Kirk Consulting
A California Corporation

Memorandum

Date: April 30, 2024

To: Laura Holder, County of San Luis Obispo Public Works

From: Christy Gabler

RE: Tract 2586/CUP S030115U - Annexation to CSA23,
CEQA Compliance and Mitigation Requirements

The following provides an explanation of CEQA Compliance and Mitigation requirements as it pertains to the proposed annexation of Tract 2586 (Tract) to CSA 23.

Conditional Use Permit and Vesting Tentative Tract Map 2586 (S030115U) was approved, and the Final Environmental Impact Report (FEIR) was certified by the San Luis Obispo Board of Supervisors on December 23, 2008 (refer to BOS Resolution No. 2008-455). The CUP and Tract "Approved Development" included Annexation to CSA 23, if feasible. The CUP/Tract "Approved Development" authorized the following as it relates to Annexation to CSA 23:

Approved Development

1. This approval authorizes a three phase Major Agricultural Cluster consistent with the Amended Project. The Amended Project subdivides a 3,778 acre area into 111 residential parcels with building envelopes. In addition, the Amended Project includes open space easement parcels totaling 3,620 acres, and a 2,417 acre remainder parcel. Phase One encompasses 1,518 acres and consists of 40 residential cluster lots. Phase Two encompasses 1,201 acres and consists of an additional 42 residential clustered lots. Phase Three encompasses 1,057 acres and consists of an additional 29 residential clustered lots. The Amended Project would include private agricultural and residential easements and paved roadways; water service improvements including a water tank, looped service main, and service lines to residential parcels; underground wire utilities; individual on-site septic systems and leach fields for parcels within the Amended Project area. The Amended Project is to incorporate the following:

   f. Annexation to County Service Area 23 to accommodate the community water system that will be used for the proposed residences. Use of imported water (Nacimiento Water Project) at a 1:1 ratio for all residential development shall be provided through an annexation agreement secured through the Santa Margarita Ranch Mutual Water Company allowing land application for agriculture to offset the use of groundwater for residential units and an emergency intertie with the existing CSA 23 system. If this option is not feasible (ie annexation to CSA 23), the land application of Nacimiento water will nevertheless be allowable and the requirement to construct an emergency intertie with the existing CSA 23 system must still be completed. Appropriate permits must be obtained.

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Phone: 805-461-5765 Fax: 805-462-9466

The following excerps from the Certified Final Environmental Impact Report, the section discussing Amended Alternative 12, the CEQA Findings, and the Final Resolution of Approval by the Board of Supervisors are provided for reference.

More specifically, the highlighted excerpts identify the locations within each of these approved documents the various concerns related to water supply and water storage were addressed.

Groundwater wells were drilled in 2021 and 2024 to supply water to Tract 2586. The wells are located in the same vicinity as the existing well that was originally proposed to supply water to Tract 2586. It was determined in coordination with the State Dept of Drinking Water that the seal on the original well was insufficient to be annexed as a public water supply. Both new wells meet the requirements for public water supply and are consistent with the Water Supply analysis in the EIR (Sect 4.14).

In 2021, the SMR team requested a project modification to construct an at-grade water storage tank on a graded pad (rather than buried tank which required far greater excavation) that would reduce environmental impacts and be completed in earth tones. Phase 2 lots have not yet been created. With the design of Phase 2 lots and associated development pad elevations, the relationship to water course(s) will be evaluated, addressing MM S-3(a).

The submittal package and County approval for the modification is included here, for reference. This modification was processed as SUB2021-00004.

Our Feb, 2023 memo which provided reference to the CEQA documents pertaining to water supply and the waterline connection via Encina Avenue is included for you again here. Sect 4.14 of the FEIR is included with that explanation.

Additionally, Sect 6.12 is excerpted from the EIR Alternatives, Alternative #12, which was identified as the Amended Project and was selected as the Approved Project. The Approved Project includes the connection to the water line at Encina Avenue.

The CEQA findings and Final Resolution of Approval are also provided for reference to the proposed pipeline construction in Encina Avenue and the use of Nacimiento Water to offset the use at a 1:1 ratio. Verifying the adequacy of the Nacimiento Water is associated with the recordation of the Phase 2 Tract Map so that some number of homes can be

established to determine actual use. Again, the Nacimiento turnout to receive this water was completed in 2016 and is equipped to receive Nacimiento water when necessary.

If there are additional questions regarding the proposed annexation, CEQA compliance, and/or mitigation measures, please don't hesitate to contact us.

Best regards,

Christy Gabler
Principal Project Manager
Christy@kirk-consulting.net

The following excerpts are from the certified EIR for the Santa Margarita Ranch Ag Residential Cluster. These excerpts pertain to the proposed tract water system infrastructure and connection to the existing CSA23 system.

Final

Environmental Impact Report for Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program

State Clearinghouse No. 2004111112

Volume 1 of 2: EIR Analysis

Prepared for:
County of San Luis Obispo
Department of Planning and Building

Prepared by:
Rincon Consultants, Inc.

June 2008

Tract 2586

Water Supply

Table ES-1. Summary of Project and Program Components

Project Element	Project Characteristics
Agricultural Residential Cluster Tract 2586	
111 residential clustered lots	1.0 to 2.5 acres in size (128 acres)
1 Dwelling Unit at Headquarters Parcel, Parcel 42	
40-foot wide private easements (residential) and 30-foot wide driveway easements	16 acres
40-foot wide private easements (residential and agricultural)	19.1 acres
Paved roads	20 and 18 feet wide (or narrow if approved)
Water and Septic Utilities	Water tank, service main and service lines; water wells. 112 on-site septic systems
Underground and aboveground utilities	State Water, Salinas Water, Pacific Gas and Electric, Southern California Gas Company, Phillips Petroleum, telephone, and cable
Drainage Facilities	**Storm Drains and Detention Basins**

c. Utilities. The applicant proposes two water storage tanks with a capacity of 188,000 gallons each for location at the top of the hill in the center of the proposed residential cluster. Vegetation or underground placement may provide screening of the water tanks. The Santa Margarita Ranch Mutual Water Company would own and maintain the proposed water tanks and water service infrastructure that serve the clustered residential home sites. SMRMWC would ~~utilize existing on-site wells to meet domestic needs.~~ Individual well yields typically range between 200 and 400 gallons per minute (gpm), with some wells capable of rates of up to 1,000 gpm. The water would be drawn from Paso Robles Formation sand and gravel deposits, an undefined or stratigraphic equivalent to the Paso Robles Formation, and the Santa Margarita Formation aquifer units. Water would be stored in two 188,000 gallon water tanks located at the top of a hill near the center of the Agricultural Residential Cluster Subdivision.

Groundwater wells were drilled in 2021 and 2024 to supply water to Tract 2586. The wells are located in the same vicinity as the existing well that was originally proposed to supply water to Tract 2586. It was determined in coordination with the State Dept of Drinking Water that the seal on the original well was insufficient to be annexed as a public water supply. Both new wells meet the requirements for public water supply and are consistent with the Water Supply analysis in the EIR (Sect 4.14).

Tract 2586

Water Storage Tank

Table ES-3. Summary of Agricultural Residential Cluster Subdivision Environmental Impacts, Mitigation Measures, and Residual Impacts

CLASS I IMPACTS: SIGNIFICANT AND UNAVOIDABLE		
Impact	**Mitigation Measures**	**Residual Impacts**
VISUAL RESOURCES		
	ARCS VR-1(d) Bury Water Tanks. The water tanks shall be placed below grade to reduce their visual profile. The tanks shall be placed at a depth such that the tanks do not silhouette against the sky. If burying water tanks is infeasible, natural building materials and colors compatible with surrounding terrain (earthtones and non-reflective paints) shall be used on exterior surfaces.	

CLASS II IMPACTS: SIGNIFICANT BUT MITIGABLE		
Impact	**Mitigation Measures**	**Residual Impacts**
PUBLIC SAFETY		
ARCS Impact S-3 Two water storage tanks are proposed to be constructed to serve the Agricultural Residential Cluster Subdivision. The potential public safety impact associated with failure of the water storage tanks is Class II, *significant but mitigable*.	Agricultural Residential Cluster Subdivision measure VR-1(d) (Bury Water Tanks) in Section 4.12, *Visual Resources*, calls for the proposed water tanks to be placed below grade to reduce their visual profile. This measure would incrementally reduce hazards associated with potential water tank failure. The following additional mitigation measure is required: **ARCS S-3(a) Property Protection.** Properties located adjacent to the tank area shall be protected in the event of tank failure. This protection shall include a berm or diversionary structure that can withstand the force of water flowing against it, as determined by a qualified engineer. Future property owners of lots 76 through 79, 61 and 68 shall be informed of the potential risk of property damage and a notice shall be recorded on the property Title describing the risk of tank failure.	With implementation of the above measures, impacts related to potential water tank failure hazards would be less than significant.

Agricultural Residential Cluster Subdivision Impact S-3	**Two water storage tanks are proposed to be constructed to serve the Agricultural Residential Cluster Subdivision. The potential public safety impact associated with failure of the water storage tanks is Class II, *significant but mitigable*.**

Two water storage tanks would be built with a capacity of 188,000 gallons each to serve the proposed Agricultural Residential Cluster Subdivision. Both tanks will be located atop a hill near the center of Phase II Agricultural Residential Cluster Subdivision development, approximately 250 feet east of Lot 77 and 500 feet south of lot 68. In the event of tank failure, water stored in the tanks would flow predominantly westward, potentially inundating Lots 76 through 79. In addition, water may potentially flow eastward, depending on exact siting of proposed storage tank. In the event of easterly flow, lots 68 and 61 may be impacted as well.

Mitigation Measures. Agricultural Residential Cluster Subdivision measure AES-1(d) (Bury Water Tanks) in Section 4.12, *Visual Resources*, calls for the proposed water tanks to be placed below grade to reduce their visual profile. This measure would incrementally reduce hazards associated with potential water tank failure. The following additional mitigation measure is required:

Agricultural Residential Cluster Subdivision S-3(a)	**Property Protection.** Properties located adjacent to the tank area shall be protected in the event of tank failure. This protection shall include a berm or diversionary structure that can withstand the force of water flowing against it, as determined by a qualified engineer. Future property owners of lots 76 through 79, 61 and 68 shall be informed of the potential risk of property damage and a notice shall be recorded on the property Title describing the risk of tank failure. **Plan Requirements and Timing.** This measure shall be completed prior to the issuance of a Phase II land use permit. **Monitoring.** Planning and Building staff will verify that a diversion structure is provided before development of the water tank can occur.

Residual Impacts. With implementation of the above measures, impacts related to potential water tank failure hazards would be less than significant.

Agricultural Residential Cluster Subdivision VR-1(d)	**Bury Water Tanks.** The water tanks shall be placed below grade to reduce their visual profile. The tanks shall be placed at a depth such that the tanks do not silhouette against the sky. If burying water tanks is infeasible, natural building materials and colors compatible with surrounding terrain (earthtones and non-reflective paints) shall be used on exterior surfaces. **Plan Requirements and Timing.** The buried tanks shall be depicted on building plans, to be submitted for Planning and Building approval of tract improvement plans. Prior to issuance of building permits, the applicant shall submit topographical cross-section figures that demonstrate that the water tanks do not silhouette against the sky, subject to the review of County Planning and Building. Cross sections shall be included in Covenants, Conditions and Restrictions (CC&Rs), and monitored by a Homeowners Association (or similar entity) with oversight by County Planning and Building. **Monitoring.** Planning and Building shall review building plans and cross sections prior to issuance of building permits and inspect units prior to occupancy clearance.

In 2021, the SMR team requested a project modification to construct an at-grade water storage tank on a graded pad (rather than buried tank which required far greater excavation) that would reduce environmental impacts and be completed in earth tones. Phase 2 lots have not yet been created. With the design of Phase 2 lots and associated development pad elevations, the relationship to water course(s) will be evaluated, addressing MM S-3(a).

The submittal package and County approval for the modification is included here, for reference.
This modification was processed as SUB2021-00004.

COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING & BUILDING
TREVOR KEITH, *DIRECTOR*

July 16, 2021

Via Electronic Mail

ATTN: Jamie Jones
Kirk Consulting
8830 Morro Road
Atascadero, CA 93422

Subject: Response to the January 7, 2021 *Tract 2586/CUP S030115U – Substantial Conformity Request* and the February 23, 2021 *Tract 2586/CUP S030115U – Substantial Conformity Request* memorandums submitted by Kirk Consulting to the Department of Planning and Building for Project Modification Application SUB2021-00004 of Vesting Tentative Tract Map S030115U

Dear Ms. Jones:

This letter responds to the January 7, 2021 *Tract 2586/CUP S030115U – Substantial Conformity Request* and the February 23, 2021 *Tract 2586/CUP S030115U – Substantial Conformity Request* memorandums submitted by Kirk Consulting to the Department of Planning and Building requesting approval to modify various aspects of Phase 1 of Vesting Tentative Tract Map S030115U / Tract 2586, which was approved by the Board of Supervisors on December 23, 2008.

The proposed modifications include:

1. Relocation of Lots 17, 19, and 20
2. Revision of the lot numbers in Phase 1
3. Reconfiguration of the Yerba Buena detention basin
4. Redesign of stormwater infrastructure with low water crossings
5. Replacement of an underground water tank with aboveground water tank

The modifications are consistent with County Code §22.64.050 because these changes result in reduced impacts to archaeological and biological resources, and do not require revision to any conditions of approval. These changes should be incorporated into the public improvement plans that are approved by the Public Works Department.

Sincerely,

Lacey Minnick
Supervising Planner
Department of Planning and Building

Edward M. Reading, PLS
County Surveyor
Public Works Department

Kirk Consulting
A California Corporation

Memorandum of Transmittal

Date: **February 23, 2021**
To: **Xzandrea Fowler, Department of Planning and Building**
From: **Jamie Jones, Kirk Consulting**
Subject: **Tract 2586/CUP S030115U – Substantial Conformity Request**

Please take the following request to modify the previously approved Phased Tract Map/Conditional Use Permit S030115U allowing minor revisions to the design approach to the infrastructure improvements associated with Phase 1 Vesting Tentative Tract 2586. The Tract Map and Conditional Use Permit (CUP) approved the phased development of 111 residential parcels.

A. Modification to Land Use Permit Application
B. Automatic payment will be made upon received of an Invoice from SLO County Planning Department
C. Substantial Conformance Request
D. June 2019 Drainage Report Excerpt

Please feel free to contact me via phone or email if you have any questions or concerns.

Cordially,
Jamie Jones
Jamie@kirk-consulting.net
Phone: (805) 461-5765

MODIFICATION TO LAND USE PERMIT APPLICATION

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

Promoting the Wise Use of Land • Helping to Build Great Communities

This form must be completed by the applicant or authorized agent to request proposed modifications to project applications.

Please include the following items with this application:

- ✓ A new completed application form
- ✓ One set of modified plans
- ✓ A new completed plot plan
- ✓ 8-1/2" x 11" reductions of all modified plans

Check the box to show whether you are the property owner or authorized agent and provide the requested information:

☐ Owner(s) Name: Santa Margarita Ranch LLC Phone Number: _____
Fax Number: _____

☑ Agent(s) Name: Jamie Jones - Kirk Consulting Phone Number: (805) 461-5765
Fax Number: (805) 462-9466

Mailing Address: 8830 Morro Road

City: Atascadero State: CA Zip: 93422

Project/Case Number: Tract 2586 / Conditional Use Permit S030115U

What type of project are you applying for? Modification to an approved Tract 2586 map and Conditional Use Permit S030115U.

Briefly describe the proposed modification: The proposed modifications include design adjustments to road drainage infrastrastructure and the water tank proposal. See attached for more detail.

Please replace the plans previously submitted with the modified plans attached to this application.

Jamie Jones
Signature

2/23/2021
Date

Office Use Only

_____Revise Plan Prior to Final Hearing Action _____Change to Approved Plans

Amount: $ _____ Receipt # _____

Kirk Consulting
A California Corporation

Letter of Transmittal

Date: February 23, 2021
To: Xzandrea Fowler, Department of Planning and Building
From: Jamie Jones, Kirk Consulting
RE: Santa Margarita Ranch Tract 2586 / Conditional Use Permit S030115U - Phase 1 Substantial Conformity Request

Please review the following request to modify the approved Phased Tract Map/Conditional Use Permit S030115U allowing minor revisions to the previously illustrated proposed improvements associated with Phase 1 Vesting Tentative Tract 2586. The Tract Map and Conditional Use Permit (CUP) approved the phased development of 111 residential parcels.

Conditional Use Permit S030115U was approved by the San Luis Obispo Board of Supervisors on December 23, 2008. The current expiration date derived from litigation stays and Government action is December 23, 2021 with the allowance of up to six years of additional discretionary time extensions. The CUP approval authorized the following:

Approved Development

1. This approval authorizes a three phase Major Agricultural Cluster consistent with the Amended Project. The Amended Project subdivides a 3,778 acre area into 111 residential parcels with building envelopes. In addition, the Amended Project includes open space easement parcels totaling 3,620 acres, and a 2,417 acre remainder parcel. Phase One encompasses 1,518 acres and consists of 40 residential cluster lots. Phase Two encompasses 1,201 acres and consists of an additional 42 residential clustered lots. Phase Three encompasses 1,057 acres and consists of an additional 29 residential clustered lots. The Amended Project would include private agricultural and residential easements and paved roadways; water service improvements including a water tank, looped service main, and service lines to residential parcels; underground wire utilities; individual on-site septic systems and leach fields for parcels within the Amended Project area. The Amended Project is to incorporate the following:

Proposed Substantial Conformance Request Tract 2586:

This request provides specific infrastructure detail beyond the conceptual design elements that were originally contemplated in the approved project. These design elements are (1) low water crossings vs drop inlet to culvert outfall, and (2) above ground storage tank vs buried storage tank.

Low Water Crossings

In two locations where headwalls and culvert infrastructure were illustrated in the Preliminary Grading Plans prepared by EDA, it has been determined that an

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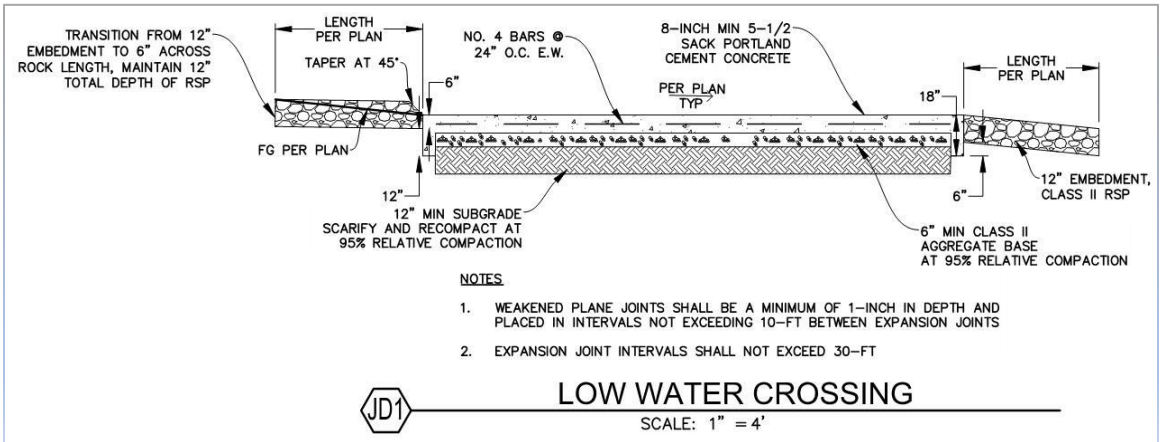
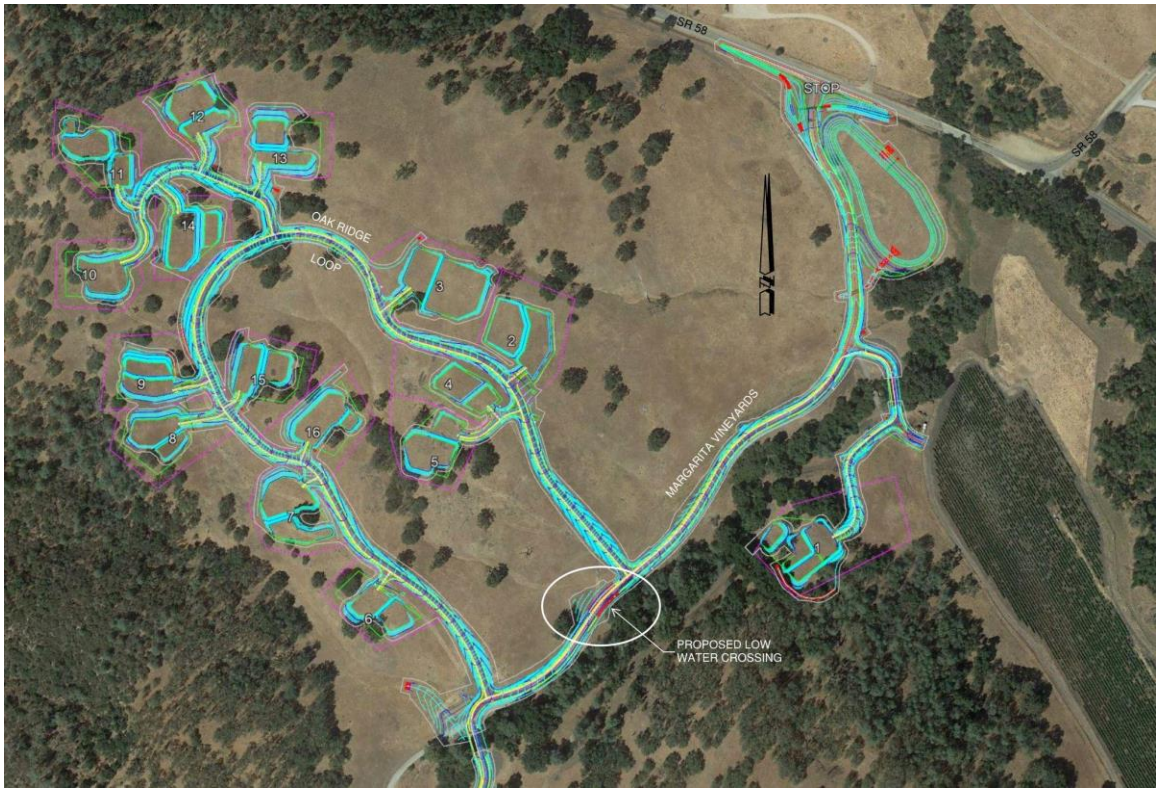
environmentally superior design will allow stormwater to sheet flow over the roadway surface, at constructed *low water crossings*. The low water crossings are set near existing grade, requiring only the construction of the road section itself, with the requisite utilities beneath it. This compares to the deep excavation and extensive length required to daylight a drainage culvert to the downstream elevation and/or construction headwalls to mitigation the elevation differences between natural grade and the proposed road elevation. Additionally, a cross culvert would require sufficient depth to avoid conflict and provide adequate cover with respect to other proposed underground utilities. An excerpt from the project drainage report is provided with this submittal, for reference to the calculated stormwater flows at each location and resulting surface spread of flows across the roadway surface. Crossings have been designed to contain the anticipated 100-year flows.



