally, commercial airports are expected to offer incentives to airlines to attract new service. The total fees proposed to be waived for the first year are \$351,428, reducing the year one revenue to \$255,250. The total revenue County Airports will receive in the second year American Airlines operating at Palomar is about \$606,678. Additionally, to meet Transportation Security Administration (TSA) safety requirements, the County will also be adding armed law enforcement during service departure times. However, the projected lease revenue and FAA grant funding are anticipated to substantially exceed the amounts waived and operational costs during the term of the proposed lease to facilitate the commencement of operations.

Lastly, Airports requests that the Board repeal, waive, or amend Policy F-44. The need to repeal, waive, or amend Policy F-44 was identified in the Master Plan under section 2.10.5 POLICY F-44 "DEVELOPMENT OF MCCLELLAN-PALOMAR AIRPORT." Addressing Policy F-44 is a necessary action regardless of the approval of the American Airlines lease as it is necessary to eliminate the ambiguity created by the two conflicting documents (i.e., the Policy and Master Plan), and bring the Policy into conformance with FAA Grant Assurance 22 relating to seat restrictions. The 70-seat restriction outlined in Policy F-44 is contrary to FAA Grant Assurance 22 prohibiting discrimination between any type, kind, or class of aeronautical activity. Policy F-44 was established in the 1980s and amended over the years including revising the number of seats allowed to provide guidelines for the operation and development of the airport. The Policy states that the role of Palomar Airport shall be to provide air transportation and to facilitate aviation support activities; however, the Master Plan, which was adopted in 2021, decades after F-44 was established, lays out a comprehensive plan for the development of the airport making Policy F-44 unnecessary. The Board could choose to repeal, waive, or amend Policy F-44. Staff recommends repealing Policy F-44 to bring Board Policy into alignment with the Palomar Airport Master Plan and to ensure compliance with federal requirements. Alternatively, the Board could choose to waive or amend Policy F-44, as shown in Attachment C.

This is a request for the Board of Supervisors to authorize the Director of Airports to execute a two-year lease agreement and partially waive fees during the first year with American Airlines, in compliance with the FAA regulations. If approved, revenues from this lease on airport property would be placed into the County's Airport Enterprise Fund to be used to develop, operate, maintain, and improve the County's airport system. Additionally, this is a request for the Board of Supervisors to repeal, waive, or amend Policy F-44 to eliminate the discrepancy with the Palomar Airport Master Plan, to ensure compliance with FAA Grant Assurance 22, and make required CEQA findings.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find that the Final Program Environmental Impact Report (PEIR) for the McClellan-Palomar Airport Master Plan Update, certified by the Board of Supervisors on December 8, 2021 (06), State Clearinghouse #2016021105 on file with the Department of Public Works, was completed in compliance with the California Environmental Quality Act (CEQA) and state CEQA Guidelines, that the decision-making body has reviewed and considered the information contained therein and the Findings thereto dated December 11, 2024 (Attachment E) before approving the project, that the PEIR reflects the independent judgment and analysis of the Board of Supervisors; and

Find that there are no substantial changes in the project or in the circumstances under which it is undertaken which involve significant new environmental impacts that were not considered in the previously certified PEIR, that there is no substantial increase in the severity of previously identified significant effects, and that no new information of substantial importance has become available since said PEIR was prepared in accordance with CEQA Guidelines Section 15168.

2. Approve the County entering into a two-year lease with American Airlines, in compliance with the FAA regulations, and authorize the Director of Airports to execute, upon receipt, three copies of the lease. **(4 VOTES)**
3. Waive approximately \$351,428 of partial fees and charges the County Airports is anticipated to receive from American Airlines in the first year of operations.
4. Take one of the following actions with regard to Board Policy F-44 (choose one):
 - A) Repeal the Policy to eliminate the discrepancy with the Palomar Airport Master Plan, to ensure compliance with federal requirements, and allow for approval of the proposed lease with American Airlines; or
 - B) Waive Section 2 of the Policy to allow American Airlines to use the 76 seat EMB 175 for commercial service at Palomar; or
 - C) Amend the Policy in accordance with Attachment C to remove inconsistencies with the proposal from American Airlines, the adopted Master Plan for Palomar, and federal requirements related to airport operations.

EQUITY IMPACT STATEMENT

The County of San Diego (County) has eight airports that are owned and operated by the County which provide vital air transportation hubs, emergency response facilities, and serve as economic engines. The County pursues delivery of these services in a fair and equitable manner and actively works to remove barriers by providing airport guests with general airport information in the County's threshold languages, encouraging participation, and providing competitive opportunities for small businesses, businesses that traditionally have less working capital, and business owners and managers who may be socially and economically underserved.

