NOTICE OF EXEMPTION

TO:	FROM:
☒ Office of Planning and Research P. O. Box 3044, Room 113 Sacramento, CA 95812-3044	San Diego Metropolitan Transit System (responsible agency)
☒ Clerk of the Board of Supervisors or County Clerk County of: San Diego Office of the Recorder County Clerk 1600 Pacific Highway, Suite 260 P.O. Box 121750 San Diego, CA 92112-1750 Phone: (619) 237-0502	Address: 1255 Imperial Avenue Suite 1000 San Diego, CA 92101 Contact: Sean Myott Manager of Real Estate Assets Phone: (619) 916-7233 Email: Sean.Myott@sdmts.com

1.	Project Title:	Imperial Avenue Terminal (IMT) North Transit-Oriented Development (TOD) Project – Disposition and Development Agreement
2.	Project Applicant:	San Diego Metropolitan Transit System 1255 Imperial Avenue Suite 1000 San Diego, CA 92101 Contact: Sean Myott Manager of Real Estate Assets Phone: (619) 916-7233 Email: Sean.Myott@sdmts.com. **and** SDHF 12th and Imperial, LLC 2508 Historic Decatur Road, Suite 200 San Diego, CA 92106 Contact: James Howell Chief Financial Office and Managing Partner San Diego Housing Fund Phone: (619) 814-1334 Email: james@sdfoundation.org
3.	Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):	1313 National Avenue and 1344 National Avenue in the East Village neighborhood of downtown San Diego adjacent to the 12th and Imperial Transit Center located at 1255 Imperial Avenue
4.	(a) Project Location – City: San Diego	(b) Project Location – County: San Diego
5.	Description of nature, purpose, and beneficiaries of Project:	On October 16, 2025, the San Diego Metropolitan Transit System Board of Directors adopted Resolution No. 25-13 finding the Imperial Avenue Terminal North Transit-Oriented Development (TOD) Project is a By-Right,

	Ministerial Downtown Development Project that is Exempt from Environmental Review under the California Environmental Quality Act; the TOD Project is Within the Scope of Development of City of San Diego Plans and Programs Covered in Prior Environmental Impact Reports and No Further Environmental is Required; the TOD Project is Further Exempt from Environmental Review under Public Resources Code section 21080.40 as a One Hundred Percent Affordable Housing Project; and Approving the TOD Project. The Board also authorized MTS's Chief Executive Officer to execute a Disposition and Development Agreement (DDA) with SDHF 12th & Imperial, LLC for the TOD Project and to take all actions necessary to fulfill MTS's obligations under the DDA, including, but not limited to, executing a Ground Lease and related regulatory agerements for the project. The TOD Project consists of a six-story mixed-use building with approximately 161 affordable residential units (280 bedrooms) and residential amenities. The concept for this project includes one-, two- and three-bedroom apartments along with limited first floor resident parking (estimated 96 total spaces), common area open space, resident bike storage, and a property management office. The TOD Project is anticipated to be ready for Ground Lease execution and construction to begin in early 2028. Construction is estimated to take 18 to 24 months. The rental units shall remain affordable to, and occupied by, lower income households for a period of at least 55 years. All units shall be rent restricted according to TCAC or CalHFA program requirements, except for two staff units. The 12th and Imperial Transit Center located adjacent to the TOD Project is one of the busiest in the region, offering service on all trolley lines and four major bus routes. The TOD Project would provide housing, jobs, and services adjacent to the transit center consistent with MTS Board Policy 18, Joint Development Program, which aims to promote high quality housing on or near the transit system. The TOD Project would also increase ridership for MTS while contributing to environmentally sustainable livable communities that are focused on transit access. Separate and distinct from the TOD Project, in October 2022, MTS adopted Resolution No. 22-12 approving the expansion of the bus passenger facilities at the IMT to include the National Avenue Property, just east of the existing transit center ("Transit Center Expansion"). As part of the Transit Center Expansion, on March 4, 2025, MTS applied to vacate portions of 13th Street, Commercial Street, and National Avenue within the proposed consolidated parcel to facilitate the new transit center configuration, which is currently in process with the City of San Diego (City of San Diego Project No. PRJ-1132335). Assembly of the TOD Project site requires the street vacation, but MTS will pursue the street vacation for the Transit Center Expansion regardless of TOD Project. While MTS and the designers of the Transit Center Expansion will work with the TOD Project team to harmonize the design of the TOD Project with the design of the Transit Center Expansion, each project will remain separate and