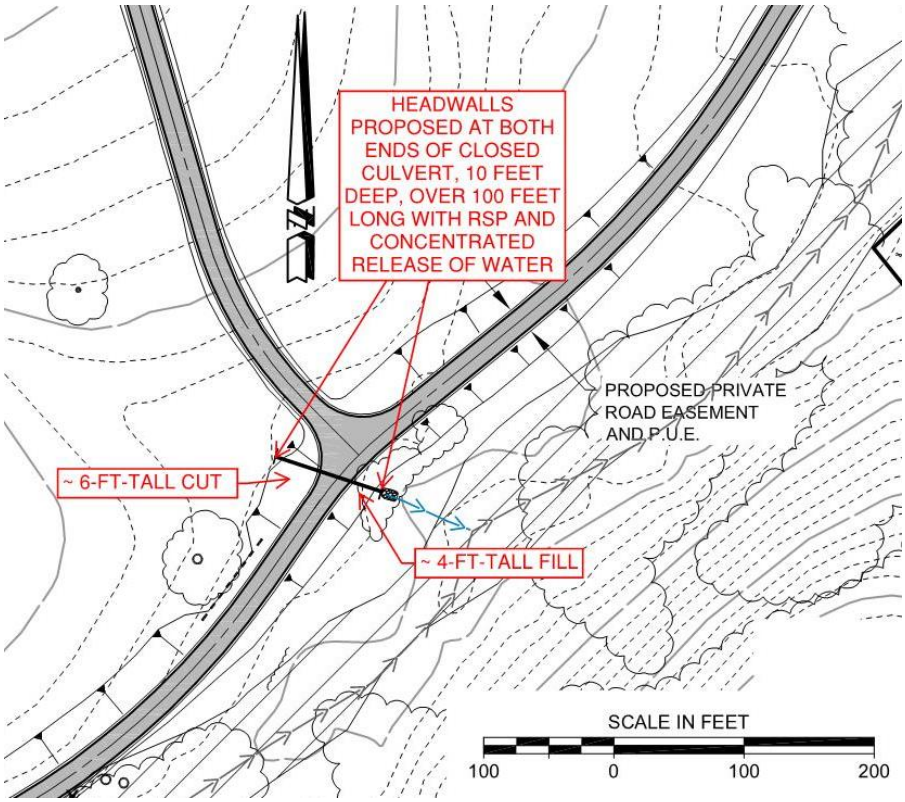
Low Water Crossing Detail

The Margarita Vineyards low water crossing is located directly adjacent to and just above Tostada Creek, an intermittent drainage course that feeds Trout Creek. The elimination of concentrated discharge from a closed culvert at this crossing location provides the opportunity to maintain spread flows over the roadway, consistent with existing drainage patterns. In addition to buried roadside cut-off curbs, rock beds will further dissipate stormwater flows and protect the roadway. Special plantings are proposed immediately adjacent to the road improvements, on the downhill side, to provide a vegetative buffer to stormwater flows and slow erosion potential along the creek bank.

The location of the Margarita Vineyards low water crossing coincides with identified ephemeral State Jurisdictional Waters. The impact of constructing the roadway (low water crossing) and utilities beneath are included in a permit application with both the Regional Water Quality Control Board and the California Department of Fish & Wildlife. The proposal for mitigation is included in the proposed Compensatory Mitigation Plan, prepared by Terra Verde Environmental Consulting, LLC, dated January 2021.

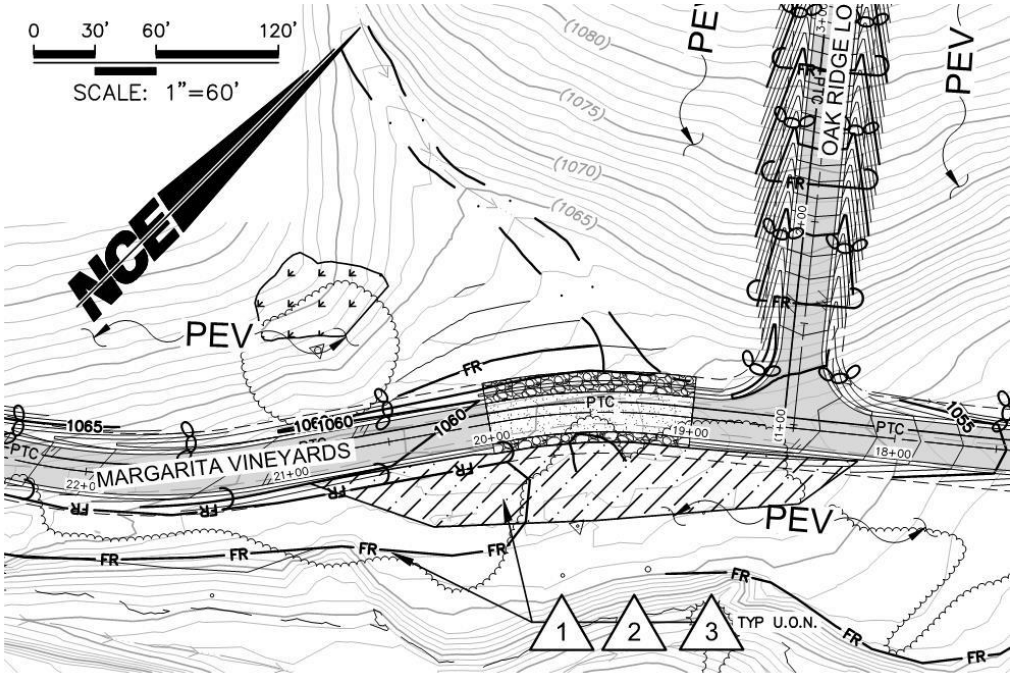


Location of Margarita Vineyards Low Water Crossing



Preliminary Design Proposal (EDA)

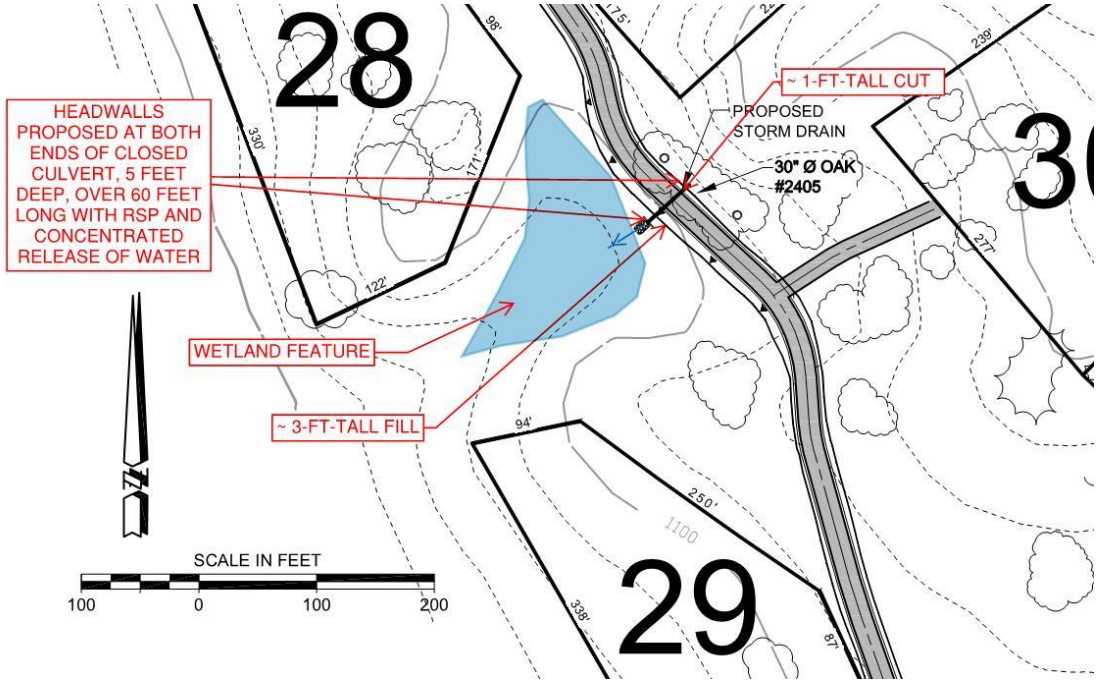
8830 Morro Road, Atascadero, CA 93422
Phone: 805-461-5765 Fax: 805-462-9466



Tract Improvement Plan Design Proposal (NCE)

The Renegade Ridge low water crossing is located adjacent to and just uphill of an identified wetland. The design profile of Renegade Ridge through this location has been carefully managed to reduce impacts to native oak trees and cultural resources by maintaining the road profile as close to natural grade as possible. Stormwater flows are relatively small at this low point in the road and allowing flows to cross over the road surface, consistent with natural drainage patterns, meets all these design objectives, as well as minimizes impact to the downstream wetland feature. For comparison, a culvert would require installation at a depth exceeding four feet to pass beneath other required utilities, resulting in direct, concentrated discharge and impact within the wetland.

Location of Renegade Ridge Low Water Crossing



Preliminary Design Proposal (EDA)

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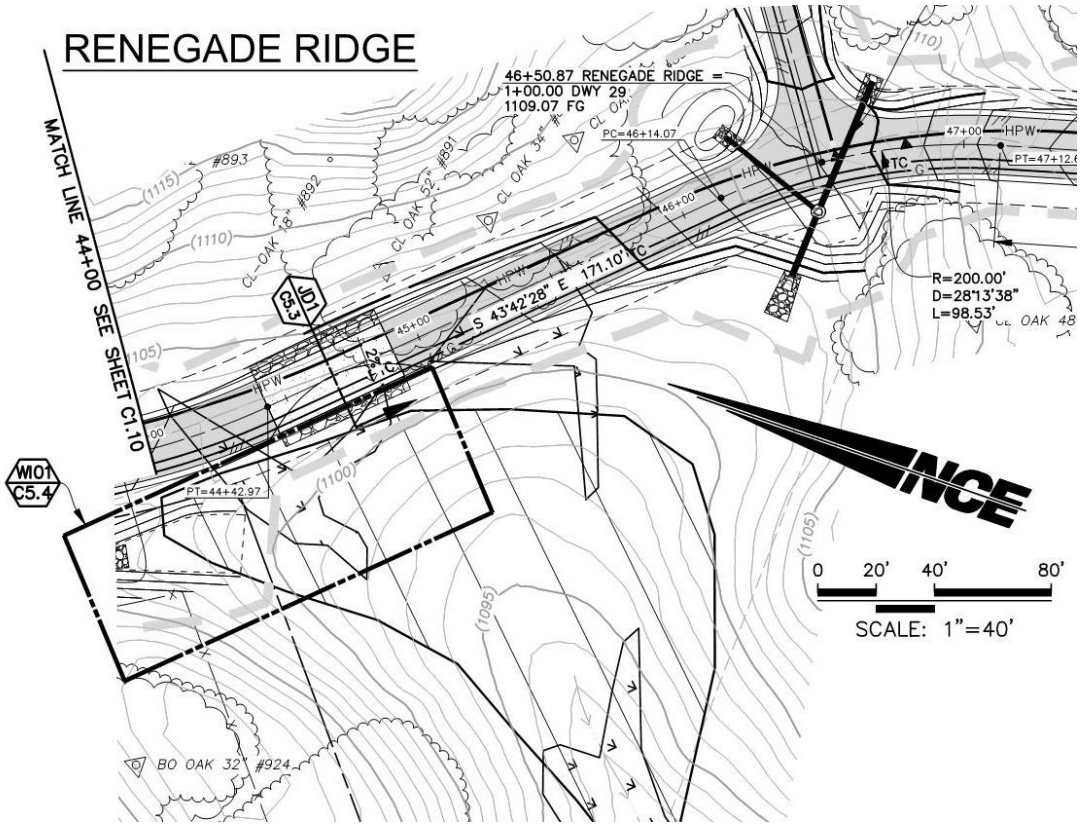


Tract Improvements Design Proposal (NCE)

Water Storage Tank

Preliminary design documents submitted and approved with Vesting Tentative Tract 2586/CUP S030115U proposed the construction of a buried water storage tank to serve the Tract water system however, in the case where construction of the buried tank was determined to be infeasible, project conditions allow for the construction of an at-grade tank. CUP S030115U Condition 77 is provided for reference. Tract Condition 27.cccc. is identical in language.

77. **Prior to any development on the site,** water tanks associated with residential uses shall be placed below grade to reduce their visual profile. The tanks shall be placed at a depth such that the tanks do not silhouette against the sky. If burying water tanks is infeasible, natural building materials and colors compatible with surrounding terrain (earth tones and non-reflective paints) shall be used on exterior surfaces.

4.0 Water Tank (s)

5.1-**Visual Resource Protection**- Proposed under grade water tank(s) concept to be constructed as backfilled tanks, depressed into the landform. The tank top may be developed for pedestrian access as an overlook platform as shown in Figure 13.

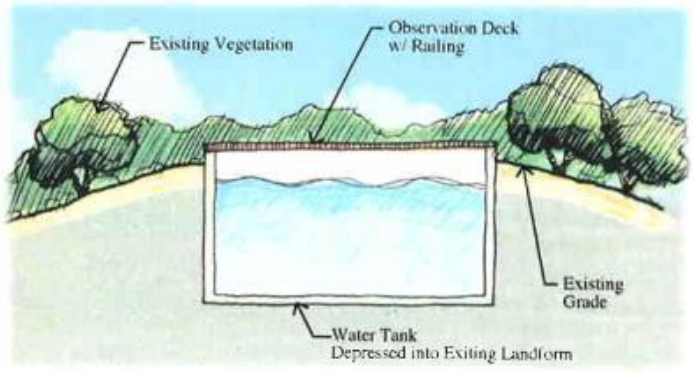


Figure 13-Water Tank Concept

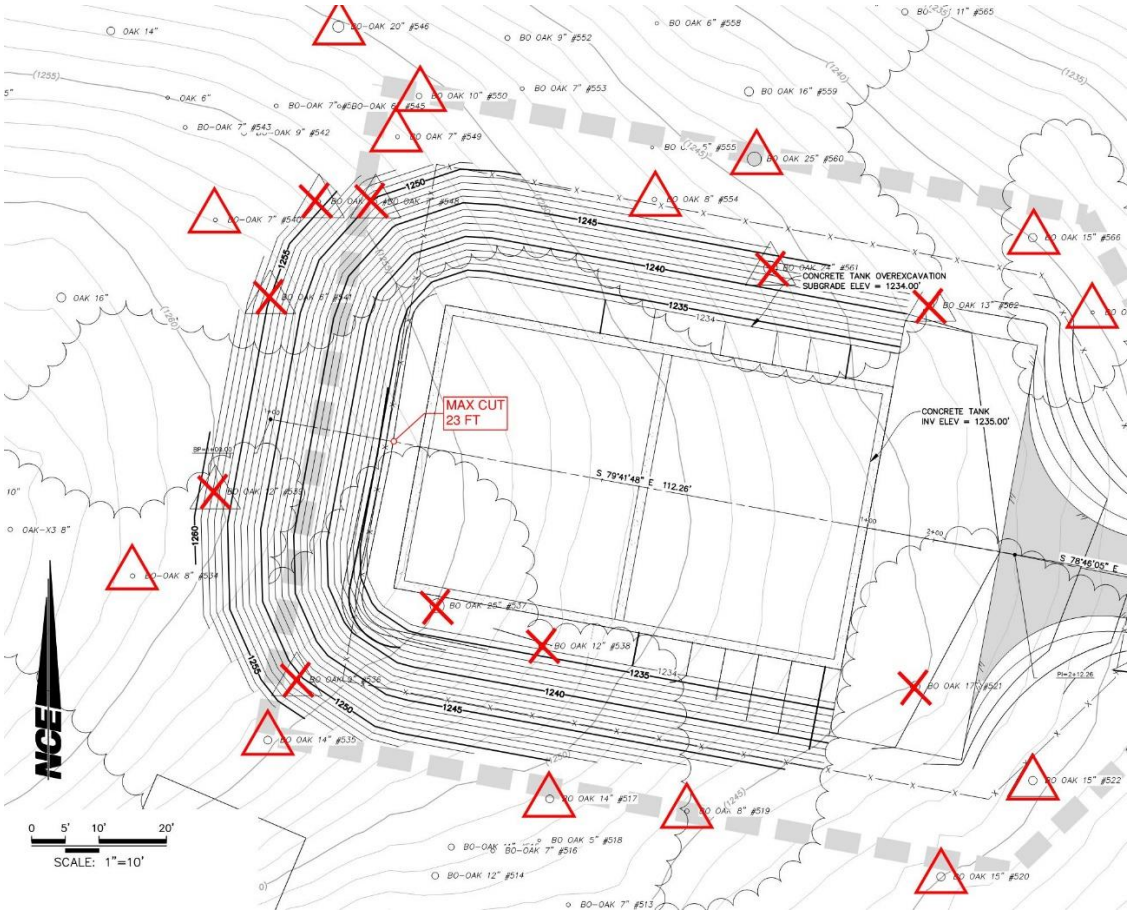
Buried Tank Concept

The construction of a buried tank results in far greater grading and oak tree removal impacts than an at-grade bolted steel tank. The presence of dense tree canopy on the rolling terrain between State Route 58 and the proposed tank site mitigate any concerns regarding tank visibility from the off-site roadway. To further mitigate any visibility of the tank, project conditions of approval require that the tank be finished in non-reflective earth tone colors.

The following table provides a comparison between the buried tank and at-grade tank. Illustrations of both proposals are also provided, as a graphical reference to the data provided.

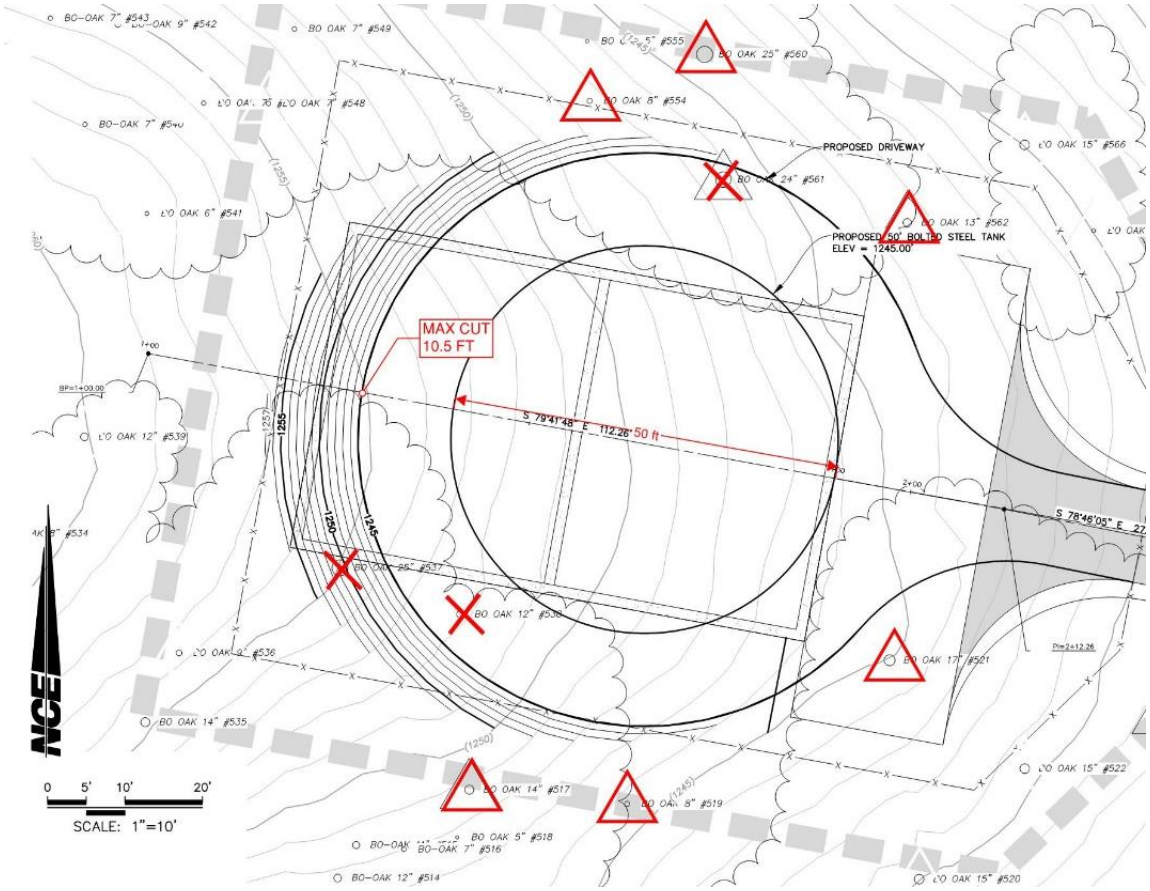
				Oak Trees	
	Max Depth, Cut (ft)	Top of Tank	Surface Area Disturbed (sf)	Remove	Impact
Buried Tank Concrete	23	1254.5	10,780	10	14
Surface Tank Bolted Steel	10.5	1271.25	6,450	3	6

The proposal to construct a buried concrete tank requires excavation to remove native rock and soil from the tank construction area. Cut slopes may be laid back at a 1:1 (horizontal:vertical) slope, as illustrated in the grading and tree impact excerpt, below. Following the construction of the concrete tank, the walls would be backfilled with well-draining rock and available, stockpiled native soil. The oak trees that would have been removed for the initial site clearing and excavation would be mitigated elsewhere on the project site, leaving a larger open are on the hilltop, without the same tree cover. Additionally, more trees would be impacted with this buried tank proposal.



Buried Tank Grading and Tree Impacts

The preferred method of constructing the required water storage tank is to create a level pad in the same tank location to erect a bolted steel tank. The tank is cylindrical in shape, with a diameter of 50 feet and a peak height of 26.25 feet. To minimize this peak roof height, the roof is proposed with a slope pitch of 12:1 (horizontal:vertical). As required by project approvals, non-reflective colors will be used on the tank exterior, to further blend it into the natural landscape.



Bolted Steel Tank (Surface) Grading and Tree Impacts

A recent photo taken at the proposed site for the water tank reveals that, even in the winter months when the trees are without leaves, the tank site is obscured from view.

January 2021: Tract 2586 Water Storage Tank Site. Taken standing above the proposed tank location, near elevation 1265.

I would like to thank you in advance for your consideration of this request. Please contact Christy Gabler at christy@kirk-consulting.net with any questions or needed clarifications.

Regards,
Jamie Jones
Kirk Consulting
jamie@kirk-consulting.net

Jamie Jones

Kirk Consulting
A California Corporation

Memorandum

Date: February 10, 2023

To: Laura Holder, County of San Luis Obispo Public Works

From: Christy Gabler

RE: Tract 2586/CUP S030115U - Annexation to CSA23,
CEQA Compliance and Mitigation Requirements

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Approved Development

1. This approval authorizes a three phase Major Agricultural Cluster consistent with the Amended Project. The Amended Project subdivides a 3,778 acre area into 111 residential parcels with building envelopes. In addition, the Amended Project includes open space easement parcels totaling 3,620 acres, and a 2,417 acre remainder parcel. Phase One encompasses 1,518 acres and consists of 40 residential cluster lots. Phase Two encompasses 1,201 acres and consists of an additional 42 residential clustered lots. Phase Three encompasses 1,057 acres and consists of an additional 29 residential clustered lots. The Amended Project would include private agricultural and residential easements and paved roadways; water service improvements including a water tank, looped service main, and service lines to residential parcels; underground wire utilities; individual on-site septic systems and leach fields for parcels within the Amended Project area. The Amended Project is to incorporate the following:

   f. Annexation to County Service Area 23 to accommodate the community water system that will be used for the proposed residences. Use of imported water (Nacimiento Water Project) at a 1:1 ratio for all residential development shall be provided through an annexation agreement secured through the Santa Margarita Ranch Mutual Water Company allowing land application for agriculture to offset the use of groundwater for residential units and an emergency intertie with the existing CSA 23 system. If this option is not feasible (ie annexation to CSA 23), the land application of Nacimiento water will nevertheless be allowable and the requirement to construct an emergency intertie with the existing CSA 23 system must still be completed. Appropriate permits must be obtained.