SUSTAINABILITY IMPACT STATEMENT

This request to authorize the Director of Airports to execute the lease with American Airlines has economic and social sustainability benefits. The base monthly rent from these leases help support economic and social sustainability by providing services for the region. The revenue that County Airports will receive from the commercial aviation and continue to receive from the current charter airlines will help operate, maintain, and improve the County Airport System consistent with the County sustainability goal of providing just and equitable access to County services and resources in support of sustainable communities.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2024-25 Operational Plan in the Airport Enterprise Fund. If approved, today's recommendation will approve a lease agreement with County Airports. Total fees and charges the County Airports is anticipated to receive from American Airlines in the first year of operations is \$606,678. If the lease with American Airlines is approved, County Airports recommends a partial fee waiver for the first year of its operations beginning on February 13, 2025. Fee waivers are a common practice across the industry for an airport to incentivize new services. The total fees proposed to be waived for the first year are \$351,428, reducing the year one revenue to \$255,250. However, commencing commercial service at Palomar Airport will help Palomar Airport's annual FAA entitlement funding to increase from \$150K to \$1.0M once the airport exceeds 10,000 enplaned passengers. This represents an \$850,000 entitlement increase for the County to receive through FAA grants to utilize for eligible capital improvement projects, helping to offset any fees waived. The total revenue County Airports will receive in the second year American Airlines operating at Palomar is approximately \$606,678. To meet Transportation Security Administration (TSA) safety requirements, the County will also be adding armed law enforcement during service departure times. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

Leases at airports benefit the local business community by creating jobs, increasing economic activity, providing business opportunities, and supporting infrastructure development. They attract visitors, generate revenue, and help small businesses grow, thus stimulating the local economy and improving the quality of life for residents. Airports connect individuals to jobs and local communities to the world. Revenue derived from airport leases allows DPW to operate and maintain the eight County airports, airstrips, and airpark safely, efficiently, and cost-effectively.

Today's action of authorizing the Director of Airports to execute a lease agreement with American Airlines promotes self-sufficiency by enhancing the economic viability of the County airport system.

ACTION:

ON MOTION of Supervisor Desmond, seconded by Supervisor Anderson, the Board of Supervisors took the following actions:

1. Found that the Final Program Environmental Impact Report (PEIR) for the McClellan-Palomar Airport Master Plan Update, certified by the Board of Supervisors on December 8, 2021 (06), State Clearinghouse #2016021105 on file with the Department of Public Works, was completed in compliance with the California Environmental Quality Act (CEQA) and state CEQA Guidelines, that the decision-making body has reviewed and considered the information contained therein and the Findings thereto dated December 11, 2024 (Attachment E) before approving the project, that the PEIR reflects the independent judgment and analysis of the Board of Supervisors; and

Found that there were no substantial changes in the project or in the circumstances under which it is undertaken which involve significant new environmental impacts that were not considered in the previously certified PEIR, that there is no substantial increase in the severity of previously identified significant effects, and that no new information of substantial importance has become available since said PEIR was prepared in accordance with CEQA Guidelines Section 15168.

2. Approved the County entering into a two-year lease with American Airlines, in compliance with the FAA regulations, and authorized the Director of Airports to execute, upon receipt, three copies of the lease.
3. Waived approximately \$351,428 of partial fees and charges the County Airports is anticipated to receive from American Airlines in the first year of operations.
4. Took the following action with regard to Board Policy F-44:
 - A) Repealed the Policy to eliminate the discrepancy with the Palomar Airport Master Plan, to ensure compliance with federal requirements, and allow for approval of the proposed lease with American Airlines.

AYES: Anderson, Lawson-Remer, Montgomery Steppe, Desmond

ABSENT: (District 1 Seat Vacant)

5. SUBJECT: NON-AGENDA PUBLIC COMMUNICATION (DISTRICTS: ALL)

Robert Germann spoke to the Board regarding aviation issues at local airports.

Gambler Hermis spoke to the Board regarding election fraud.

Peggy Walker spoke to the Board regarding the harmful impacts of high potency THC products.

Rusty Shackelford spoke to the Board regarding the alleged horse abuses on Artesian Road.

Audrey Reynolds spoke to the Board regarding the alleged horse abuses on Artesian Road.

ACTION:

Heard, Referred to the Chief Administrative Officer.

There being no further business, the Board adjourned the Land Use Legislative Session at 11:40 a.m.

ANDREW POTTER
Clerk of the Board of Supervisors
County of San Diego, State of California

Consent: Valdivia
Discussion: Zurita

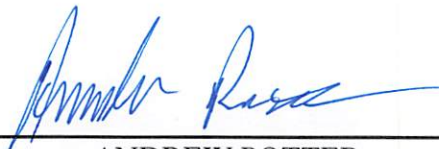
NOTE: This Statement of Proceedings sets forth all actions taken by the County of San Diego Board of Supervisors on the matters stated, but not necessarily the chronological sequence in which the matters were taken up.

Approved by the Board of Supervisors, on Tuesday, January 28, 2025.



TERRA LAWSON-REMER
Vice-Chair

Attest:



ANDREW POTTER
Clerk of the Board

01/08/2025