

### PALOMAR HEIGHTS

**POSITION:** The Chamber's Public Policy Committee voted to SUPPORT the project on September 8, 2020. The Board of Directors voted to SUPPORT the project on September 24, 2020.

**RATIONALE:** This project redevelops the site of the former Palomar Hospital, adding housing units and limited commercial to a space well-positioned to absorb workforce housing and amenities.

**STATUS:** Integral Communities has been working with the City of Escondido since 2018 on this development, with the City since having granted approval.

#### SUMMARY

Palomar Heights is comprised of 510 homes (rental and for sale) of infill development in Escondido, near the downtown core on just over 13 acres. There is an additional 10,000 feet of commercial space, which is intended to be complementary to existing commercial businesses in the nearby area. Additional components include a dog park, pet spa, pool, fitness center, co-work space and other amenities.

#### ADDITIONAL INFORMATION

Palomar Heights makes a significant impact in the housing production numbers in the City of Escondido. Since 2010, a total of only 492 units have been built downtown. This development alone proposes more housing units, and will help to alleviate the shortage of workforce housing throughout the region. The process began with a purchase and sale agreement for the Palomar Hospital site in summer 2018. This iteration of the project is expected to go before Council in the coming weeks, and will allow close of escrow immediately after.

While increased density to reach the full number of allowable units on the site has been recommended by some groups like the Sierra Club, the developer has pointed out that their plan does is in alignment with density in the general area (between 35-50 du/ac).

#### INDUSTRY/IES IMPACTED

The proposal will impact the Escondido community, and the building industry in North San Diego County.

#### SUPPORTERS

- Mercado Business Association

#### ARGUMENTS IN FAVOR

- San Diego is experiencing a housing crisis and the 510 units can help alleviate that.
- The project will improve foot traffic in the commercial core and create mobility opportunities for local businesses to take advantage of.

#### OPPONENTS

- Sierra Club North County Group

#### ARGUMENTS IN OPPOSITION

- This development should have increased density and include the maximum 1,300 units as allowed.