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Included in the Final Environmental Impact Report, section 4.14 Water and Wastewater, there were a number of options for water infrastructure connections. The Ranch owners after careful consideration selected to install the waterline parellel the other utilities that extend south under Encina Avenue. Plans for the installation of the water line and the other utilities were submited to SLO County Public Works on June 9, 2021. The plans were approved by Public Works in October of 2021. Final approval from Development Service Manager David Grimm was received on December 17, 2021. Construction of the water system improvements were started on July 5, 2022. As of November 30, 2022 the 6" water line had been installed from the booster station to the connection point on Encina Avenue. The 288,000 gallon storage tank has also been constructed and the piping and contol conduit have been installed to the booster station site. All work performed was done in compliance with all of the afor mentioned conditions

A highlighted version of FEIR section 4.14 Water and Wastewater has been provided for your reference. The highlighted excerpts describe the geographic location(s) of proposed water infrastructure contemplated in the FEIR to serve the Tract. Additionally, the attached "Exhibit A" has been provided from earlier submittal documents to the SLO County Public Works Department. The exhibit provides an aerial layout of the proposed water infrastructure to serve the Tract, consistent with submitted and approved tract improvement plans.

Construction activities were conducted in compliance with the project Conditions of Approval and the mitigation measures contained in the FEIR. Mitigation measures for construction activities include various plan preparation, pre-construction, during-construction, and post-construction requirements as they relate to biological, archeological, and paleontological resources. (Refer to 12/23/2008 BOS approval Exhibit E, CUP S030115U Findings.) Early plan preparation included the development of monitoring and mitigation plans pertaining to all sensitive resources. Due to the sensitive nature of cultural resources identified in early field work efforts along the existing ranch road (Encina Avenue), it was determined that all utilities would be bored beneath the relatively shallower level of the archeological resources located along Encina Avenue. Through cooperative site visits attended by the project archeologist, biologist, horizontal drill crews, civil engineer, ranch representatives, and Brandi Cummings, the County's assigned Environmental Monitor and project compliance coordinator, the locations of proposed horizontal drill pits were identified. To clear the horizontal drill pit locations for construction to proceed, the archeological team completed hand-dug test pits to verify that any resources of import be documented. As construction proceeds, archeological,

paleontological, and biological monitors are on-site and provide their monitoring logs weekly to a shared file transfer site so that the County Environmental Coordinator(s) have continuous access to mitigation and montoring efforts.

The project conditions of approval require a 1:1 water offset for the net/consumptive residential water use attributed to the 111 homes. The Nacimiento turnout to receive this water was completed in 2016 and is equipped to receive Nacimiento water when necessary.

If there are additional questions regarding the proposed annexation, CEQA compliance, and/or mitigation measures, please don't hesitate to contact us.

Best regards,

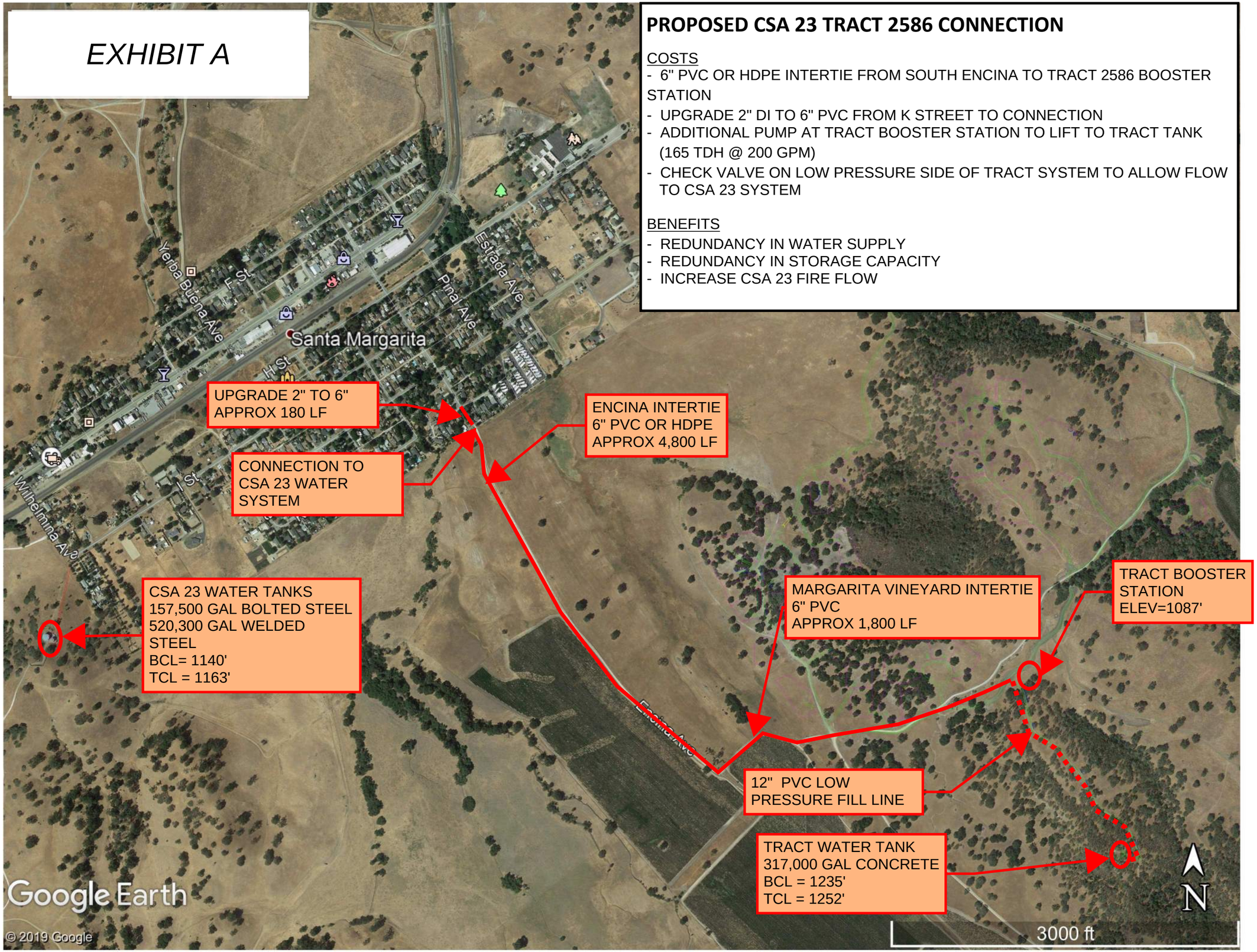
Christy Gabler
Principal Project Manager
Christy@kirk-consulting.net

EXHIBIT A

PROPOSED CSA 23 TRACT 2586 CONNECTION

COSTS
- 6" PVC OR HDPE INTERTIE FROM SOUTH ENCINA TO TRACT 2586 BOOSTER STATION
- UPGRADE 2" DI TO 6" PVC FROM K STREET TO CONNECTION
- ADDITIONAL PUMP AT TRACT BOOSTER STATION TO LIFT TO TRACT TANK (165 TDH @ 200 GPM)
- CHECK VALVE ON LOW PRESSURE SIDE OF TRACT SYSTEM TO ALLOW FLOW TO CSA 23 SYSTEM

BENEFITS
- REDUNDANCY IN WATER SUPPLY
- REDUNDANCY IN STORAGE CAPACITY
- INCREASE CSA 23 FIRE FLOW



4.14 WATER AND WASTEWATER

The following section is based on a hydrogeological study/water resources analysis prepared by Hopkins Groundwater Consultants (refer to Appendix K) and a drainage and wastewater analysis prepared by Boyle Engineering Corporation (refer to Appendix H).

Agricultural Residential Cluster Subdivision. The applicant proposes to use groundwater to provide water for domestic use. The proposed Agricultural Residential Cluster Subdivision would use about 96 acre-feet per year (afy) of water. This demand may contribute to overdraft of the aquifer system. Although mitigation, including the establishment of a groundwater monitoring program and water conservation measures, would reduce overall system demand, uncertainty of additional water supply would result in Class I, significant and unavoidable, impacts. The Agricultural Residential Cluster Subdivision involves the use of septic systems. Percolation testing has not been conducted for all proposed lots. Mitigation measures requiring a septic tank maintenance plan and septic tank and leachfield site plans would result in Class II, significant but mitigable, impacts related to wastewater disposal. Impacts related to groundwater quality would also be Class II, significant but mitigable. Mitigation measures include regulating the use of water softeners and pollutant input minimization. Septage load management impacts would be Class III, less than significant, pursuant to compliance with standards and regulations.

Future Development Program. Because no active application currently exists for the Future Development Program subsequent to the Agricultural Residential Cluster Subdivision, the assessment of water and wastewater impacts is based on a reasonable worst case scenario with regard to the location of future land uses and water use. Buildout of the Future Development Program would result in impacts similar to those resulting from the Agricultural Residential Cluster Subdivision individually. However, the Future Development Program would use about 926 acre-feet per year (afy) of water. Groundwater impacts are Class I, significant and unavoidable. In addition, no percolation tests have been completed for Future Development Program land uses subsequent to the Agricultural Residential Cluster Subdivision. Impacts are Class II, significant but mitigable. Water quality and septage load impacts would be similar to those resulting from the Agricultural Residential Cluster Subdivision individually. The Future Development Program envisions nine wineries located throughout the Ranch property. Water quality impacts resulting from winery wastewater are Class II, significant but mitigable. Development and implementation of a wastewater master plan would reduce impacts to a less than significant level.

4.14.1 Setting

a. Water Supply and Current Demand. The Santa Margarita Ranch overlies portions of the Paso Robles Groundwater Basin (Paso Robles Basin), the Santa Margarita and Vaqueros bedrock aquifers, and shallow alluvial aquifers. The Paso Robles Basin is one of 53 basins in the Central Coast Hydrologic Region and comprises approximately 860 square miles of area drained by the Salinas River. Although the Paso Robles Basin is the primary source of groundwater in the region, the existing wells on the Ranch property do not extract from the Paso Robles Basin. Rather, the primary aquifer units that supply existing wells on the Ranch consist of Paso Robles Formation sand and gravel deposits, an undefined or stratigraphic equivalent to the Paso Robles Formation, and the Santa Margarita Formation. The Paso Robles and Santa Margarita Formations are discussed below.

The Paso Robles Formation is a widely distributed, weak conglomerate comprising gravel, sand, silt and clay. This unit outcrops in the hills east of Garden Farms, at Chalk Hill and the hills to the south of Highway 58. The Paso Robles Formation ranges in thickness from 300 to 400 feet in the vicinity of Santa Margarita Ranch. The Paso Robles Formation is found at depths of 400 to 500 feet below ground surface (bgs) along the eastern portion of the Ranch property. The Paso Robles Formation, where present, likely forms the primary aquifer zone from which the higher yielding wells on the Ranch produce.

The Santa Margarita Formation is primarily thick, poorly stratified marine sandstone with finer interbeds of mudstone, siltstone, conglomerate and diatomite. This formation outcrops extensively in the Santa Margarita are between the Rinconada and Nacimiento fault zones and conformably overlies the Monterey Formation and likely defines the effective base of fresh water under much of the Ranch property. The Santa Margarita Formation is believed to be up to 1,000 feet thick in some areas. The Santa Margarita sandstone forms a poor to moderate aquifer for groundwater production and likely contributes to the yield in a number of the existing Ranch wells.

The safe yield of the aquifer system has not been determined in the vicinity of the Santa Margarita Ranch. Approximately 34 wells are located in the Santa Margarita Ranch area. Three are located in the northern portion of the Ranch and serve the community of Garden Farms; four are located near the center of the Ranch and serve the community of Santa Margarita. Of the 27 remaining wells, the Ranch operates approximately 20 wells from which historical groundwater data have been collected since 1999. Data includes groundwater levels, well production, well performance and water quality test results. A summary report that includes this data through April 2006 (RHA, 2006) forms the basis for reviewing impacts of historical groundwater use and the availability of groundwater to supply the Agricultural Residential Cluster Subdivision and Future Development Program.

The Ranch ownership participated in the planning phases of the Nacimiento Water Project. On May 18, 2004, the Board of Supervisors approved a policy to consider a cooperative arrangement between the Ranch and County Service Area No. 23 (CSA 23) (which provides water service to the community of Santa Margarita) if CSA 23 participates in the State Water Project. **However, an agreement has not yet been reached.**

Water Demand. Existing water uses in the area include domestic and agricultural Ranch uses. Table 4.14-1 indicates the estimated amount of annual water demand that is attributed to the existing **and planned** land uses on the Ranch property. The itemized water demands presented in Table 4.14-1 were calculated using the standard San Luis Obispo County water demand estimation factors for domestic and municipal land uses. In addition to the County data, an irrigation demand of 2.0 acre feet per year per acre (afy/ac) was used for landscaping and turf watering. This demand factor accounts for average annual rainfall and evaporation rates measured in the area.

Table 4.14-1 Existing Ranch Water Demands

Land Use	Land Use Characteristics	Water Use Factor (acre-feet/unit)	Annual Water Demand (acre-feet)
Margarita Farms	36 residential units on 1.0 to 2.5 acre lots (128 acres total)	1.44 / lot	51.84
1 residential lot	1.0 acre in size	1.44 / lot	1.44
Farm support housing units	7 units on 1.0 acre or less	0.9 / lot	6.30
Private cabins	4 units on 1.0 acre or less	0.9 / lot	3.60
Margarita Vineyard	973.9 acres	1.6 / acre	1,558.24*
Existing Ranch Water Use Total			**1,621.42**
Planned Orchards	**500 acres**	**2.0 / acre**	**1,000****
Planned Vineyards	**1,026.1 acres**	**1.6 / acre**	**1,641.76***
Planned Ranch Water Use Total			**2,641.76**
Existing and Planned Ranch Water Use Total			**4,263.18**

Source: Hopkins, 2006 and RHA, 2006.
***** This estimate is based on a factor of 1.6 afy per acre and does not account for the immaturity of on-site vineyards. Actual consumptive demand is estimated at approximately 400 afy.*
****** This estimate is based on a factor of 2.0 afy per acre as a reasonable worst case scenario.***

As shown in Table 4.14-1, ~~estimated~~ **existing** Ranch water demands are approximately 1,621 acre feet per year (afy). **Planned vineyards and orchards would add approximately 2,642 afy of demand to this figure for a total of 4,263 afy**. Approximately 4 percent (63 afy) of ~~this~~ **existing** demand is derived from rural residential uses and approximately 96 percent (1,558 afy) is derived from agricultural uses (i.e., vineyards). **With planned vineyards in place, this ratio would change to 1.5 percent and 98.5 percent, respectively.** It should be noted that although 63 afy is derived from rural residential uses, Margarita Farms (with a demand of 52 afy) is the only non-agricultural development on the Ranch property that draws from the same aquifer units as the proposed Agricultural Residential Cluster Subdivision and Future Development Program.

Consumptive Use. Approximately 40 percent of rural residential water use and 32 percent of agricultural water use results in groundwater recharge, thereby returning to the local aquifer system. Consumptive water use refers to the amount of groundwater that does not result in groundwater recharge, and is permanently removed from the local aquifer system. Although approximately 52 afy is **currently** used for rural residential use (i.e. Margarita Farms), approximately 21 afy would return to the system as groundwater recharge. Therefore, net consumptive use for existing residential uses on the Ranch is approximately 31 afy. Similarly, although an estimated 1,558 afy is **currently** used for agricultural purposes (vineyard irrigation), approximately 499 afy would return to the system as groundwater recharge. Therefore, based on a factor of 1.6 afy per acre (afy/acre), net consumptive use for existing agricultural uses on the Ranch is estimated at approximately 1,059 afy (1.6 afy/acre is the water duty factor applied by Hopkins Groundwater Consultants vineyard irrigation in San Luis Obispo County; refer to Appendix K). The actual reported annual consumption for existing Ranch agricultural uses is 285 afy. This discrepancy may be attributed to a number of factors, including the immaturity of vineyard plantings (as younger crops require less irrigation) and reported discharge meter inaccuracies. Based on available data for immature vineyard water use and reported consumptive demand (past average annual uses), existing agricultural water use on the Ranch is estimated at approximately 400 afy. Therefore, in addition to an estimated 31 afy residential consumption, the total existing consumptive demand on the Ranch property is estimated to be 431 afy.

b. Existing Santa Margarita Ranch Water Service. Existing Santa Margarita Ranch water uses are supplied entirely by groundwater. The Ranch property is currently served by approximately 27 wells, located primarily along the east side of the Ranch, west of West Pozo Road. Individual well yields typically range between 200 and 400 gallons per minute (gpm) with some wells capable of rates of up to 1,000 gpm (RHA, 2006). Water supply for the community of Santa Margarita is provided by CSA 23 and is produced solely from water wells in the vicinity of the town.

c. Wastewater. The Santa Margarita Ranch is not currently served by wastewater infrastructure. Existing development on the Ranch property, including 36 units in the Santa Margarita Farms Subdivision, one single family residence, four private cabins, and seven farm support housing units, are served by individual on-site septic systems. The communities of Santa Margarita and Garden Farms are also served entirely by septic systems.

4.14.2 Impact Analysis

a. Methodology and Significance Thresholds.

1. Methodology. Impacts to water conveyance facilities were assessed by determining where and how close each of these facilities was located to Agricultural Residential Cluster Subdivision and Future Development Program facilities, as well as the sufficiency of the existing water lines to accommodate additional demand associated with the Agricultural Residential Cluster Subdivision and Future Development Program. Well and percolation data provided by the applicant was evaluated to determine the suitability of on-site conditions to support the water and wastewater demand generated by the Agricultural Residential Cluster Subdivision and Future Development Program.

2. Significance Thresholds. In accordance with Appendix G of the State CEQA Guidelines, impacts would be significant if development under the Agricultural Residential Cluster Subdivision or the Future Development Program would result in any of the following:

- *Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering or 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);*
- *Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board;*
- *Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects;*
- *Fail to have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed; or*
- *Result in a determination by the wastewater treatment provider 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.*

b. Agricultural Residential Cluster Subdivision Impacts and Mitigation Measures.

Agricultural Residential Cluster Subdivision Impact W-1	**The Agricultural Residential Cluster Subdivision would increase the use of water from area aquifer units, including the Paso Robles and Santa Margarita Formations, by 96 acre-feet per year (afy). This net consumptive use may contribute to overdraft of the aquifer system. Groundwater use associated with the Agricultural Residential Cluster Subdivision is a Class I, *significant and unavoidable,* impact.**

The Agricultural Residential Cluster Subdivision would use water from existing wells, which extract groundwater from aquifer units located beneath the Ranch property, including Paso Robles Formation sand and gravel deposits, an undefined or stratigraphic equivalent to the Paso Robles Formation, and the Santa Margarita Formation. The majority of these wells are located along the east side of the Ranch property, west of West Pozo Road.

The proposed single-family homes are estimated to use approximately 1.44 acre-feet per year (afy) of water. Therefore, the proposed 112-unit Agricultural Residential Cluster Subdivision would be anticipated to demand 161.28 afy. However, approximately 40 percent of rural residential water use results in groundwater recharge, thereby returning to the local aquifer system [refer to Section 4.14.1(a) *Consumptive Use*]. Although the Agricultural Residential Cluster Subdivision would demand an estimated 161 afy, approximately 64 afy would return to groundwater as recharge. Therefore, net consumptive use for Agricultural Residential Cluster Subdivision development would be approximately 96 afy. The magnitude of this additional demand is a 22 percent increase in groundwater production over the existing Ranch consumptive demand (431 afy). It should be noted that the applicant proposes storm drains along area roadways to direct drainage from the proposed development to detention features within the agricultural conservation easements (ACEs). This would further promote percolation and groundwater recharge.

The applicant proposes to use the Santa Margarita Ranch Mutual Water Company (SMRMWC), to provide the water needed to support the proposed Agricultural Residential Cluster Subdivision. SMRMWC would utilize existing on-site wells to meet domestic needs. Individual well yields typically range between 200 and 400 gallons per minute (gpm), with some wells capable of rates of up to 1,000 gpm. The water would be drawn from Paso Robles Formation sand and gravel deposits, an undefined or stratigraphic equivalent to the Paso Robles Formation, and the Santa Margarita Formation aquifer units. Water would be stored in two 188,000 gallon water tanks located at the top of a hill near the center of the Agricultural Residential Cluster Subdivision.

As described above, net consumptive water demand for the Agricultural Residential Cluster Subdivision is estimated to be approximately 96 afy. To evaluate whether this would result in aquifer overdraft, the groundwater levels in the aquifer system must be evaluated over at least one complete hydrologic cycle to establish a trend (generally several decades). Available groundwater level and production data have been collected intermittently and have not been collected over a complete hydrologic cycle. Therefore, available groundwater data from the Ranch are not sufficient to determine the long-term impacts of existing and proposed

groundwater pumping. Because the safe yield of the aquifer system cannot be verified, the overdraft condition of the aquifer system is not known, and impacts to water resources could be significant.

Mitigation Measures. The following mitigation measures are required to ensure that impacts would be reduced to the extent possible:

Agricultural Residential Cluster Subdivision W-1(a)

Groundwater and Surface Water Monitoring Programs. A comprehensive groundwater monitoring program shall be established by the applicant in consultation with the County Public Works Department**, Planning and Building Department, and the Regional Water Quality Control Board (RWQCB)** to collect annual well production data, semiannual groundwater level data from all available wells, and ~~biannual~~ **semi-annual (dry and wet weather)** water quality testing of key constituents of potential concern (i.e., nitrate). The applicant shall provide additional facilities as necessary to monitor the anticipated impacts on groundwater resources for each phase of Agricultural Residential Cluster development. Up gradient and down gradient monitoring locations shall be established.

A comprehensive stream flow monitoring program shall also be established and funded by the applicant in consultation with the County Public Works Department**, Planning and Building Department, and RWQCB**. The monitoring program shall include new monitoring stations on Trout Creek and Rinconada Creek.

Monitoring data shall be provided by the applicant annually to County Public Works**, Planning and Building, and RWQCB**. Remedial action shall be developed based on the significance of the adverse conditions documented by the groundwater and surface water monitoring programs and subsequently implemented. Remedial action may include water rationing, including the prohibition of later phases of development until adequate water supply is demonstrated, and/or the importation of additional water supply [refer to Agricultural Residential Cluster Subdivision measure W-1(c) (Imported Water Supply)].

Plan Requirements and Timing. Prior to occupancy clearance, the applicant, in consultation with the Public Works Department, **Planning and Building Department, and RWQCB,** shall establish the groundwater and surface water monitoring program on the Ranch property. **Monitoring.** Public Works**, Planning and Building, and RWQCB** shall review groundwater and surface water stream flow monitoring data annually and require remedial action as necessary. The type of remedial action that may be required shall be based on the significance of the

adverse conditions documented by the monitoring program.