			independent of the other, and neither project is dependent on the other. The TOD Project is consistent with the City of San Diego's General Plan, the Downtown Community Plan, and the Centre City Planned District Ordinance. The TOD Project is also located in a Transity Priority Area and a Sustainable Development Area, and there is no limt on the number of dwelling units permitted. The City of San Diego is the lead agency for the TOD Project under CEQA. Because the TOD Project will be carried out pursuant to the responsibilities outlined in the DDA between MTS and SDHF 12th & Imperial, LLC in reliance on the City's ministerial determination, as explained further below, MTS is a responsible agency with discretionary approval authority.
6.	Name of Public Agency approving project:		San Diego Metropolitan Transit System 1255 Imperial Avenue Suite 1000 San Diego, CA 92101 Contact: Sean Myott Manager of Real Estate Assets Phone: (619) 916-7233 Email: Sean.Myott@sdmts.com
7.	Name of Person or Agency undertaking the project, including any person undertaking an activity that receives financial assistance from the Public Agency as part of the activity or the person receiving a lease, permit, license, certificate, or other entitlement of use from the Public Agency as part of the activity:		San Diego Metropolitan Transit System 1255 Imperial Avenue Suite 1000 San Diego, CA 92101 Contact: Sean Myott Manager of Real Estate Assets Phone: (619) 916-7233 Email: Sean.Myott@sdmts.com **and** SDHF 12th and Imperial, LLC 2508 Historic Decatur Road, Suite 200 San Diego, CA 92106 Contact: James Howell Chief Financial Office and Managing Partner San Diego Housing Fund Phone: (619) 814-1334 Email: james@sdfoundation.org
8.	Exempt status: (check one)		
	(a)	☒ Ministerial project.	Pub. Resources Code, § 21080(b)(1); State CEQA Guidelines, § 15268; City of San Diego Municipal Code § 156.0304(c)
	(b)	☐ Not a project.	
	(c)	☐ Emergency Project.	
	(d)	☐ Categorical Exemption.	

		State type and section number:	
	(e) ☐	Declared Emergency.	
	(f) ☒	Statutory Exemption. State Code section number:	Pub. Resources Code, § 21080.40
	(g) ☐	Other. Explanation:	
9.	Reason why project was exempt:		The TOD Project is a ministerial project under City of San Diego Municipal Code section 156.0304(c), which exempts development (public or private) on public agency-owned sites within the Centre City Planned District from the requirement to obtain a development permit. Applicants must seek to maximize density through the use of affordable housing or childcare density bonuses. Further, the TOD Project is ministerial as it may be constructed by-right because it complies with the City's zoning, land use, and planning regulations for the site. Ministerial projects are exempt from the requirements of CEQA. (Pub. Resources Code, § 21080, subd. (b)(1); CEQA Guidelines, § 15268.) The determination of what is "ministerial" is most appropriately made by the City, as the land use authority, based upon its analysis of its own laws and regulations. (CEQA Guidelines, §§ 15268, subd. (a), 15369.) On August 14, 2025, the City issued a Single Preliminary Review Assessment Letter (Project No. 1138642) for the TOD Project. City staff concluded that the TOD Project is a use that is permitted by right and, with compliance with the City's Affordable Housing Regulations (Chapter 14, Article 3, Division 7) of the San Diego Municipal Code, may be approved with a ministerial building permit (no discretionary City approval required). The TOD Project is further exempt from CEQA under Public Resources Code section 21080.40. The TOD Project is located in the City of San Diego and is within one-half mile walking distance of a major transit stop and is comprised entirely of affordable residential units (with the exception of up to 2 market rate manager units). The TOD Project will meet the labor requirements set forth in Government Code sections 65912.130 and 65912.131 and will be subject to a recorded California Tax Credit Allocation Committee regulatory agreement as a condition of project approval. Parcels that are developed with urban uses adjoin at least 75 percent of the perimeter of the TOD Project site (or at least three sides of the foursided project site). Further, the TOD Project is within the scope of development planned for the Downtown area, and therefore the site can be adequately served by exiting utilities or extensions. The TOD Project also satisfies the requirements in Government Code section 65913.4, subdivision (a)(6)(B)-(K). A Phase I has been completed for the TOD Project site, and a preliminary endangerment assessment will be prepared as a condition of project approval.
10.	Responsible Agency Contact Person:		Sean Myott Manager of Real Estate Assets
	Telephone:		Phone: (619) 916-7233
11.	If filed by applicant: Attach Preliminary Exemption Assessment (Form "A") before filing. **N/A**		

12.	Has a Notice of Exemption been filed by the public agency approving the project? □ Yes ☐ □ No ☐ **N/A**
13.	Was a public hearing held by the Responsible Agency to consider the exemption? □ Yes ☒ □ No ☐ If yes, the date of the public hearing was: October 16, 2025

Signature: Kena M. Teon Date: 10/22/2025

Title: Grants Administrator, MTS

□ ☒ Signed by Responsible Agency □ ☐ Signed by Applicant

Date Received for Filing: _____

(Clerk Stamp Here)

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.