Agricultural Residential Cluster Subdivision W-1(b)

Water Conservation Measures. The applicant shall implement water conservation measures, including, but not limited to:

- Using available and proven technologies and equipment that provide adequate performance with a substantial water savings. This may include the installation of high efficiency washing machines and ultra-low flush toilets ~~during construction~~ and/or the use of micro sprinklers or drip tape for domestic and agricultural irrigation, installation of hot water pipe circulating systems or "point-of-use" water heaters. **Installation of these water conservation measures shall be included in CC&Rs for residential lots and monitored by a homeowners association or similar entity;**
- Implementing tiered commodity rates for water sales that increase with higher water usage to financially encourage each resident to conserve water;
- Establishing low water use landscaping on all common landscaped areas greater than 0.1 acres, including low water use irrigation methods such as drip irrigation; ~~and~~
- **Limiting total residential irrigated landscape areas to 1,500 square feet and** ~~L~~**l**imiting turf (lawn) areas to no more than ~~25~~ **20**% of residential irrigated landscape areas **(or 300 square feet at maximum); and**
- **Providing and updating an educational brochure regarding water conservation.**

Plan Requirements and Timing. The applicant shall include water conservation measures on site plans, subject to approval by Public Works. **Monitoring.** Public Works shall site inspect to ensure development is in accordance with approved plans prior to occupancy clearance.

Agricultural Residential Cluster Subdivision W-1(c)

Imported Water Supply. The applicant shall acquire imported water supply to serve the Agricultural Residential Cluster Subdivision. Potential sources include State Water and/or the Nacimiento Water Project.

Plan Requirements and Timing. The applicant shall provide proof of adequate water supply to serve the proposed Agricultural Residential Cluster Subdivision prior to issuance of grading permits. **Monitoring.** Planning and Building and the Department of Public Works shall confirm adequate water supply prior to issuance of a development permit.

Residual Impacts. Implementation of Agricultural Residential Cluster Subdivision measures W-1(a) (Groundwater and Surface Water Monitoring Program) and W-1(b) (Water Conservation Measures) would reduce the overall water system demand for the Agricultural

Residential Cluster Subdivision from an estimated 161.28 afy to approximately 139.94 afy (about 13 percent). This represents a reduction in net consumptive use from an estimated 96 afy to approximately 84 afy [refer to Section 4.14.1(a) *Consumptive Use*]. However, additional water supply would still be required. Additional water may be available for the Agricultural Residential Cluster Subdivision through the State Water Project and/or the Nacimiento Water Project, as outlined in Agricultural Residential Cluster Subdivision measure W-1(c) (Imported Water Supply) above. **It should be noted that Santa Margarita Ranch, LLC does not currently have an allocation for the State Water Project (SWP), although SWP pipelines are located in the vicinity of the Ranch. The Santa Margarita Ranch Mutual Water Company (SMRMWC), which is proposed by Santa Margarita Ranch, LLC as part of the Agricultural Residential Cluster Subdivision, is identified as an eligible agency ~~does have an allocation~~ for the Nacimiento Water Project (NWP). Pursuant to execution of a Water Delivery Entitlement Contract (WDEC), the SMRMWC could receive an allocation for the NWP, which has not yet been constructed.** ~~However, d~~**D**ue to **resulting** uncertaint~~y~~**ies** regarding timing and availability of these sources, additional water supply cannot be assured at this time. Impacts would remain significant and unavoidable.

Despite the uncertainties discussed above, it may one day be feasible for the applicants to obtain imported water (i.e. through obtainment of SWP allocations or construction of the NWP pipeline). Resultant implementation of Agricultural Residential Cluster Subdivision measure W-1(c) (Imported Water Supply) would require extension of water lines, which could result in residual environmental impacts. Physical impacts associated with infrastructure necessary to import water to the property have been addressed in several adopted Environmental Impact Reports (EIRs) and one Mitigated Negative Declaration (MND). These EIRs and MND are herein incorporated by reference into this Revised Draft EIR: State Water Project (SWP) Coastal Branch Phase II and Mission Hills Extension Final EIR (State of California Division of Planning, May 1991), State Water Project Coastal Branch (Phase II) Local Distribution Lines and Facilities Final EIR (ERCE, March 1992), Nacimiento Water Project (NWP) Final EIR (Marine Research Specialists, December 2003), Addendum No. 1 to the NWP Final EIR (ESA Associates, June 2007), and Santa Margarita Water System Project MND (County of San Luis Obispo Public Works, June 2007) . A Supplement to the SWP Coastal Branch Phase II and Mission Hills Extension Final EIR (State of California Division of Planning, October 1994) addressed technical design changes and realignment of Reach 5 of the project, which does not cover the Santa Margarita area. Addenda to the SWP Coastal Branch (Phase II) Local Distribution Lines and Facilities Final EIR are similarly not applicable to the area.

The previous environmental documents incorporated by reference are summarized below:

- **Final Environmental Impact Report for the State Water Project Coastal Branch, Phase II and Mission Hills Extension, SCH# 1990010613. This document addressed the proposed construction of new State Water Project (SWP) facilities that would transport SWP water to San Luis Obispo and Santa Barbara Counties. The facilities analyzed in the program-level analysis included the Coastal Branch, Phase II and the Mission Hills Extension. The Coastal Branch, Phase II runs along the southern edge of the community of Santa Margarita.**

- **Final Environmental Impact Report for the State Water Project Coastal Branch (Phase II) Local Distribution Lines and Facilities, SCH# 1992100959. This document evaluates**

the site-specific impacts of the construction and operation of local distribution water pipelines, a water treatment plant, and supporting facilities that are associated with the State Water Project Coastal Branch, Phase II. This document tiers from the Final Environmental Impact Report for the State Water Project Coastal Branch, Phase II and Mission Hills Extension (discussed above). Nine local water distribution pipelines are analyzed in this document, including the North County Pipeline, which extends for approximately 17 miles from the Coastal Branch pipeline at SR 58 just east of the town of Santa Margarita to Paso Robles.

- **Final Environmental Impact Report for the Nacimiento Water Project, December 2003, Marine Research Specialists, SCH# 2001061022. This document addressed a proposal to develop the Nacimiento Water Project. The report analyzed impacts of two co-equal water delivery options: a Treated Water Option and a Raw Water Option. Both options included construction of an intake at Lake Nacimiento, water storage tanks, pump stations, and a 64-mile water transmission pipeline. This transmission pipeline would run along El Camino Real through the community of Santa Margarita. However, the Raw Water Option included construction of three water discharge facilities while the Treated Water Option included construction and operation of a central Water Treatment Plant near Lake Nacimiento on Camp Roberts' property.**

- **Addendum to the Final Environmental Impact Report for the Nacimiento Water Project, June 2007, ESA Associates, SCH# 2001061022. This document addressed minor alterations to the proposed Nacimiento Water Project, including pipeline alignment refinements, turnout location refinements, and pump station and storage tank modifications. All analyzed modifications are applied to the Raw Water Option scenario, which was approved by the Board of Supervisors of the SLOCFCWCD in January 2004. Within the Santa Margarita Ranch vicinity, the pipeline would run along the northern boundary of the community of Santa Margarita rather than along El Camino Real. This would avoid one railroad crossing, two crossings of Highway 58, and avoid traffic impacts through the community of Santa Margarita.**

- **Mitigated Negative Declaration for the Santa Margarita Water System Project (591R360301) ED06-351, June 2007, County of San Luis Obispo Public Works, SCH# 2007071005. This document addresses impacts related water system improvements in the Santa Margarita vicinity. This includes: removal of one existing water tank and construction of a new 500,000-gallon water storage tank; construction of a paved access road extending from Wilhelmina Avenue/I Street to the tank site; installation of pipeline to the water tank site; replacement of existing pipelines within Encina Avenue and K Street; replacement of existing pipeline within F Street, east of Pinal Avenue; installation of a water system loop on F Street and Maria Avenue; replacement of 23 wharf heads with new standard fire hydrants; and installation of parallel distribution pipelines within Wilhelmina Avenue and el Camino Real.**

The above documents are available for review at the County of San Luis Obispo Department of Planning and Building Environmental Coordinators Office, 976 Osos Street, San Luis Obispo, CA 93408. Both NWP documents are also available on-line at http://www.slocounty.ca.gov/PW/NacWP/General_Project_Information/reports.htm.

The above documents addressed impacts associated with State and Nacimiento Water Projects, including cumulative and growth inducing impacts. However, implementation of Agricultural Residential Cluster Subdivision measure W-1(c) (Imported Water Supply) would require connection to SWP or NWP water lines as well as installation of additional connector pipelines and associated infrastructure. Possible locations for such connections and pipelines are described below, including a discussion of potential impacts that would result.

- **SWP Connection via Encina Avenue. This delivery option would connect to the existing State water pipeline located along the southern boundary of the community of Santa Margarita (as analyzed in the Final Environmental Impact Report for the State Water Project Coastal Branch, Phase II and Mission Hills Extension) in the vicinity of Encina Avenue. The pipeline would extend east for approximately 950 feet and south along existing ranch roadways for approximately 4,250 feet and then east along existing ranch roadways for another 900 feet. Pipelines would be approximately 4 inches in diameter and would require an approximate 8 foot wide trench during construction. Disturbance would be contained within existing County and ranch roadway right-of-ways and would therefore be negligible. Installation of water lines would not occur through undisturbed Ranch property.**

  Maintenance would consist of turnout flow meter calibration, occurring approximately once every one to two years, and electromechanical work at pump stations and/or leak repair as needed. Ranch owners would be responsible for the construction, operation and maintenance of any service connection to the SWP facilities serving the Ranch.

- **SWP Connection West of Santa Margarita. The existing State water pipeline traverses the southern boundary of the community of Santa Margarita and extends southwest from the community toward U.S. Highway 101 (as analyzed in the Final Environmental Impact Report for the State Water Project Coastal Branch, Phase II and Mission Hills Extension). This delivery option would connect to the existing waterline approximately 875 feet west of the community of Santa Margarita. It would then extend an additional 1,300 feet west before extending 4,750 linear feet south-southwest. Pipelines would be approximately 4 inches in diameter and would require an approximate 8 foot wide trench during construction. This delivery option would include the installation of water mains across undeveloped Ranch property and the construction of a new water tank on the west side of the Ranch.**

  Maintenance would consist of turnout flow meter calibration, occurring approximately once every one to two years, and electromechanical work at pump stations and/or leak repair as needed. Ranch owners would be responsible for the construction, operation and maintenance of any service connection to the SWP facilities serving the Ranch.

  Installation of water lines through undeveloped Ranch property could result in impacts related to grading and associated erosion, tree removal, and impacts to California annual grassland and emergent wetlands. Compliance with county grading and storm water ordinances would minimize impacts related to drainage and erosion. In addition, as noted under Agricultural Residential Cluster Subdivision Impact B-1,

no mitigation is required to address the loss of common habitat types, including California annual grassland.

Agricultural Residential Cluster Subdivision measures B-3(a) (Tree Identification), B-3(b) (Heritage Oak Tree Avoidance), B-3(c) (Oak Tree Protection and Mitigation and Monitoring Plan) and B-4(a) (Wetland and Riparian Protection) would apply to disturbance associated with this SWP delivery option. Since the precise location of water pipelines has not been determined, precise environmental impacts associated with such improvements would be too speculative to address at this time. Environmental impacts associated with implementation of this connection would be evaluated in a separate environmental documentation prepared pursuant to the California Environmental Quality Act (CEQA).

- **NWP Connection via Encina Avenue. This delivery option would connect to the Nacimiento waterline at the northern extent of Encina Avenue (as analyzed in the 2007 Addendum to the Final Environmental Impact Report for the Nacimiento Water Project) within the community of Santa Margarita. A pipeline would be constructed within the existing Encina Avenue right-of-way to the southern extent of the roadway at the Ranch boundary (as analyzed in the 2007 MND for the Santa Margarita Water System Project). Delivery of Nacimiento water would be achieved using one of two approaches: (1) the untreated Nacimiento water delivered to the Ranch would be used for agriculture, and the offset of groundwater otherwise extracted for agriculture would be used for the Agricultural Residential Cluster Subdivision development; or (2) the untreated Nacimiento water delivered to the Ranch would be treated on-site and used for the Agricultural Residential Cluster Subdivision.**

  It should be noted that both of the above options could result in policy inconsistencies. For example, Policy 11 in the County's Agriculture and Open Space Element (AGP11, Agricultural Water Supplies) states that groundwater should be maintained for agricultural use. Importing water for agricultural purposes and using the offset groundwater for residential purposes (as in approach 1) would be potentially inconsistent with this policy. In contrast, the County's Framework for Planning (Inland) includes the goal of maintaining "a distinction between urban and rural development by providing for rural uses outside of urban and village areas…" The objective of this goal is to restrict urban services from being provided outside urban or village reserve areas. Importing water and constructing a treatment facility outside of an urban reserve line (as in approach 2) would be potentially inconsistent with this policy, because the proposed Agricultural Residential Cluster Subdivision site is located approximately five miles from the City of Atascadero's Urban Reserve Line.

  The pipeline connecting to the Nacimiento waterline would be contained within the Encina Avenue right-of-way through the community of Santa Margarita Ranch, while the pipeline between the community and the existing Ranch irrigation system would be located within existing Ranch roadways for a maximum of 1,600 feet. Pipelines on the Ranch property would be approximately 4 inches in diameter and would require an approximate 8 foot wide trench during construction. Disturbance would be contained within existing right-of-ways and would therefore be minimal. Installation of water lines would not occur through undisturbed Ranch property.

Maintenance would consist of turnout flow meter calibration, occurring approximately once every one to two years, and electromechanical work at pump stations and/or leak repair, if needed, between mid-December and mid-January each year. Ranch owners would be responsible for the construction, operation and maintenance of any service connection to the NWP facilities serving the Ranch.

- **<u>NWP Connection via Yerba Buena Avenue.</u> This delivery option would connect to the Nacimiento waterline at the intersection of Yerba Buena Avenue and El Camino Real (as analyzed in the 2007 Addendum to the Final Environmental Impact Report for the Nacimiento Water Project) within the community of Santa Margarita. A pipeline would be constructed within existing right-of-ways to the southern extent of the community at the Ranch boundary. Delivery of Nacimiento water would be achieved using one of two approaches: (1) the untreated Nacimiento water delivered to the Ranch would be used for agriculture, and the offset of groundwater otherwise extracted for agriculture would be used for the Agricultural Residential Cluster Subdivision development; or (2) the untreated Nacimiento water delivered to the Ranch would be treated on-site and used for the Agricultural Residential Cluster Subdivision. Refer to *NWP Connection via Encina Avenue* above for a discussion of potential policy inconsistencies related to these approaches.**

  Within the community of Santa Margarita, disturbance would be contained within existing right-of-ways. Pipeline between the community and the existing Ranch irrigation system would be located within existing Ranch roadways. Pipelines on the Ranch property would be approximately 4 inches in diameter and would require an approximate 8 foot wide trench during construction. Disturbance would be contained within existing right-of-ways and would therefore be minimal.

  Maintenance would consist of turnout flow meter calibration, occurring approximately once every one to two years, and electromechanical work at pump stations and/or leak repair, if needed, between mid-December and mid-January each year. Ranch owners would be responsible for the construction, operation and maintenance of any service connection to the NWP facilities serving the Ranch.

  Installation of water lines through portions of the remainder parcel and potential development of a water treatment facility could result in impacts related to grading and associated erosion, tree removal, and impacts to California annual grassland and emergent wetlands. Compliance with county grading and storm water ordinances would minimize impacts related to drainage and erosion. In addition, as noted under Agricultural Residential Cluster Subdivision Impact B-1, no mitigation is required to address the loss of common habitat types, including California annual grassland.

  Agricultural Residential Cluster Subdivision measures B-3(a) (Tree Identification), B-3(b) (Heritage Oak Tree Avoidance), B-3(c) (Oak Tree Protection and Mitigation and Monitoring Plan) and B-4(a) (Wetland and Riparian Protection) would apply to this NWP delivery option. Since the precise location of water pipelines has not been determined, precise environmental impacts associated with such improvements would be too speculative to address at this time. Environmental impacts associated with

implementation of this connection would be evaluated in a separate environmental documentation prepared pursuant to the California Environmental Quality Act (CEQA).

- **<u>NWP Connection via El Camino Real.</u> This delivery option would connect to the Nacimiento waterline along El Camino Real (as analyzed in the 2007 Addendum to the Final Environmental Impact Report for the Nacimiento Water Project) just west of the community of Santa Margarita. A pipeline would be constructed to extend south through ranch property for approximately 500 feet. It would then extend south-southwest for approximately 4,750 linear feet. Pipelines on the Ranch property would be approximately 4 inches in diameter and would require an approximate 8 foot wide trench during construction. This delivery option would include the installation of water mains across undeveloped Ranch property and the construction of a new water tank on the west side of the Ranch (as analyzed in the 2007 MND for the Santa Margarita Water System Project). Delivery of Nacimiento water would be achieved using one of two approaches: (1) the untreated Nacimiento water delivered to the Ranch would be used for agriculture, and the offset of groundwater otherwise extracted for agriculture would be used for the Agricultural Residential Cluster Subdivision development; or (2) the untreated Nacimiento water delivered to the Ranch would be treated on-site and used for the Agricultural Residential Cluster Subdivision. Refer to *NWP Connection via Encina Avenue* above for a discussion of potential policy inconsistencies related to these approaches.**

  Maintenance would consist of turnout flow meter calibration, occurring approximately once every one to two years, and electromechanical work at pump stations and/or leak repair, if needed, between mid-December and mid-January each year. Ranch owners would be responsible for the construction, operation and maintenance of any service connection to the NWP facilities serving the Ranch.

  Installation of water lines through undeveloped Ranch property and potential development of a water treatment facility could result in impacts related to grading and associated erosion, tree removal, and impacts to California annual grassland and emergent wetlands. Compliance with county grading and storm water ordinances would minimize impacts related to drainage and erosion. In addition, as noted under Agricultural Residential Cluster Subdivision Impact B-1, no mitigation is required to address the loss of common habitat types, including California annual grassland.

  Agricultural Residential Cluster Subdivision measures B-3(a) (Tree Identification), B-3(b) (Heritage Oak Tree Avoidance), B-3(c) (Oak Tree Protection and Mitigation and Monitoring Plan) and B-4(a) (Wetland and Riparian Protection) would apply to this NWP delivery option. Since the precise location of water pipelines has not been determined, precise environmental impacts associated with such improvements would be too speculative to address at this time. Environmental impacts associated with implementation of this connection would be evaluated in a separate environmental documentation prepared pursuant to the California Environmental Quality Act (CEQA).

Agricultural Residential Cluster Subdivision Impact W-2	**Agricultural Residential Cluster Subdivision soils provide sufficient percolation to support effluent disposal fields. However, percolation tests have not been completed for all proposed lots. Improper disposal field design could result in health hazards or potential ground and surface water contamination. Therefore, the Agricultural Residential Cluster Subdivision would result in Class II, *significant but mitigable* impacts related to wastewater disposal.**

The Agricultural Residential Cluster Subdivision involves the use of septic systems, as the site is remotely located a sufficient distance from sanitary sewer service facilities to preclude connections to such facilities. Percolation testing was conducted by Buena Geotechnical Services (October 23, 2003) to evaluate the general native soil materials for the suitability of installing individual wastewater disposal fields. Percolation testing was performed in conformance with the methods provided in the Uniform Plumbing Code (UPC) and per the requirements of the State of California, Regional Water Quality Control Board (RWQCB) Central Coast Region (Basin Plan) standards. The average time for the water level to drop one inch ranged from 15 to 60 minutes, with an average of 33 minutes. A total of 26 borings were performed around the property to determine whether septic tank and leachfield disposal systems would be appropriate for the Agricultural Residential Cluster Subdivision. The Buena Geotechnical Services study was a general characterization of site suitability of leachfields, and borings were not collected in sufficient quantities to indicate whether each lot has an appropriate area for a septic tank and leachfield. The study indicated that on-site soils generally provide sufficient percolation for leachfields. However, San Luis Obispo County typically requires a minimum of 3 percolation tests per leachfield, an exploratory boring to 10 feet below the drain field bottom, and a site plan prior to approving a leachfield for construction. A minimum of 336 borings (for 112 residences) would be required to confirm whether each lot has an acceptable leachfield site.

As proposed, the Agricultural Residential Cluster Subdivision does not violate waste discharge requirements or Central Coast Basin Plan criteria for wastewater systems. However, the generalized percolation test, borings, and leachfield siting study performed by thus far are not sufficient for assessing the capacity of each individual leachfield. In addition, plans have not been submitted which show an acceptable location (appropriate setbacks, slope, and siting) for each leachfield. Improper placement and design of wastewater systems could result in contamination of ground or surface waters, and/or other health hazards. This would be a potentially significant impact unless mitigation is incorporated.

Mitigation Measures. The following mitigation measures are required to reduce impacts related to wastewater disposal:

Agricultural Residential Cluster Subdivision W-2(a)	**Septic Tank Maintenance Plan and Monitoring.** The applicant shall prepare a Septic Tank Maintenance Plan. The Plan shall require a minimum tank cleaning frequency of once every ~~two~~ **five** years, delineate proposed groundwater monitoring locations (up gradient and down gradient of the proposed Agricultural Residential Cluster Subdivision), and recommended frequency of collection and analysis. The applicant shall install groundwater

monitoring wells, which shall be sited and designed by a qualified hydrogeologist. At a minimum, three groundwater monitoring wells shall be located up gradient of the Agricultural Residential Cluster Subdivision and three shall be located downgradient.

Plan Requirements and Timing. The Septic Tank Maintenance Plan shall be submitted to Planning and Public Works Departments **and to the RWQCB** for review and approval. Groundwater monitoring results shall be submitted to Public Works Department **and to the RWQCB** for review. At a minimum, groundwater samples shall be taken on an annual basis and shall include an analysis of TDS, chlorides, nitrate, nitrite, total nitrogen, ammonia, sodium, and sulfate by a certified laboratory. Sampling and analysis costs shall be paid by the applicant. ~~Installation of monitoring wells shall be ensured through a bond or performance security provided by the applicant.~~ If a statistically significant increase is observed in any of the above parameters, the applicant shall be responsible for developing a Wastewater Collection, Treatment, and Disposal Master Plan. The constituents of concern and threshold limits shall be determined by the county. Monitoring wells shall be installed prior to clearance for occupancy. ~~An entity comprised of individual Agricultural Residential Cluster Subdivision homeowners~~ **County Public Works and RWQCB staff** shall specify long-term septic tank maintenance and groundwater monitoring requirements**, including components of work and schedule for completion. Requirements shall be included in the Home Owner's Association Codes, Covenants, and Restrictions (CC&Rs)**. **Monitoring.** Public Works shall site inspect for installation of monitoring wells. Public Works review is required for monitoring well installation, and Planning Department review is required for release of the performance security. Public Works staff shall review regular groundwater monitoring reports (as specified in the Plan) and determine**, in consultation with the RWQCB and County Planning staff,** whether a Wastewater Collection, Treatment and Disposal Master Plan is required.

Agricultural Residential Cluster Subdivision W-2(b)

Septic Tank and Leachfield Site Plans. The applicant shall develop and submit septic tank and leachfield site plans for each proposed lot, as well as percolation tests and borings in accordance with County leachfield design/construction requirements. The applicant shall demonstrate sufficient leachfield percolation for each proposed residential unit and lot, in accordance with County standards.

Plan Requirements and Timing. The applicant shall submit

septic tank and leachfield site plans to Planning and Building with Development Permit Application. **Monitoring.** County Environmental Health and Building Department staff shall review plans prior to issuance of a development permit.

Residual Impacts. With implementation of the above measures, impacts related to wastewater disposal would be less than significant.

Agricultural Residential Cluster Subdivision Impact W-3

Wastewater discharge systems can degrade groundwater quality if wastes are put into the discharge systems that are harmful to groundwater quality. Impacts are Class II, *significant but mitigable*.

Groundwater in California often has a high mineral content, a condition commonly referred to as "hard water." Residents typically offset the hardness through the use of a water softener. Water softeners utilize sodium or potassium salt brines, which are eventually discharged into the wastewater disposal system. The addition of these brines into a septic field can be harmful to groundwater quality (refer to Appendix H). In addition, residents could put chemicals, paints, solvents, pesticides, herbicides, or other household hazardous wastes into the drains, which would degrade the water quality in their septic systems. Because of adverse effects associated with on-site softening of hard water, impacts resulting from the on-site recharge of water softeners, and potential wastes being put down the drains, impacts are potentially significant. Refer to Section 4.5, *Drainage, Erosion and Sedimentation*, for a discussion of additional water quality impacts.

Mitigation Measures. The following mitigation measures are recommended to prevent the potential adverse impact to groundwater through the on-site use of water softeners:

Agricultural Residential Cluster Subdivision W-3(a)

Water Softeners. Agricultural Residential Cluster Subdivision residents shall be prohibited from installing water softeners which require on-site regeneration or are self-regenerating. Off-site regenerated water softeners shall be allowed if they are regenerated outside the Agricultural Residential Cluster Subdivision site.

Plan Requirements and Timing. Water softeners shall be shown on plans submitted to Planning and Building for review and approval prior to issuance of building permits, as applicable. **The prohibition of on-site or self-regenerating water softeners shall be included in Covenants, Conditions and Restrictions (CC&Rs), and monitored by a Homeowners Association (or similar entity) with oversight by County Planning and Building. Monitoring.** Planning and Building shall review site plans for compliance prior to issuance of building permits. County inspector shall inspect site for installation of self-regenerating water softeners prior to occupancy of the structures.

Agricultural Residential Cluster Subdivision W-3(b)	**Pollutant Input Minimization.** ~~Upon the transfer of real property and execution of leases, the transferor will be required to deliver to the prospective transferee~~ **the Santa Margarita Ranch Mutual Water Company shall annually include** a written statement **with resident water bills** that describes methods to prevent degradation of water quality in septic systems. The flyer shall state that chemicals, paints, solvents, pesticides, herbicides, or other household hazardous wastes shall not enter drains. **Plan Requirements and Timing.** The applicant shall coordinate with the Environmental Health Division on any new regulations or education information on avoiding adverse impacts to the quality of effluent entering septic systems. The written statements shall be provided to all future residents and occupants ~~by the transferor upon the transfer of real property and execution of leases~~ **annually by the Santa Margarita Ranch Mutual Water Company via inclusion with water bill statements. Monitoring.** Planning and Building shall review the statements annually to ensure preventative methods are described.

Residual Impacts. With implementation of the above measures, impacts related to water quality from septic systems would be less than significant.

Agricultural Residential Cluster Subdivision Impact W-4	**Implementation of the Agricultural Residential Cluster Subdivision would result in septage load that cannot be managed by existing local facilities. This will result in Class III, *less than significant* impacts.**

Septage is material that has been removed, typically pumped, from a treatment tank or waste holding tank and hauled to another location for final disposition or additional treatment. Each 1,200-gallon septic tank would be required to be pumped approximately once every five years. As a result, approximately 27,000 gallons of septage per year would be hauled from the proposed Agricultural Residential Cluster Subdivision.

The closest septage receiving station to the Agricultural Residential Cluster Subdivision is the Santa Maria Wastewater Treatment Facility, located in Santa Maria, approximately 40 miles south of the community of Santa Margarita. This facility is currently at capacity [*Survey of Septage, Treatment, Handling, and Disposal Practices in California* (California Wastewater Training and Research Center at CSU-Chico, 2002)]. Although an expansion of the treatment facility is planned, septage loads would need to be hauled to other, more distant facilities in the interim. The hauling and disposal of septage is required to comply with County health and water quality standards, as well as State and federal regulations. Compliance with these standards and regulations would ensure less than significant impacts.

Mitigation Measures. No mitigation measures are required.

Residual Impacts. Impacts would be less than significant.

c. Future Development Program Impacts and Mitigation Measures. The Future Development Program represents potential future buildout of the Santa Margarita Ranch, including the proposed Agricultural Residential Cluster Subdivision. Refer to Section 4.14.2(b) for a discussion of water and wastewater impacts resulting from the Agricultural Residential Cluster Subdivision independently.

Future Development Program Impact W-1

The Future Development Program would increase the use of water from area aquifer units, including the Paso Robles and Santa Margarita Formations, by 926 acre-feet per year (afy). This net consumptive use may contribute to overdraft of the aquifer system. Groundwater use associated with the Future Development Program is a Class I, *significant and unavoidable,* impact.

The Future Development Program includes the Agricultural Residential Cluster Subdivision, the balance of the 550 single-family residential units allowable pursuant to the Salinas River Area Plan (402 residences) and the additional following uses: private golf course, club house and pro shop; guest ranch, lodge, and restaurant; 12-room bed and breakfast; cafe; amphitheater; crafts studios, galleries and shops; interpretive center and gift shops; nine wineries with tasting rooms and permitted special events; neighborhood park and swimming pool; five ranch/farm headquarters; one livestock sales yard and café; three places of worship; and a retreat center. Table 4.14-2 outlines the anticipated water demand from each of these facilities.

Table 4.14-2. Future Development Program Water Demands

Land Use	Land Use Characteristics	Water Use Factor (acre-feet/unit)	Annual Water Demand (acre-feet)
Agricultural Residential Cluster Subdivision	112 residential lots	1.44/lot	161.28
Remainder of the 550 residential units allowable under the Salinas River Area Plan (excluding Margarita Farms and Agricultural Residential Cluster Subdivision)	402 residential lots	1.44/lot	578.8
Guest ranch, lodge, and restaurant	150 to 250 units, 40 tables/200 patrons, 100 acres	0.15/room	37.5
Restaurant	40 tables/ 200 patrons	0.022/seat	4.4
Bed and breakfast	12 rooms	0.15/room	1.8
Private golf course, club house, shop	27 to 36 holes / 220 to 280 acres	2 afy/acre	560
Café	20 tables/ 100 patrons	0.022/seat	2.2
Amphitheater	200 to 600 seats	0.022/seat	13.2
Craft studios, galleries, and shops	6,000 square feet	0.11/1000 sf	0.66
Interpretive center and gift shops	3,000 square feet	0.11/1000 sf	0.33
Nine wineries, tasting rooms, and special events	8 @ 20,000 to 40,000 square feet each, 1 @ 80,000 square feet / 42 events per year per facility	0.17/1,000 sf	68

Table 4.14-2. Future Development Program Water Demands

Land Use	Land Use Characteristics	Water Use Factor (acre-feet/unit)	Annual Water Demand (acre-feet)
Five ranch/farm headquarters	2.5 acres each	1.44/lot	7.2
Livestock sales yard and café	20 acres / one Saturday per month / 75 patrons	0.022/seat	1.65
Horse ranch	30 (+) horses	0.1/horse	3
Three places of worship	2,000 to 5,000 square feet each	0.17/1,000 sf	2.55
Oakenshaw Retreat Center	16 to 24 units on 30 acres with lodge and residence	0.15/room	3.6
Neighborhood parkland and swimming pool	5 acres east of Santa Margarita Community	2 afy/acre	10
Dedication of land for expansion of cemetery	5 acres	2 afy/acre	10
Future Development Program Water Use Total			**1,466.17**

Approximately 40 percent of rural residential water use and 32 percent of agricultural water use results in groundwater recharge, thereby returning to the local aquifer system [refer to Section 4.14.1(a) *Consumptive Use*]. Although the Future Development Program would demand an estimated 1,305 afy (subsequent to the Agricultural Residential Cluster Subdivision), approximately 475 afy would return to groundwater as recharge. Therefore, net consumptive use for Future Development Program residential and commercial development would be approximately 830 afy. When added to the estimated Agricultural Residential Cluster Subdivision consumptive demand (96 afy), this amounts to 926 afy. The magnitude of this additional demand is a 215 percent increase in groundwater production over the existing Ranch consumptive demand (431 afy).

As described under Agricultural Residential Cluster Subdivision Impact W-1, data are not available to conclude whether this increase in demand would result in aquifer system overdraft. Available data indicate that the long-term capability of the aquifer system may be insufficient to provide adequate quantities of water for the Future Development Program.

In addition, if groundwater is produced within or adjacent to the northern portion of the Ranch, impacts would be significant. The increased groundwater demand in this area would decrease the amount of groundwater available to existing wells that draw from this shallow alluvial aquifer and supply CSA 23 and Garden Farms, as the Atascadero sub-basin which supplies water to the Atascadero Mutual Water Company (AMWC). This would be considered a potential long-term water supply availability impact.

Mitigation Measures. Agricultural Residential Cluster Subdivision measures W-1(a) (Groundwater and Surface Water Monitoring Programs), W-1(b) (Water Conservation Measures), and W-1(c) (Imported Water Supply) would apply to all Future Development Program land uses. Water supply would need to be acquired prior to issuance of grading permits for individual Future Development Program land use components, and would be coordinated through the required Specific Plan. The Specific Plan will also be required to include a comprehensive water supply analysis pursuant to California Senate Bill (SB) 610 [Water Code §10910(g)(3), Water Supply Assessments] and California Senate Bill (SB) 221

[Government Code §66473.7(b)(2), Written Verifications of Water Supply]. The following additional mitigation measure is required.

Future Development Program W-1(a)

Reclaimed Water. Reclaimed water from the envisioned Future Development Program municipally operated sanitary sewer and treatment plant shall, to the extent feasible, be collected and applied for irrigation or turf/landscape areas, including the envisioned golf course [refer to Future Development Program measure W-2(b) (Wastewater Master Plan) for specifics concerning implementation of the wastewater treatment facility]. A qualified professional shall prepare a reclaimed water use plan that outlines the preferred locations of landscaping for such irrigation, with an evaluation of the expense and maintenance hours required for operating and monitoring the irrigation facilities, subject to County approval. The plan shall also evaluate the feasibility of recharging groundwater with treated effluent, including the identification of recharge sites, and analysis of the assimilative capacity of the groundwater for constituents of concern. **Water Reclamation Requirements will be required for all recycled water uses.**

Plan Requirements and Timing. A reclaimed water use plan shall be prepared in accordance with County Health Department standards and included in the Specific Plan (or within individual plans, as applicable) for review prior to approval. **Monitoring.** Health Department shall review the reclaimed water use plan and Public Works shall site inspect to ensure development is in accordance with approved plans prior to occupancy clearance.

Residual Impacts. Implementation of the required measures would reduce the overall water system demand. However, additional water supply would still be required. Additional water may be available for the Future Development Program land uses through the State Water Project and/or the Nacimiento Water Project, as outlined in Agricultural Residential Cluster Subdivision measure W-1(c) (Imported Water Supply). However, due to uncertainty regarding timing and availability of these sources, additional water supply cannot be assured at this time. Impacts would remain significant and unavoidable. **Refer to the *Residual Impacts* discussion under Agricultural Residential Cluster Subdivision W-1, which also applies to the Future Development Program.**

Future Development Program Impact W-2

Since the capacity, features, location and timing of the potential future sewage treatment facility envisioned for dedication have not yet been determined, individual future developments could require the use of septic systems prior to treatment plant implementation. Percolation tests have not been completed for any Future Development Program land uses. Therefore, it is not known if area soils would provide sufficient percolation to support effluent disposal fields. Improper disposal field design could result in health hazards

or potential ground and surface water contamination. Therefore, the Future Development Program would result in Class II, *significant but mitigable* impacts related to wastewater disposal.

The Future Development Program includes the dedication of land for a potential future sewage treatment facility of up to ten (10) acres. The capacity, features, location and timing of this potential future sewage treatment facility have not yet been determined. Therefore, individual development Future Development Program land uses may proceed in advance of implementation of the treatment facility, and would therefore require septic systems. Although percolation testing was conducted for the Agricultural Residential Cluster Subdivision (refer to Agricultural Residential Cluster Subdivision Impact W-2), no testing has been performed for subsequent Future Development Program components. Improper placement and design of wastewater systems could result in contamination of ground or surface waters and/or other health hazards. This would be a potentially significant impact unless mitigation is incorporated.

Mitigation Measures. Agricultural Residential Cluster Subdivision measure W-2(a) (Septic Tank Maintenance Plan) and W-2(b) (Septic Tank and Leachfield Site Plans) would apply to all Future Development Program land uses constructed prior to implementation of a Wastewater Treatment Plant. The following additional mitigation measures are required to reduce impacts related to wastewater disposal:

Future Development Program W-2(a)

Groundwater Characterization Study. As part of the Specific Plan for future development on the property (or within individual development plans as applicable), a characterization of existing groundwater and estimate of assimilative capacity of groundwater underneath each Future Development Program development area (or individual septic field locations, as applicable) shall be performed. Characterization would be required prior to any future development projects on the Ranch property subsequent the Agricultural Residential Cluster Subdivision. The Characterization Study shall analyze long-term hydraulic disposal capacity, subsurface soil profiles, groundwater lateral hydraulic gradient and mounding potential, and assimilative capacity of the site(s) for water quality constituents of concern.

Plan Requirements and Timing. The groundwater characterization study shall be included in the Specific Plan (or within individual plans, as applicable) for review by Planning and Building prior to approval. **Monitoring**. County Environmental Health and Planning and Building staff shall review the Plan prior to adoption of the Specific Plan (or issuance of a development permit, as applicable).

Future Development Program W-2(b)

Wastewater Master Plan. Implementation of the wastewater treatment facility should proceed in advance of the first Future

Development Program subdivision proposed subsequent to the Agricultural Residential Cluster Subdivision. A Community Wastewater Collection, Treatment, and Disposal Facility Master Plan shall be created as part of the required Specific Plan for future development subsequent to the Agricultural Residential Cluster Subdivision. The Plan shall be completed after the groundwater characterization study and shall address alternative sites for treatment facilities, process alternatives, and disposal/reuse options for buildout of the property as well as provisions to serve the existing community of Santa Margarita. The Plan shall present a phased implementation strategy to address project-by-project impacts as the Future Development Program is implemented. Objectives shall be developed by the County and Regional Water Quality Control Board prior to acceptance or approval of the Plan. A regional or decentralized wastewater treatment system designed to County and Regional Water Quality Control Board requirements shall be implemented. The Wastewater Master Plan shall specify and require maintenance and best management practices for operation. The Master Plan shall also investigate the feasibility of irrigating Future Development Program landscaping and recharging groundwater with treated effluent from the wastewater treatment facility.

Plan Requirements and Timing. The Community Wastewater Collection, Treatment, and Disposal Facility Master Plan shall be submitted for review and approval by Planning and Building prior to adoption of the Specific Plan subsequent to the Agricultural Residential Cluster Subdivision. All components of the Plan shall be implemented prior to issuance of any occupancy permits subsequent to the Agricultural Residential Cluster Subdivision. **Monitoring.** Planning and Building shall review the Plan prior to issuance of grading permits for Future Development Program land uses subsequent to the Agricultural Residential Cluster Subdivision. Planning and Building shall ensure compliance with requirements set forth in the Plan.

Residual Impacts. With implementation of the above measures, impacts related to wastewater disposal would be less than significant.

Future Development Program Impact W-3 — **Wastewater discharge systems can degrade groundwater quality if wastes are put into the discharge systems that are harmful to groundwater quality. Impacts are Class II, *significant but mitigable*.**

Groundwater in California often has a high mineral content, a condition commonly referred to as "hard water." Residents typically offset the hardness through the use of a water softener. Water softeners utilize sodium or potassium salt brines, which are eventually discharged into

the wastewater disposal system. The addition of these brines into a septic field can be harmful to groundwater quality (refer to Appendix H). In addition, residents could put chemicals, paints, solvents, pesticides, herbicides, or other household hazardous wastes into the drains, which would degrade the water quality in their septic systems. Because of adverse effects associated with on-site softening of hard water, impacts resulting from the on-site recharge of water softeners, and potential wastes being put down the drains, impacts are potentially significant.

Mitigation Measures. Agricultural Residential Cluster Subdivision measures W-3(a) (Water Softeners) and W-3(b) (Pollutant Input Minimization) would apply to all Future Development Program land uses. No additional mitigation is necessary.

Residual Impacts. With implementation of the required measures, impacts related to water quality would be less than significant.

Future Development Program Impact W-4 — **Buildout of the Future Development Program would result in septage load that cannot be managed by local facilities. This would result in Class III, *less than significant* impacts.**

Because the Future Development Program would involve the use of septic systems, septage would have to be hauled from Future Development Program land uses to the nearest septage receiving station (Santa Maria Wastewater Treatment Facility). This facility is currently at capacity. Therefore, septage loads would need to be hauled to other, more distant facilities. Refer to the discussion under Agricultural Residential Cluster Subdivision Impact W-4. Compliance with County health and water quality standards and regulations would ensure less than significant impacts.

Mitigation Measures. No mitigation measures are required.

Residual Impacts. Impacts would be less than significant.

Future Development Program Impact W-5 — **The Future Development Program envisions nine wineries located throughout the Ranch property. Winery wastewater contains fermentation waste products, cleaning chemicals, and raw source water constituents. Improperly designed irrigation systems and leach fields could potentially backflow and contaminate groundwater. This is a Class II, *significant but mitigable* impact.**

Each of the nine wineries envisioned in the Future Development Program includes a 5-acre processing facility with on-site tasting room, gift shops, and a bed and breakfast. The existing Margarita (Cuesta Ridge) Vineyard currently produces approximately 350,000 cases of wine annually. At buildout of the Future Development Program (the addition of nine wineries), total production is estimated at approximately 1 million cases annually.

Winery wastewater would be generated by a number of activities such as barrel tank washing, crush operations, bottling and general cleaning. Winery wastewater consists of fermentation waste products (including tannins, lignins, volatile acids, and yeasts), cleaning chemicals

(caustic sodas and disinfectants), and raw source water constituents. Each winery is estimated to generate approximately 18 gallons of wastewater per case produced. During peak crush periods, this would result in approximately 49,315 gallons per day (gpd) of wastewater flow. This effluent would likely be discharged to on-site leachfields. **Although all discharges from the nine wineries would require Waste Discharge Requirements, ~~I~~i**mproperly designed irrigation systems and leach fields could potentially backflow and contaminate groundwater. This would be a potentially significant impact.

Mitigation Measures. Future Development Program measure W-2(b) (Wastewater Master Plan) would reduce winery wastewater-related impacts to a less than significant level. No further mitigation is required.

Residual Impacts. With implementation of the required measure, impacts related to winery wastewater would be less than significant.

d. Cumulative Impacts. The evaluation of the Future Development Program, which includes the Agricultural Residential Cluster Subdivision, in this EIR accounts for all of the expected growth in the Santa Margarita area, as it represents buildout of the major landholding that surrounds the existing community, consistent with the Salinas River Area Plan. Therefore, cumulative water and wastewater impacts from buildout of the Agricultural Residential Cluster Subdivision in combination with buildout of the Future Development Program were addressed in the Future Development Program impact analysis above. As future applications for individual Future Development Program projects are submitted at a project level of detail, the precise evaluation of future project cumulative impacts would be coordinated through the required Specific Plan and associated environmental review, or through individual project-level environmental review, as applicable.

The following excerpt from the EIR Alternatives, Alternative #12, which was identified as the Amended Project and was selected as the Approved Project, includes the connection to the water line at Encina Avenue.

The CEQA findings and Final Resolution of Approval are also provided for reference to the proposed pipeline construction in Encina Avenue and the use of Nacimiento Water to offset the use at a 1:1 ratio. Verifying the adequacy of the Nacimiento Water is associated with the recordation of the Phase 2 Tract Map so that some number of homes can be established to determine actual use.

6.12 ALTERNATIVE 12: Amended Project

6.12.1 Description

This alternative would have essentially the same development characteristics as the proposed project (112 dwelling units), but would incorporate the following project features that address identified environmental constraints:

- Reorganized lot layout. This alternative would reorganize the 112 lots within the same general vicinity of the site as the proposed Agricultural Residential Cluster Subdivision. As illustrated in Figure 6-10, 23 lots would be relocated and the boundaries of 65 lots would be adjusted. The remaining 24 lots would not change. This amended layout is intended to avoid placing lots in areas containing prime soils, reduce visual prominence, reduce impacts on oak trees, and avoid archaeologically-sensitive areas.

- Reorganization of project roadways. Along with reorganization of the Agricultural Residential Cluster Subdivision lots, this alternative would modify project roadways. Four roadways would be eliminated, one roadway would be shortened, and several others would be realigned to more closely follow existing Ranch roads (refer to Figure 6-10). In addition, under this alternative, driveways would be reduced from 22 to 18 feet in width.

- Incorporation of building envelopes and height restrictions. This alternative incorporates building envelopes which restrict development to ½ acre of each proposed lot. These building envelopes are intended to prevent development on biologically-sensitive areas of the site, and in some cases to comply with agricultural buffer setback

requirements. Height restrictions were also placed on 13 lots (51 through 54, 92 through 94, 100, 101, 104 through 106, and 112) in order to reduce impacts to visual resources.

Access to the Amended Project Alternative would be provided via one existing driveway and one new driveway from West Pozo Road. Sewer service would be provided by individual septic systems and water service would be provided by a connection to the Nacimiento Water Project. This alternative would connect to the Nacimiento waterline at the northern extent of Encina Avenue within the community of Santa Margarita. A pipeline would be constructed within the existing Encina Avenue right-of-way to the southern extent of the roadway at the Ranch boundary. The untreated Nacimiento water delivered to the Ranch would be treated on-site and used for the Alternative 12 residences.

Refer to Figure 6-10 for a site plan of Alternative 12 in comparison to the proposed Agricultural Residential Cluster Subdivision.

6.12.2 Impact Analysis

Agricultural Resources. Although this alternative would result in the same number of dwelling units as the proposed Agricultural Residential Cluster Subdivision, it would relocate Lots 43, 66 and 71 to avoid prime soil locations identified in the Draft EIR. This would result in fewer impacts related to the direct conversion of prime soil areas. However, since circulation of the Draft EIR, the San Luis Obispo County Agricultural Commissioner's Office has provided guidance regarding the definition of prime soils. The analysis was therefore revised to utilize a more accurate definition of prime soils as well as the most up-to-date soils information and methodology available. Refer to Section 2.1, *Agricultural Resources*, for the full revised analysis. As noted therein, the Agricultural Residential Cluster Subdivision would convert 21.2 acres of prime agricultural soils.

Although the Amended Project Alternative would include building envelopes which restrict development to ½ acre of each proposed lot, parcelization would nevertheless fragment potential agricultural use on each lot, thereby precluding major farming on each lot as a whole. Therefore, as a reasonable worst case scenario, all prime soils that occur within Amended Project Alternative lot lines could be converted to non-agricultural use. Alternative 12 would therefore convert an estimated 19.96 acres of prime agricultural soils (refer to Figure 6-11). Although the impact would be slightly reduced (1.24 fewer acres of prime soil converted), impacts would remain Class I, *significant and unavoidable.*

The Amended Project Alternative would be located in the same general area as the proposed Agricultural Residential Cluster Subdivision and would consist of approximately the same acreage of overall disturbance. As a result, fragmentation of agricultural areas/grazing lands would be similar to the proposed Agricultural Residential Cluster Subdivision.

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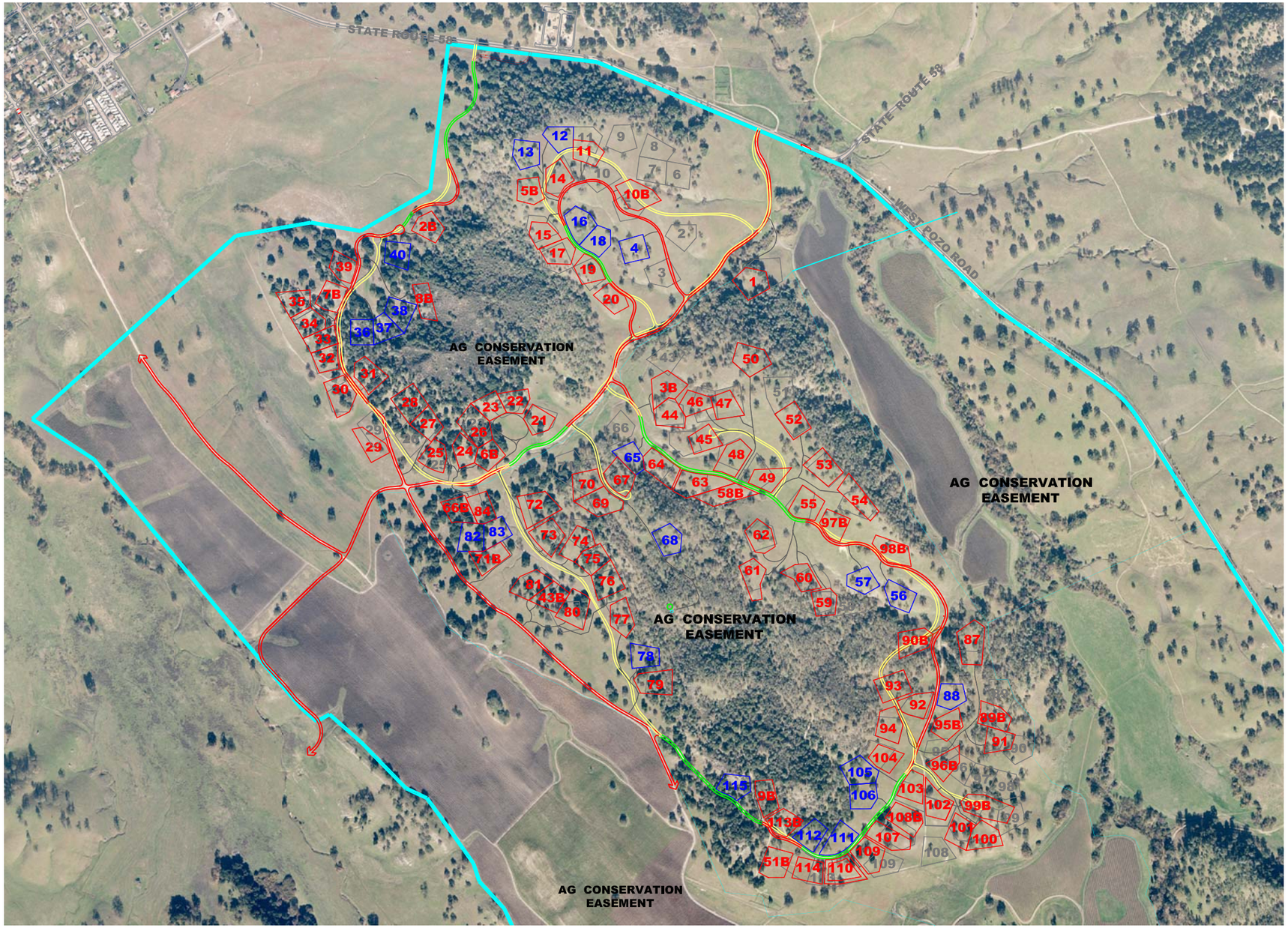
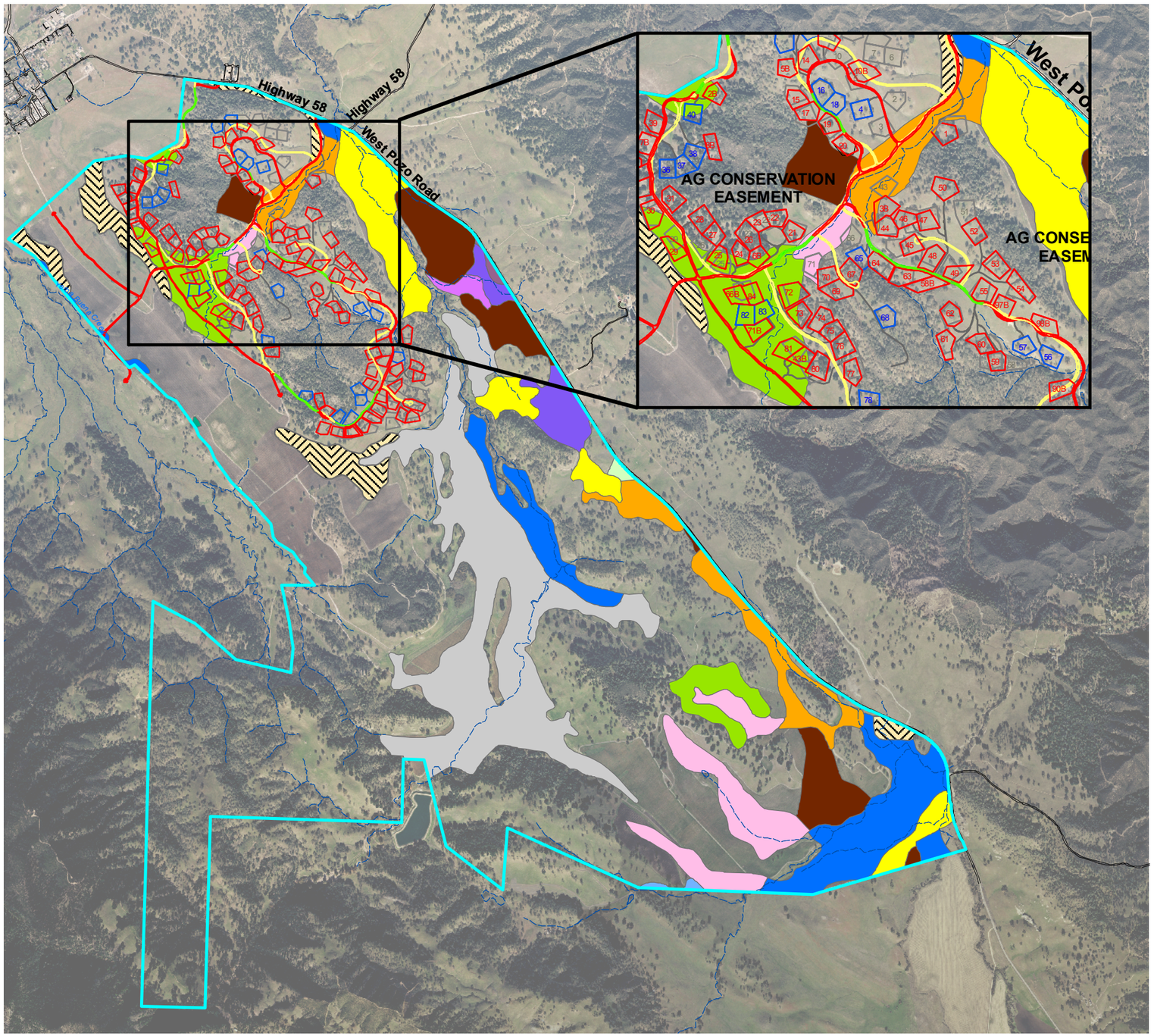


Alternative 12: Amended Project Lot and Roadway Location Comparison to Agricultural Residential Cluster Subdivision

Figure 6-10

Source: RRM Design Group, September 2007.



TENTATIVE TRACT 2586 BOUNDARY
40 TENTATIVE TRACT 2586 LOTS TO REMAIN
9 TENTATIVE TRACT 2586 RELOCATED LOTS
TENTATIVE TRACT 2586 ROADWAYS TO REMAIN
TENTATIVE TRACT 2586 RELOCATED OR DELETED ROADWAYS
ALTERNATIVE 12 ROADWAYS (RELOCATED OR ADJUSTED FROM TRACT 2586)
10B ALTERNATIVE 12 LOTS (RELOCATED OR ADJUSTED FROM TRACT 2586)

PRIME AGRICULTURAL SOILS REGARDLESS OF IRRIGATION:

- 101, ARBUCKLE FINE SANDY LOAM, 2-9
- 102, ARBUCKLE-POSITAS COMPLEX, 9-15
- 116, BOTELLA SANDY LOAM, 2-9
- 139, ELDER LOAM, 2-9
- 148, HANFORD AND GREENFIELD FINE SANDY LOAMS, 2-9
- 191, RYER CLAY LOAM, 2-9
- 208, STILL CLAY LOAM, 0-2
- 209, STILL CLAY LOAM, 2-9

PRIME AGRICULTURAL SOILS IF IRRIGATED:

- 130, CLEAR LAKE CLAY, DRAINED
- 133, CROPLEY CLAY, 2-9
- 149, HANFORD AND GREENFIELD GRAVELLY SANDY LOAMS, 0-2
- 150, HANFORD AND GREENFIELD GRAVELLY SANDY LOAMS, 2-9
- 182, OCEANO LOAMY SAND, 2-9
- 207, STILL GRAVELLY LOAM, 0-2

N 0 2,500 5,000 Feet

Alternative 12: Amended Project
Prime Agricultural Soils

Figure 6-11

Source: SSURGO, 2004, RRM Design Group, September 2007.

As discussed in Section 2.1, *Agricultural Resources*, all but five Agricultural Residential Cluster Subdivision lots would be located a sufficient distance from existing or future agricultural operations or have adequate topographic features as separation; only Lots 1, 39, 40, 99 and 100 would require relocation or buffered lot locations as approved by the Agricultural Commissioner [refer to revised Agricultural Residential Cluster Subdivision measure AG-2(b) (Agricultural Buffers) under Section 2.1, *Agricultural Resources*]. The Amended Project Alternative would adjust Lot 1 and relocate Lot 99 to increase distance from on-site vineyards. Lot 100 would remain in its currently proposed location. Lot 2 would be relocated northeast of Lot 40.

According to the San Luis Obispo County Agricultural Commissioners' Office, the new location of Lot 1 would not require buffered lot locations while Lots 99 and 100 would still require mitigation (Lynda Auchinachie, San Luis Obispo County Agricultural Commissioners' Office, Personal Communication, October 2, 2007). It should be noted, however, that compared to the Agricultural Residential Cluster Subdivision, Lot 99 is located further from agricultural operations and would therefore result in fewer compatibility impacts, while Lot 100 is located closer to agricultural operations and would therefore result in greater compatibility impacts. The new location of Lot 2 (2B under the Amended Project Alternative) would require relocation similar to that required for Lots 39 and 40 under the Agricultural Residential Cluster Subdivision (Lynda Auchinachie, San Luis Obispo County Agricultural Commissioners' Office, Personal Communication, January 30, 2008). All other revised lot locations would be considered compatible with the adjacent agricultural production areas (Auchinachie, Personal Communication, November 5, 2007).

Impacts related to conflicts between urban and agricultural uses would therefore be slightly reduced, when compared to the Agricultural Residential Cluster Subdivision. In addition, conflicts between residential and grazing uses would be similar to the proposed Agricultural Residential Cluster Subdivision because the same number of units would be located in the same general area as the proposed Agricultural Residential Cluster Subdivision.

Overall, impacts to agricultural fragmentation would be similar to the Agricultural Residential Cluster Subdivision, while impacts to prime soils and conflicts between urban and agricultural uses would be slightly reduced but remain Class I, *significant and unavoidable.*

Air Quality. This alternative would generate the same amount of average daily vehicle trips as the proposed Agricultural Residential Cluster Subdivision (see *Transportation and Circulation* discussion below), since it features the same number of residential units. As a result, air contaminant emissions associated with vehicle use would be the same as the proposed Agricultural Residential Cluster Subdivision. In addition, because this alternative would accommodate the same number of residential units, long term emissions associated with electricity and natural gas usage would be identical. Grading- and construction-related emissions and odor nuisance impacts would also be similar when compared to the proposed Agricultural Residential Cluster Subdivision.

The Agricultural Residential Cluster Subdivision is potentially inconsistent with San Luis Obispo APCD's *Clean Air Plan* (CAP) because it does not include sufficient Transportation Control Measures (TCMs) and because the rate of increase in vehicle trips and miles traveled may exceed population growth rates for the area. The Amended Project Alternative would similarly not

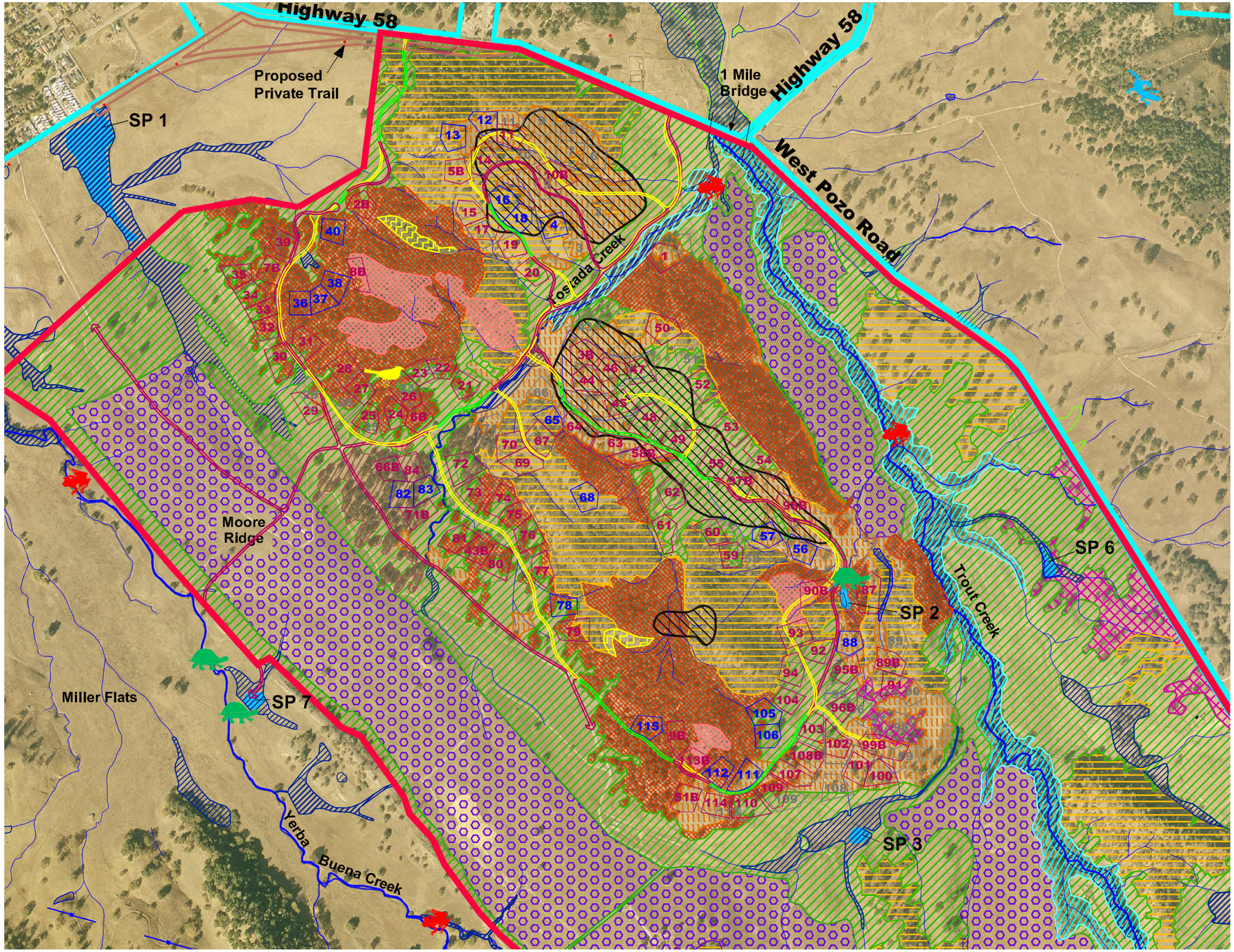
include sufficient TCMs and would similarly increase trip lengths in the vicinity. In addition, because this alternative would generate the same amount of average daily vehicle trips, the rate of increase in vehicle trips and miles traveled would be similar to the proposed Agricultural Residential Cluster Subdivision. Therefore, impacts related to CAP consistency would be similar under the Amended Project Alternative.

Biological Resources. Under the Amended Project Alternative, residential lots would be clustered in the same general area of the site as the proposed Agricultural Residential Cluster Subdivision. As shown in Figure 6-12, this area contains eleven natural plant communities and/or wildlife habitat types. The habitat types include California annual grassland, native perennial grassland (including deergrass (*Muhlenbergia rigens*) and native perennial grassland), central (Lucian) scrub, chamise chaparral, blue oak woodland, coast live oak woodland, valley oak woodland, mixed oak woodland (including blue, coast live and valley oaks, as well as grey pines [*Pinus sabiniana*]), emergent wetland, seasonal pools, and riparian. Ruderal areas, agriculture, seasonal pools and known occurrences of special status species are also shown on Figure 6-12.

The Amended Project Alternative contains the same number of units and associated landscaping as the Agricultural Residential Cluster Subdivision. Therefore, the overall amount of site disturbance and impacts to natural plant communities would be similar to the proposed Agricultural Residential Cluster Subdivision. However, this alternative incorporates building envelopes which restrict development to approximately ½ acre of each lot.

To estimate oak tree impacts from the Amended Project Alternative, ½-acre building envelopes were placed to avoid oak trees and topographical constraints where feasible while still accommodating anticipated development. Their placement was therefore based on a reasonable worst case methodology using aerial photography and topographical mapping. Based on these estimated building envelope locations, oak trees expected to be removed and/or impacted were counted. "Impacted trees" are those which would not require removal but for which the development footprint, site grading and/or driveway would be within the edge of the canopy; also defined as 1.0 times the distance from the edge of the canopy to the trunk. Although counting oak trees from aerial photography is imprecise due to difficulty in determining individual trees with converging canopies, since the same method was used for the Agricultural Residential Cluster Subdivision, it is a valid method of comparison.

To evaluate the difference in oak tree impacts between the proposed Agricultural Residential Cluster Subdivision and the Amended Project Alternative, oak tree impacts were assessed on those lots and roadways that were different between the two proposals. Under the proposed Agricultural Residential Cluster Subdivision, 192 oak trees would be removed and 130 impacted in those areas within these areas where the proposals differed (refer to the Section 6.12.1 discussion above and Figure 6-10). In contrast, the Amended Project Alternative would remove an estimated 142 oak trees and impact an estimated 90 oak trees within these areas. Therefore, impacts to oak trees would be reduced under the Amended Project Alternative. It should be noted, however, that the Amended Project Alternative would result in more oak removal in the northern portion of the project site than the Agricultural Residential Cluster Subdivision (i.e., in the vicinity of Lots 1 through 39).



Habitats

- Native Perennial Grassland
- CA Annual Grassland
- Central (Lucian) Coastal Scrub
- Chamise Chaparral
- Blue Oak Woodland
- Coast Live Oak Woodland
- Valley Oak Woodland
- Mixed Oak Woodland
- Ruderal
- Emergent Wetland
- Waters of the U.S.
- Seasonal Pools
- Riparian
- Agriculture (Vineyard/Dry Farm)

ALTERNATIVE 12 : AMENDED PROJECT

- Agricultural Residential Cluster Subdivision Boundary
- Ranch Property Boundary
- 4 — Tentative Tract 2586 Lots to Remain
- 2 — Tentative Tract 2586 Relocated Lots
- Tentative Tract 2586 Roadways to Remain
- Tentative Tract 2586 Relocated or Deleted Roadways
- Alternative 12 Roadways (Relocated or Adjusted From Tract 2586)
- 1 — Alternative 12 Lots (Relocated or Adjusted From Tract 2586)

SPECIAL-STATUS SPECIES

- = California Red-legged Frog
- = Coast Horned Lizard
- = Southwestern Pond Turtle
- = White Tailed Kite
- = San Luis Obispo Mariposa Lily

Alternative 12: Amended Project Biological Impact Map

Source: EDA Design Professionals, 2005, Rincon Consultants, Inc., June 2006, and October 2007.

Figure 6-12

The overall effect of the Amended Project Alternative on oak trees was also estimated by counting the total number of oak trees expected to be removed and/or impacted by the entire project footprint (as opposed to a portion of it, as discussed above). Impacts to oak trees within the portions of the lots outside of the building envelopes are expected due to grading or compaction within the root zone; limbing or thinning per CalFire requirements; changes to water regime due to landscape irrigation, leach fields, or creation of impervious surfaces; decreased reproduction due to browsing by livestock, mowing, and other ground disturbance; and other types of residential activities that would affect the soil fungi with which oak trees are associated. In total, the Amended Project Alternative is estimated to remove or impact between 250 and 350 oak trees, depending on the ultimate location of building envelopes. Although impacts would be reduced compared to the Agricultural Residential Cluster Subdivision, due to the long time period required for replacement trees to possess equivalent habitat values, impacts would be similarly Class I, *significant and unavoidable.*

Impacts to native perennial grassland, which includes the CDFG plant community of special concern native perennial grassland, would be reduced under the Amended Project Alternative. Of the 23 relocated lots, 19 are proposed in native perennial grassland areas under the Agricultural Residential Cluster Subdivision, versus 11 under the Amended Project Alternative. However, Lots 51, 58, and 95 would be located within native perennial grassland areas under the Amended Project Alternative although they were previously outside of this habitat under the proposed Agricultural Residential Cluster Subdivision. Therefore, while the Amended Project Alternative would reduce impacts on native perennial grassland compared to the proposed Agricultural Residential Cluster Subdivision, impacts would remain Class II, *significant but mitigable*.

The impacts of the Amended Project Alternative on the San Luis Obispo mariposa lily, a California Native Plant Society (CNPS) List 1B species that is protected as a rare biological resource by the California Department of Fish and Game (CDFG) and County, would be slightly reduced compared to the proposed Agricultural Residential Cluster Subdivision. Of the 23 relocated lots, nine are proposed for areas known to support the San Luis Obispo mariposa lily under the Agricultural Residential Cluster Subdivision, versus five under the Amended Project Alternative. However, Lots 58, 97 and 98 would be located in areas containing San Luis Obispo mariposa lily under the Amended Project Alternative although they were previously outside of occupied habitat under the Agricultural Residential Cluster Subdivision. Therefore, while the Amended Project Alternative would reduce impacts to San Luis Obispo mariposa lily compared to the proposed Agricultural Residential Cluster Subdivision, impacts would remain Class II, *significant but mitigable*.

Impacts to wetland habitat regulated by the U.S. Army Corps of Engineers (ACOE) would be reduced but not eliminated under the Amended Project Alternative. The adjusted Lot 1 would encompass a larger amount of riparian habitat but would not increase the distance to adjacent emergent wetland habitat As a result, there is potential for indirect impacts to this habitat through sedimentation and non-native species introductions. The alignment of Road A (the primary project access road, refer to Figure 2-5 in the Draft EIR) has been moved outside of emergent wetland habitat, but since it remains along the edge of the habitat, there is a slight potential for indirect impacts (i.e., sedimentation) to the wetland. Impacts to Waters of the U.S. are similar under the Amended Project Alternative. Of the 23 relocated lots, 5 would impact Waters of the U.S. under the proposed Agricultural Residential Cluster Subdivision, versus 3

under the Amended Project Alternative. The Road A realignment would have greater impacts to Waters of the U.S. as it would traverse a drainage for approximately 300 feet near Lot 39 instead of crossing this drainage under the proposed Agricultural Residential Cluster Subdivision. The realignment of Road C (the northerly looping roadway; refer to Figure 2-5 in the Draft EIR) under the Amended Project Alternative eliminates one crossing of a Waters of the U.S. The realignment of Road D increases impacts to Waters of the U.S. because of the need for enhancement of a crossing over Tostada Creek near Lot 81, whereas this route would not have been used under the proposed Agricultural Residential Cluster Subdivision. The alignment of Road D (the southerly looping roadway; refer to Figure 2-5 in the Draft EIR) under the proposed Agricultural Residential Cluster Subdivision would remain as a driveway under the Amended Project Alternative, which would require a new crossing of Tostada Creek. Additional impacts from Road D under the Amended Project Alternative include creating a crossing of a Waters of the U.S. east of Lot 90B. Under the proposed Agricultural Residential Cluster Subdivision, Road D would avoid drainages in this area.

The Amended Project Alternative would have greater impacts to the southwestern pond turtle, which is a State Species of Special Concern. This species is known to occupy Seasonal Pond 2, which may be impacted under the Amended Project Alternative. With the Amended Project Alternative, an existing road would be used to access Lots 87 through 111. The road currently is narrow and is located on a steep slope above Seasonal Pond 2. Under the Agricultural Residential Cluster Subdivision, an alternate route is proposed that would by-pass Seasonal Pond 2. Road construction impacts would be greater under the Amended Project Alternative than the proposed Agricultural Residential Cluster Subdivision due to increased proximity to habitat known to be occupied by the southwestern pond turtle. The Amended Project Alternative road construction would take place approximately 30 feet from the pond edge, whereas the Agricultural Residential Cluster Subdivision road construction would take place 220 to 525 feet from the pond edge. Impacts to southwestern pond turtle during road construction could include mortality due to vehicular traffic and construction activities; decreased water quality from sedimentation and other construction runoff; and disruption of basking, feeding and breeding activities. Long-term impacts from the use of the road, including increased mortality from vehicle strikes, effects on water quality, potential for impacts from human use (i.e., collecting, non-native species introductions, pets, etc.), effects of road maintenance activities (i.e., grading a dirt road or resurfacing a paved road) and fragmentation of dispersal habitat, would be greater under the Amended Project Alternative. The Amended Project Alternative also proposes an additional lot (Lot 90B) directly to the west of Seasonal Pond 2, and relocates one lot (Lot 95) closer to the pond. These lots would be located in areas that are likely to be used by the southwestern pond turtle for nesting and overland dispersal. If a habitat mitigation and monitoring plan for the southwestern pond turtle is not implemented, the impacts of the Amended Project Alternative on southwestern pond turtle would be greater than for the proposed Agricultural Residential Cluster Subdivision.

Impacts to special-status animal species, including the California red-legged frog, South/Central California Coast Steelhead (Steelhead), white-tailed kite, golden eagle, Cooper's hawk, sharp-shinned hawk, pallid bat, American badger, and legless lizard would be similar. Because development under this alternative would occur in relatively the same portion of the site, impacts to vernal pool fairy shrimp and impacts related to the reduction of migration corridors for special-status and common wildlife species would also be similar.

Overall, this alternative would result in slightly reduced impacts related to biological resources when compared to the proposed Agricultural Residential Cluster Subdivision. Impacts to one special status species, the southwestern pond turtle, would be increased under the Amended Project Alternative.

Cultural Resources. Thirty-two prehistoric and historical archaeological sites and six isolates are located within or immediately adjacent to the Agricultural Residential Cluster Subdivision site (refer to Draft EIR Section 4.4, *Cultural Resources*). The Amended Project Alternative would relocate or adjust seven lots to avoid these sites. It should be noted that the boundaries of cultural resource sites were identified based on surface visibility, which is limited by vegetative coverage in many areas, and precise boundaries are unknown. Therefore, while the Mitigated Project Alternative is likely to avoid identified cultural resources sites to a greater degree than the proposed Agricultural Residential Cluster Subdivision, relocated lots may nevertheless affect the identified sites because precise boundaries are unknown. Draft EIR Agricultural Residential Cluster Subdivision measure CR-2(a), which requires formal identification of the boundaries of all cultural resources sites within or adjacent to the housing cluster through a program of systematic subsurface boundary testing using shovel probes, surface test units, and other appropriate sampling units, would continue to apply to the Mitigated Project Alternative. In addition, because the same number of units would be constructed, overall site disturbance would be similar when compared to the proposed Agricultural Residential Cluster Subdivision. Since this alternative would generate the same number of new residents, there would be a similar likelihood for relic collecting and/or vandalism that could potentially impact archaeological and historical sites. Because several lots would still be located in areas containing known archaeological resources, impacts would remain Class I, *significant and unavoidable.*

Nevertheless, overall, this alternative would result in reduced impacts to identified cultural resources and similar impacts to previously unidentified resources and relic collecting/vandalism when compared to the proposed Agricultural Residential Cluster Subdivision.

Drainage, Erosion and Sedimentation. This alternative would result in the same number of residential units as the proposed Agricultural Residential Cluster Subdivision. Therefore, impacts related to erosion, sedimentation, and pollutant discharges during construction would be similar to the proposed Agricultural Residential Cluster Subdivision. However, the Amended Project Alternative would eliminate several roadways and realign several others to follow existing Ranch roads. Overall, the amount of paved areas under this alternative would be slightly reduced when compared to the proposed Agricultural Residential Cluster Subdivision. Therefore, permanent increases in surface runoff and accelerated erosion, as well as storm water transport of pollutants, bacteria, and sediment into downstream facilities, would be slightly reduced under the Amended Project Alternative.

As discussed in Draft EIR Section 4.5, *Drainage, Erosion and Sedimentation*, the eastern reaches of the proposed Agricultural Residential Cluster Subdivision site, just south of the east driveway, would be located within the flood zone associated with Trout Creek. The Amended Project Alternative would also include disturbance in this area. However, similar to the Agricultural

Residential Cluster Subdivision, it would not place habitable structures in this flood zone. Therefore, impacts related to flood hazard exposure would be similarly less than significant.

Geologic Stability. The Amended Project Alternative would accommodate the same number of residential units as the proposed Agricultural Residential Cluster Subdivision. Therefore, development under this alternative would expose the same number of units and residents to strong ground shaking resulting from the presence of active and potentially active faults in the vicinity of the Santa Margarita Ranch.

Under the Amended Project Alternative, lots would be clustered in the same general portions of the site as the proposed Agricultural Residential Cluster Subdivision. As discussed in Draft EIR Section 4.6, *Geologic Stability*, the Agricultural Residential Cluster Subdivision site is subject to soil-related hazards (expansive soils, erosive soils and settlement); moderate to high landslide potential; and moderate to high liquefaction potential (refer to Figures 4.6-3, 4.6-5 and 4.6-6, respectively). As a result, this alternative would result in similar geologic stability impacts as the proposed Agricultural Residential Cluster Subdivision.

Overall, impacts would be similar to the proposed Agricultural Residential Cluster Subdivision.

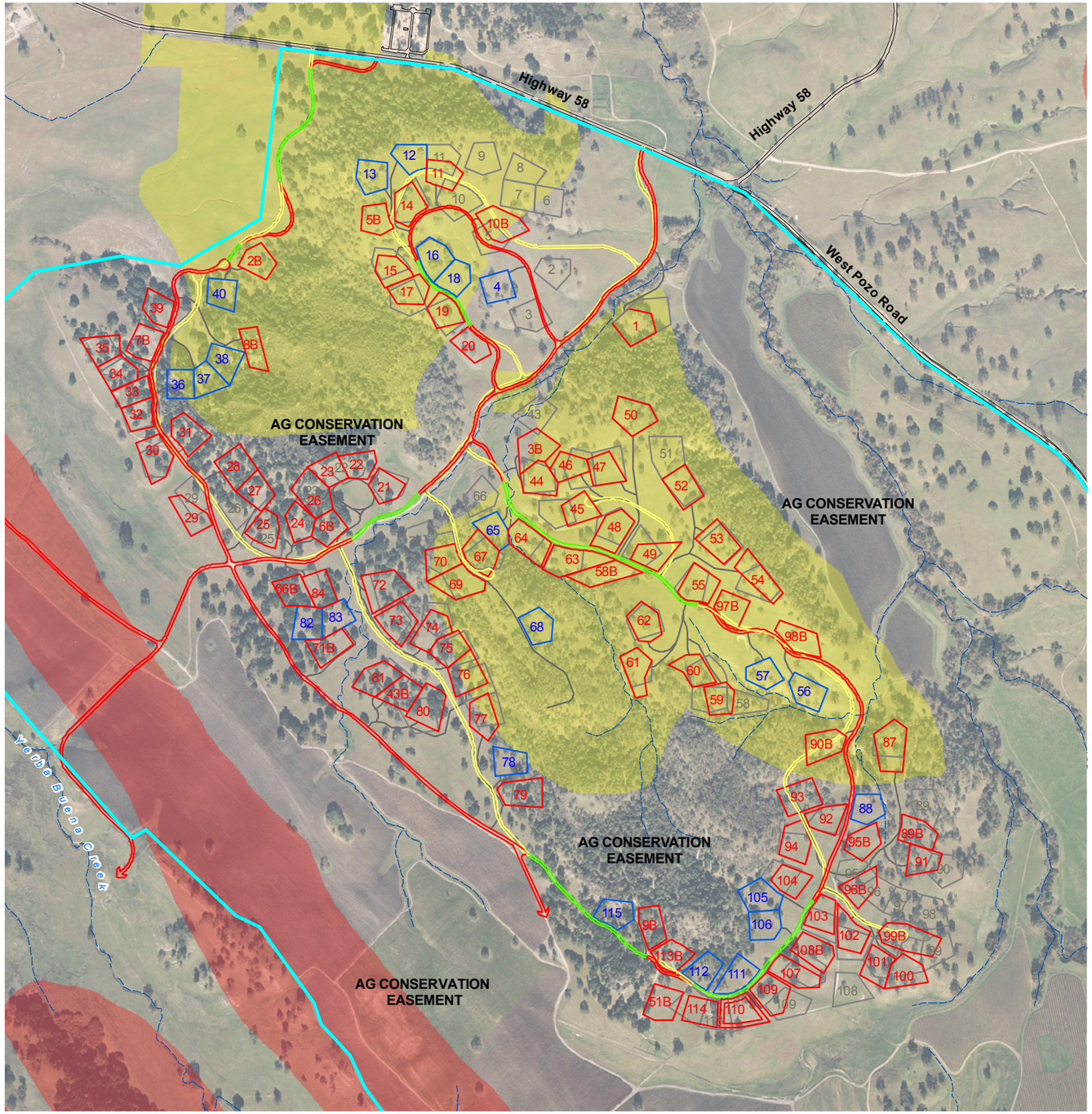
Land Use. This alternative would result in the same number of dwelling units, and would convert a similar amount of open land, as the proposed Agricultural Residential Cluster Subdivision. Therefore, the Amended Project Alternative would result in similar land use impacts and construction activity would result in similar temporary noise, air quality and visual impacts compared to the Agricultural Residential Cluster Subdivision.

Noise. This alternative would generate the same amount of average daily vehicle trips as the proposed Agricultural Residential Cluster Subdivision (see *Transportation and Circulation* discussion below). Therefore, noise levels on nearby major roadways would be similar to the Agricultural Residential Cluster Subdivision. In addition, because this alternative would accommodate the same number of residential units, residents would similarly be exposed to nuisance noise generated by aircraft flying overhead or by passing trains on the Union Pacific Railroad (UPRR). This alternative would generate similar construction-related noise impacts, since the area of disturbance and number of units would be the same.

Overall, noise impacts would be similar to the proposed Agricultural Residential Cluster Subdivision.

Public Safety. Under this alternative, site disturbance would be similar to the proposed Agricultural Residential Cluster Subdivision. As with the Agricultural Residential Cluster Subdivision, site disturbance would not occur in an area of historical croplands. Therefore, impacts related to residual agricultural chemicals would be similarly less than significant.

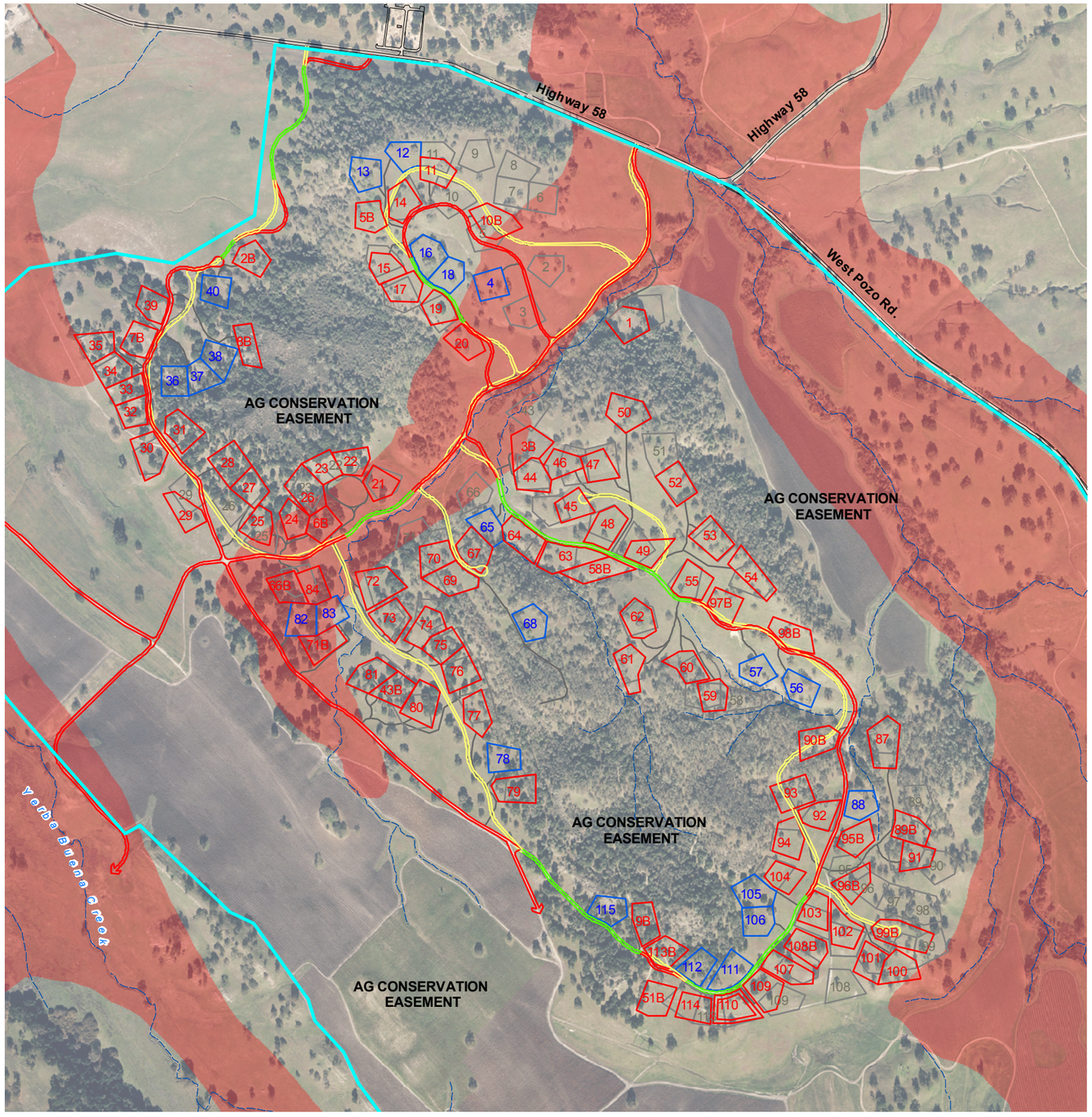
Since this alternative would accommodate the same number of residential units as the proposed Agricultural Residential Cluster Subdivision, the same number of residents would be exposed to other public safety hazards overall. In addition to residual agricultural chemicals, this includes: exposure to contaminants from highway and railway accidents that involve hazardous materials; the use, transport, or storage of hazardous chemicals; traffic safety hazards



Alternative 12: Amended Project
Landslide Hazards

Source: SSURGO, 2004, RRM Design Group, September 2007, and Orrin Sage, Site Reconnaissance, 2006.

Figure 6-13



Alternative 12: Amended Project
Liquefaction Hazards

Figure 6-14

Source: SSURGO, 2004, and RRM Design Group, September 2007.

due to conflicts between proposed uses and existing off-site mining operations and on-site agricultural operations; hazards related to potential aircraft accidents, and exposure to valley fever.

This alternative would not relocate the water tanks proposed as part of the Agricultural Residential Cluster Subdivision. In addition, although the Mitigated Project Alternative would alter several of the lot boundaries surrounding the proposed tank site, it would not relocate lots to or from the area. Potential public safety impacts associated with water tank failure would therefore be similar to the proposed Agricultural Residential Cluster Subdivision.

Overall, the Amended Project Alternative would result in impacts which are similar to the proposed Agricultural Residential Cluster Subdivision.

Public Services. This alternative would result in the same number of residential units as the Agricultural Residential Cluster Subdivision. Consequently, the increase in demand for law enforcement, fire protection, school, solid waste, and library services would be identical. However, according to the Uniform Fire Code, access roads must have an unobstructed by parking minimum width of 20 feet. The Amended Project Alternative would reduce roadway widths to 18 feet, which would not meet these requirements and could therefore provide for inadequate emergency response. It should be noted, however, that the California Department of Forestry and Fire Protection (CalFire) has the authority to reduce roadway widths in certain situations, and could potentially reduce widths to 18 feet in this instance. However, such a reduction cannot be assured. Although the applicant would be required to comply with the most recent Uniform Fire Code and implement County fire protection standards, which would ensure less than significant impacts, impacts would nonetheless be greater than the Agricultural Residential Cluster Subdivision since no such impacts were identified for the proposed project.

Overall, this alternative would result in both similar and more adverse public service impacts compared to the proposed Agricultural Residential Cluster Subdivision.

Recreation. This alternative would result in the same number of residential units as the Agricultural Residential Cluster Subdivision. Consequently, the need for recreational facilities would be identical. Therefore, this alternative would have similar impacts related to parkland demand when compared to the proposed Agricultural Residential Cluster Subdivision.

Transportation and Circulation. This alternative would result in the same number of residential units as the Agricultural Residential Cluster Subdivision. Therefore, this alternative would generate the same number of average daily trips. As a result, traffic impacts on local roadway and highway segments and intersections would be similar to the proposed Agricultural Residential Cluster Subdivision. Impacts related to railroad crossings and pedestrian, bicycle and transit demand would also be similar.

As noted in Draft EIR Section 4.12, *Transportation and Circulation,* stopping site distance from the proposed west driveway was determined to be inadequate, resulting in a potentially significant impact. Agricultural Residential Cluster Subdivision measure T-2(a) (West Driveway Relocation) requires that the proposed west driveway be relocated at least 590 feet east of its currently proposed location. The Amended Project Alternative would relocate the west driveway

approximately 480 feet east. Although this would partially reduce impacts related to stopping site distance, it would not fully implement measure T-2(a). Impacts would remain Class II, *significant but mitigable*.

Visual Resources. This alternative would result in the same number of dwelling units as the proposed Agricultural Residential Cluster Subdivision. However, the Amended Project Alternative would relocate 11 lots and adjust the boundaries of two additional lots which were identified as being visible from existing roadways in the Draft EIR. This alternative also places height restrictions on 10 lots and establishes ½ acre building envelopes for all lots. As a result, fewer residential lots would be visible from public viewpoints under this alternative. Relocating Lots 2, 3, and 5 through 11 (proposed for the northernmost portion of the site near State Route 58) would eliminate visibility of a relatively dense cluster of residences, thereby reducing a "neighborhood" effect. Because the Amended Project Alternative would preserve the rural nature of the site to a greater extent than the Agricultural Residential Cluster Subdivision, impacts would be reduced. Although Lots 2B, 4, 10B, 11, 14, 52, 54, and 91 would still be partially visible from off-site viewpoints, the reduction of visual prominence of future residences as viewed from off-site public viewpoints would reduce impacts related to adverse changes in visual character to a Class II, *significant but mitigable,* level.

Water and Wastewater. Water service under the Amended Project Alternative would be provided by a connection to the Nacimiento Water Project. The untreated Nacimiento water delivered to the Ranch would be treated on-site and used for the Alternative 12 residences. As a result, impacts related to groundwater use and overdraft of the aquifer system would be eliminated. It should be noted, however, that importing and treating water for residences outside of an urban reserve line would be potentially inconsistent with the County's Framework for Planning (Inland) goal of maintaining "a distinction between urban and rural development by providing for rural uses outside of urban and village areas…" The objective of this goal, as noted in the Framework, is to restrict urban services outside of urban or village reserve lines.

This alternative assumes that sewer services would be provided by individual septic systems, similar to the proposed Agricultural Residential Cluster Subdivision. Impacts related to improper disposal field design, on-site recharge of water softeners and household wastes, and septage load would therefore be similar to the proposed Agricultural Residential Cluster Subdivision.

CEQA FINDINGS - EXHIBIT B

I. PROJECT DESCRIPTION

The originally proposed project is an Agricultural Residential Cluster Subdivision on a 3,778-acre portion of the Santa Margarita Ranch in unincorporated San Luis Obispo County, southeast of the community of Santa Margarita. The proposed Agricultural Residential Cluster Subdivision would subdivide this portion of the Ranch into: 111 residential lots, five agricultural parcels, one 2.5 acre building envelope with a Primary Dwelling and a Ranch Headquarters' site on an open space parcel, one Ranch Headquarters' site at the Portuguese corrals and a remainder parcel, and would place 3,633 acres in agricultural conservation easements (ACEs). In addition, the EIR evaluates a conceptual Future Development Program for buildout of several locations within the remaining portions of the approximately 14,000-acre Ranch property. No action is being taken at this time to authorize, approve or provide entitlement to any project in the Future Development Program. The originally proposed project and alternatives are described in more detail in the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program Final EIR, and Appendices thereto.

The Amended Project (Alternative 12; for which these CEQA Findings are prepared) is an alternative to the Agricultural Residential Cluster Subdivision that was analyzed in the Final EIR. This alternative would have essentially the same development characteristics as the proposed project (111 dwelling units), but would incorporate project features that addresses some of the identified environmental constraints. This includes a reorganized lot layout, reorganized project roadways, and incorporation of building envelopes and height restrictions. This alternative was the Environmental Superior Alternative for a project will 111 lots and was superior to the originally proposed project.

Access to the Amended Project would be provided via one existing driveway and one new driveway from West Pozo Road. Sewer service would be provided by individual septic systems and ground water would be provided by a Mutual Water Company. Water tanks would remain as proposed. This alternative would include a supplemental water connection to the Nacimiento Water Project to off-set the use of groundwater. This alternative would connect to the Nacimiento waterline at the northern extent of Encina Avenue within the community of Santa Margarita. A pipeline would be constructed within the existing Encina Avenue right-of-way to the southern extent of the roadway at the Ranch boundary. The untreated Nacimiento water would then be land applied to the existing agricultural irrigation system..

The Amended Project is described in more detail in Section 6.0, *Alternatives,* of the Final EIR.

II. THE RECORD

For the purposes of CEQA and the Findings IV-V, the record of the Board of Supervisors relating to the application includes:

1. Documentary and oral evidence received and reviewed by the Board of Supervisors and Planning Commission during the public hearings on the project.
2. The Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program Final EIR (June 2008).
3. The Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program application and supporting materials.
4. The Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program Staff Report prepared for the Board of Supervisors.

5. Matters of common knowledge to the Board of Supervisors which it considers, such as:
   a. The County General Plan, including the land use maps and elements thereof;
   b. The text of the Land Use Element;
   c. The California Environmental Quality Act (CEQA) and the CEQA Guidelines;
   d. The County of San Luis Obispo Environmental Quality Act Guidelines;
   e. The County Annual Resources Summary Report;
   f. The Clean Air Plan;
   g. The SLO County Public Facilities Financing Plan;
   h. The Countywide Settlement Pattern Strategy Phase 1 and 2 Reports;
   i. The Countywide Smart Growth Ordinance;
   j. The Countywide Growth Management Ordinance;
   k. The County Land Use Ordinance Section 22.22.150 Agricultural Lands Clustering;
   l. Other formally adopted County, State and Federal regulations, statutes, policies, and ordinances;
   m. Additional documents referenced in the Final EIR for the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program.

III. CERTIFICATION OF THE FINAL ENVIRONMENTAL IMPACT REPORT

The Board of Supervisors adopt the following with respect to the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program Final EIR:

A. The Board of Supervisors has reviewed and considered the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program Final EIR.

B. The Final Environmental Impact Report for the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program has been completed in compliance with the California Environmental Quality Act.

C. The Final Environmental Impact Report, and all related public comments and responses have been presented to the Board of Supervisors, and they have reviewed and considered the information contained in the Final Environmental Impact Report and testimony presented at the public hearings prior to approving the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project .

D. The Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program Final EIR reflects the independent judgment of the Board of Supervisors, acting as the lead agency for the project.

IV. FINDINGS FOR IMPACTS IDENTIFIED AS INSIGNIFICANT (Class III)

Class III impacts are impacts that are adverse, but not significant.

The FEIR include discussion of class III impacts relating to air quality, biology, noise, public safety, public services, recreation, transportation and circulation, and water and wastewater. Because these impacts are adverse but not significant, no mitigation is required.

The findings below are for Class III impacts. Class III impacts are impacts that are adverse, but not significant.

A. Air Quality (Class III)

1. **Impact AQ-3.** The Amended Project involves development of private septic systems, which have the potential to generate odor nuisance effects. These impacts are Class III, less than significant.

   a. **Mitigation** – No mitigation is required.

   b. **Findings**- Septic systems are required to be installed per County Private Sewage Disposal System standards, and would only create nuisance odors of not properly installed. Odor from a wastewater treatment facility would not be expected to generate significant odor effects.

   c. **Supportive Evidence** – Please refer to pages 4.2-17 through 4.2-18 and page 6-119 of the Final EIR.

B. Biological Resources (Class III)

1. **Impact B-1.** The Amended Project would result in the conversion of the common habitat types California Annual Grassland to residential uses and associated improvements. This is a Class III, less than significant impact.

   a. **Mitigation** – No mitigation is required to address the loss of this common habitat type. However, California annual grassland within the Staff Recommended the golden eagle, white-tailed kite, loggerhead shrike, and the pallid bat and potential foraging habitat for merlin, prairie falcon, bald eagle, and ferruginous hawk. It also potentially provides nesting habitat for the horned lark and den habitat for the American badger. California red-legged frog (CRLF) may also use these habitats for dispersal during the rain season. In addition, these habitats could potentially support special–status reptile species including the silvery legless lizard and coast horned lizard. Therefore, impacts to these habitat types would represent impacts to special status wildlife species. Measures B-8(a) (California Red-legged Frog Avoidance, Minimization, and Mitigation Measures), B-9 (a) (Legless and Horned Lizard Capture and Relocation), B-9(c) Pre-construction Bird Survey) and B-9(d) (American Badger Avoidance) would mitigate for special-status species that may use California annual grassland habitat should it occur on-site. No special-status plant species were observed within this habitat.

b. **Findings** – The California Annual Grassland habitat is located in flatter areas and areas bordering oak woodland habitats while Central (Lucian) Coastal Scrub and Chamise Chaparral habitats are primary located on south and west facing hillsides. These habitat types are not considered to be rare plant communities as they relate to botanical resources, since they are common throughout the region and central to southern portions of the state.

c. **Supportive Evidence** – Please refer to pages 4.3-35 through 4.3-39 and pages 6-119 through 6-120 if the Final EIR.

C. **Drainage, Erosion, and Sedimentation (Class III)**

1. **Impact D-1.** During construction, disrupted soil may be subject to erosion, sedimentation, and pollutant discharges. This is a Class III, less than significant impact.

   a. **Mitigation** – Compliance with the National Pollutant Discharge Elimination System (NPDES) program and compliance with the county grading and storm water ordinances would ensure less than significant impacts.

   b. **Findings** – The Amended Project would be required to prepare a Storm Water Pollution Prevention Plan (SWPPP) that contains specific actions, termed Best Management Practices (BMPs), to control the discharge of pollutants, including sediment, into the local surface water drainages.

   c. **Supportive Evidence** – Please refer to page 4.5-5 and page 6-121 of the Final EIR.

2. **Impact D-3.** The Amended Project would not be located in a 100-yeat flood zone. Impacts related to flood hazard exposure are Class III, less than significant.

   a. **Mitigation** – No mitigation measures are required.

   b. **Findings** – The Amended Project would not be within the 100-year flood zone.

   c. **Supportive Evidence** – Please refer to page 4.5-9 and page 6-121 of the Final EIR.

D. **Noise (Class III)**

1. **Impact N-3.** The Amended Project would not place sensitive receptors in areas exposed to nuisance noise levels. Class III, less than significant, impact would result.

   a. **Mitigation** – No mitigation is required.

   b. **Findings** – The Amended Project lots located nearest area roadways would experience noise levels below the County threshold.

   c. **Supporting Evidence** – Please refer to pages 4.8-12 through 4.8-13 and page 6-121 of the Final EIR.

2. **Impact N-4.** The Amended Project will likely be exposed to noise generated by aircraft flying overhead. Although these events could produce periodic noise levels greater than 60 dBA, the 24-hour CNEL noise levels at the Amended Project residential properties would not exceed the County CNEL threshold of 60 dBA. This is a Class III, less than significant impact.

   a. **Mitigation** – because the Amended Project would not expose future residents to aircraft noise that exceeds 60 dBA CNEL, mitigation is not required.

   b. **Findings** – Because of the distance to the air strip and the infrequent use by air craft, 24-hour noise levels at the Amended Project would not exceed the 60 dBa CNEL standards.

   c. **Supporting Evidence** – Please refer to pages 4.87-13 through 4.8-14 and page 6-121 of the Final EIR.

3. **Impact N-5.** The Amended Project would place additional sensitive receptors in the vicinity of the Union Pacific Railroad (UPRR), exposing future residents to periodic nuisance noise levels. However, the 24-hour CNEL noise levels at the Amended Project residential properties would not exceed the County threshold of 60 dBA CNEL. This is a Class III, less than significant impact.

   a. **Mitigation** – Because the Amended Project would not expose future residences to railroad noise that exceeds 60 dBA CNEL, mitigation is not required.

   b. **Findings** – Because the Amended Project would be within 1,000 feet of these crossings (linearly), noise levels exceeding 60dBA CNEL would be experienced within approximately 572 feet of the railroad. The Amended Project not place sensitive receptors within this contour.

   c. **Supporting Evidence** – Please refer to pages 4.8-14 through 4.8-15 and page 6-121 of the Final EIR.

E. **Public Safety (Class III)**

1. **Impact S-1.** Due to the presence of current and historic agricultural practices on the Santa Margarita ranch, soils within the Amended Project area may contain contaminants that could pose a risk to health. However, site disturbance would not occur in an area of historical croplands. Impacts would be Class III, less than significant.

   a. **Mitigation** – No mitigation is required.

   b. **Findings-** Agricultural practices other than grazing have been confined to the southern portions of the Agricultural Residential Cluster Subdivision site, where disturbance would not occur under the Amended Project. The northern portion of the property (where site disturbance for residences, roadway, and utility lines would occur) is composed primarily of grazing land. In addition, slopes in the Amended Project area are relatively steep, resulting in further constraints to agricultural production. The likelihood that future residences and construction/maintenance workers could be exposed to residual agricultural chemicals in on-site is minor.

c. **Supporting Evidence** – Please refer to pages 4.9-7 and 6-122 of the Final EIR.

2. **Impact S-2**. Highway and railway accidents that involve hazardous materials could potentially create a public safety hazard by exposing people to contaminants. Due to the distance between transportation corridors and the Amended Project development, as well as regulations already in place, impacts would be Class III, less than significant.

   a. **Mitigation** – No mitigation is required.

   b. **Findings** – due to the distance of Highway 101 from the Amended Project (approximately 1/1/4 miles), accidents on this route would pose no risk to this development. The lots nearest SR 58 would be located over 1,000 feet from this roadway. The distance between major area roadways and the Amended Project would prevent future residents from being exposed to toxic chemicals in the event of an accident, whether in liquid or gas form. In addition, lots nearest the UPRR would be located approximately 3,000 feet south this rail corridor. Regulations already in place and the distance between the UPRR line and development areas will render impacts associated with exposure to hazardous materials less than significant.

   c. **Supporting Evidence** – Please refer to pages 4.9-7 and 6-122 of the Final EIR.

F. **Public Services (Class III)**

1. **Impact PS-1**. The Amended Project would increase the population by approximately 300 residents. This may incrementally increase demands on the San Luis Obispo County Sheriff's Department. However, upon payment of public facility fees as a condition of project approval, the Amended Project would not substantially affect the personnel, equipment or organization of the Sheriff's Department. This is a Class III, less than significant impact.

   a. **Mitigation** – Beyond the required fees described in the impact statement, no additional mitigation measures are required.

   b. **Findings** – The Amended Project would generate an estimated 300 residents. This population increase would result in the need for additional department service. However, responding to additional service calls would not significantly compromise response time goals, upon payment of public facility fees. As a condition of project approval, the applicant will be required to pay this fee at the time each building permit is issued.

   c. **Supporting Evidence** – Please refer to pages 4.10-2 and 6-122 of the Final EIR.

2. **Impact PS-4**. The Amended Project would generate an estimated total of 48 elementary, junior high and high school students. Students generated by the project would not increase enrollment at Santa Margarita Elementary School, Atascadero Junior High School, or Atascadero High School beyond the designated capacity. The impact to schools is Class III, less than significant.

a. **Mitigation** – the applicable State – mandated school impact fees would be collected at the time of building permit issuance. No mitigation beyond this standard requirement is required.

Findings – Based on current AUSD loading standards, Santa Margarita Elementary School, Atascadero Junior High School, and Atascadero High School could accommodate students generated by the Amended Project. Implementation of the Amended Project would require payment of full development fees to the Atascadero Unified School District. These fees would contribute funding for new school facilities for the students potentially generated by the Amended Project.

b. **Supporting Evidence** – Please refer to pages 4.10-13 through 4.10-14 and page 6-122 of the Final EIR.

3. **Impact PS-6**. The Santa Margarita Library is undersized to serve the increase in population associated with Amended Project. Payment of required library fees as a condition of approval would ensure Class III, less than significant, impacts to the community library.

a. **Mitigation** – Beyond the required fees described in the impacted statement, no additional mitigation measures are required.

b. **Findings** – According to the San Luis Obispo County Public Facilities and Financing Plan for Unincorporated Area Facilities (Revised June 24, 2006), the cost of providing additional library facilities necessary to maintain established standards is currently $172 per resident. As a condition of project approval, the applicant will be required to pay this fee at the time each building permit is issued.

c. **Supporting Evidence** – Please refer to pages 4.10-23 and 6-122 of the Final EIR.

G. **Recreation Class (III)**

1. **Impact R-1.** Implementation of the Amended Project would generate demand for parkland. The applicant would be required to pay parkland in-lieu fees in the amount established by County Ordinance. With payment of these fees, the applicant would offset the additional demand for parkland. Impacts would be Class III, less than significant.

a. **Mitigation** – No mitigation measures are required.

b. **Findings** – Payment of in-lieu park fees would result in funding equivalent to the provision of neighborhood and community parks in accordance with State Quimby Act standards and as required by the County.

c. **Supporting Evidence** – Please refer to pages 4.11-3 through 4.11-4 and page 6-122 of the Final EIR.

H. **Transportation and Circulation (Class III)**

1. **Impact T-3.** Development of the Amended Project may generate parking demands in excess of the anticipated parking supply. This would generate a Class III, less than significant, impact.

a. **Mitigation** – No mitigation is required.

b. **Findings** – The applicant is required to comply with County Land Use Ordinance Section 22.18.050(C), which requires residential to provide two off-street parking spaces per single-family unit, as a condition of project approval. Pursuant to compliance with the requirement, impacts related to parking demand would be less than significant.

c. **Supporting Evidence** – Please refer to page 4.12-31 through 4.12-32 and page 6-122 of the Final EIR.

I. Water and Wastewater (Class III)

1. **Impact W-4.** Implementation of the Amended Project alternative would result in septage load that cannot be managed by existing local facilities. This will result in Class III, less than significant impacts.

   a. **Mitigation** – No mitigation measures are required.

   b. **Findings** – The closest septage receiving station to the Santa Margarita Ranch is the Santa Maria Wastewater Treatment facility, located in Santa Maria, approximately 40 miles south of the community of Santa margarita. This facility is currently at capacity. Although an expansion of the treatment facility is planned, septage loads would need to be hauled to other, more distant facilities in the interim. The hauling and disposal of septage is required to comply with County health and water quality standards, as well as State and federal regulations.

   c. **Supporting Evidence** – Please refer to pages 4.14-17 and 6-123 of the Final EIR.

V. FINDINGS FOR IMPACTS IDENTIFIED AS SIGNIFICANT BUT MITIGABLE (Class II)

Class II impacts are those which are significant, but can be mitigated to insignificance by implementation of certain mitigation measures.

A. Air Quality (Class II)

1. **Impact AQ-2.** The Amended Project will generate construction-related emissions as the site develops. These emissions would exceed PM_{10} significance thresholds. Construction activities could also expose people to naturally-occurring asbestos. Construction related air quality impacts are Class II, significant but mitigable.

   a. **Mitigation** –

   AQ-2(a) Construction Equipment Controls. Upon application for grading permits, the applicant shall submit grading plans, the proposed rate of material movement and a construction equipment schedule to the APCD. In addition, the applicant shall implement the following measures to mitigate equipment emissions:

   - All construction equipment and portable engines shall be properly maintained and tuned according to manufacturer's specifications;
   - All off-road and portable diesel powered equipment, including but not limited to bulldozers, graders, cranes, loaders, scrapers, backhoes, generator sets,

compressors, auxiliary power units, shall be fueled exclusively with CARB-certified motor vehicle diesel fuel;

- The applicant shall maximize to the extent feasible, the use of diesel construction equipment meeting the California Air Resources Board's 1996 (or newer) certification standard for off-road heavy-duty diesel engines.
- All on and off-road diesel equipment shall not be allowed to idle for more than 5 minutes. Signs shall be posted in the designated queuing areas to remind drivers and operators of the 5 minute idling limit;
- The applicant shall electrify equipment where feasible;
- The applicant shall substitute gasoline-powered for diesel-powered equipment where feasible;
- The applicant shall use alternatively fueled construction equipment, such as compressed natural gas (CNG), liquefied natural gas (LNG), propane or biodiesel, where feasible; and
- The applicant shall apply Best Available Control Technology (CBACT) as determined by the APCD.

AQ-2 (b) Dust Control. The following measures shall be implemented to reduce PM_{10} emissions during construction:

- Reduce the amount of the disturbed area where possible;
- Use water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site. Water shall be applied as soon as possible whenever wind speeds exceed 15 miles per hour. Reclaimed (nonpotable) water should be used whenever possible;
- All dirt-stock-pile areas shall be sprayed daily as needed;
- Permanent dust control measures shall be identified in the approved project revegetation and landscape plans and implemented as soon as possible following completion of any soil disturbing activities;
- Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading shall be sown with a fast-germinating native grass seed and watered until vegetation is established;
- All disturbed soil areas not subject to revegetation shall be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the APCD;
- All roadways, driveways, sidewalks, etc., to be paved shall be completed as soon as possible. In addition, building pads shall be laid as soon as possible after grading unless seeding or soil binders are used;
- Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site;
- All trucks hauling dirt, sand, soil or other loose materials shall be covered or shall maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with CVC Section 23114;

- Install wheel washers where vehicles enter and exit unpaved roads onto streets, or wash off trucks and equipment leaving the site; and
- Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water shall be used where feasible.

The above measures shall be shown on development plans.

AQ-2(c) Cover Stockpiled Soils. If importation, exportation, or stockpiling of fill material is involved, soil stockpiled for more than two days shall be covered, kept moist, or treated with soil binders to prevent dust generation. Trucks transporting material shall be tarped from the point of origin.

AQ-2(d) Dust Control Monitor. The contractor or builder shall designate a person or persons to monitor the dust control program and to order increased watering as necessary to prevent transport of dust off-site. Their duties shall include holiday and weekend periods when work may not be in progress.

AQ-2(e) Active Grading Areas. Prior to commencement of tract improvements, a Construction Management Plan shall be submitted for county approval that shows how the project will not exceed continuous working of more than four acres at any given time (according to the APCD, any project with a grading area greater than 4 acres of continuously worked area will exceed the 2.5 ton PM_{10} quarterly threshold). The Dust Control Monitor shall verify in the field during tract improvements that the Construction Management Plan is being followed.

AQ-2(f) Naturally Occurring Asbestos. Prior to grading on the Amended Project site, the applicant shall ensure that a geologic evaluation is conducted to determine if naturally occurring asbestos is present within the areas that will be disturbed. At a minimum, the geologic evaluation must include:

1. A general description of the property and the proposed use;
2. A detailed site characterization which may include:
    a. A physical site inspection;
    b. Evaluation of existing geological maps and studies of the site and surrounding area;
    c. Development of geologic maps of the site and vicinity;
    d. Identification and description of geologic units, rock and soil types, and features that could be related to the presence of ultramafic rocks, serpentine, or asbestos mineralization; and
    e. A subsurface investigation to evaluate the nature and extent of geologic materials in the subsurface where vertical excavation is planned; methods of subsurface investigation may include, but are not limited to borings, test pits, trenching, and geophysical surveys;
    f. Off-site geological evaluation of adjacent properties;
3. A classification of rock types found must conform to the nomenclature based on the International Union of Geological Science system;
4. A description of the sampling procedures used;

5. A description of the analytical procedures used, which may include mineralogical analyses, petrographic analyses, chemical analyses, or analyses for asbestos content;
6. An archive of collected rock samples for third party examination; and
7. A geologic evaluation report documenting observations, methods, data, and findings; the format and content of the report should follow the Guidelines for Engineering Geologic Reports issued by the State Board of Registration for Geologists and Geophysicists.

If naturally occurring asbestos is not present, an exemption request must be filed with the APCD. If naturally occurring asbestos is found, the applicant must comply with all requirements outlined in the State ARB's Asbestos Air Toxic Control Measure (ATCM) for Construction, Grading, Quarrying, and Surface Mining Operations. These requirements may include but are not limited to: 1) an Asbestos Dust Mitigation Plan which must be approved by APCD before construction begins, and 2) an Asbestos Health and Safety Program.

The Asbestos Dust Mitigation Plan must specify dust mitigation practices which are sufficient to ensure that no equipment or operation emits dust that is visible crossing the property line, and must include one or more provisions addressing: track-out prevention and control measures; adequately watering or covering with tarps active storage piles; and controlling for disturbed surface areas and storage piles that will remain inactive for more than seven (7) days.

An Asbestos Health and Safety Program would be required if grading were to occur in serpentine or ultramafic rock deposits with such concentrations of asbestos present that there is potential to exceed the Cal OSHA asbestos permitable exposure limit (PEL: 0.1 fiber/cc). If required, the Asbestos Health and Safety Program shall be designed by a certified asbestos consultant to ensure the personal protection of workers. The Asbestos Health and Safety Program will include, but will not be limited to, an air monitoring plan approved by the APCD to include: air monitoring in the worker breathing zone, the use of respirators, and/or decontamination.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.2-11 through 4.2-17 and pages 6-93 through 6-94 of the Final EIR.

B. Biological Resources (Class II)

1. **Impact B-2.** The Amended Project would result in direct impacts to Native Perennial Grassland, which is a rare plant community and includes Valley Needlegrass Grassland, which is a CDFG Sensitive Natural Community. This would be a Class II, significant but mitigable impact.

   a. **Mitigation** –

   B-2(a) Native Perennial Grassland Restoration Plan. The applicant shall contract with a qualified biologist to develop a Native Perennial Grassland Restoration Plan to be approved by the County Planning and Building Department. The Plan would consist of enhancing the remaining Native Perennial grassland habitat found on-site or creating Native Perennial Grassland habitat within areas presently vegetated by

California annual grassland. Specifically, the area of restoration should include at least a 2:1 ratio (restoration area to impacted area) with at least 10 percent cover by purple needlegrass, deergrass, or California oatgrass, and should include open areas within blue oak woodland and coast live oak woodland. In addition, native forbs shall be established in the restoration areas representing the species composition and relative cover that is present in the areas to be lost. Other areas consisting of California Annual Grassland are also suitable for enhancement. In such areas, grassland management strategies such as seasonal mowing shall be employed, which will allow for a higher likelihood that perennial grasses could compete with the annual grasses found within these areas. The following measures shall be implemented.

1. A county-approved botanist/biologist shall develop a Plan that provides specific measures to enhance and maintain the remaining on-site occurrences of Native Perennial Grassland. This Plan shall be focused on adaptive management principles, and shall identify detailed enhancement areas and strategies based on the parameters outlined below, with timing and monitoring long-term requirements. The Plan shall:

    a. Provide an up-to-date inventory of on-site occurrences of Native Perennial Grassland habitat;

    b. Define attainable and measurable goals and objectives to achieve through implementation of the Plan;

    c. Provide site selection and justification;

    d. Detail restoration work plan including methodologies, restoration schedule, plant materials (seed), and implementation strategies.

    e. Provide a detailed maintenance plan to include mowing to provide a sufficient disturbance regime to keep non-native plant species from further reducing the extent of this habitat type on the property over time. This approach would also have the residual benefit of providing wildland fire protection. Enhancement and maintenance options shall employ recent techniques and effective strategies for increasing the overall area of Native Perennial Grassland on-site and shall include but not be limited to reseeding disturbed areas with an appropriate native plant palette;

    f. Define performance standards. Within the Amended Project area, the restored area should include at least a 2:1 ratio with at least 10 percent cover by native perennial grasses; and,

    g. Provide a monitoring plan to include methods and analysis of results. Also, include goal success or failure and an adaptive management plan and suggestions for failed restoration efforts.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.3-39 through 4.3-42 and pages 6-94 through 6-99 of the Final EIR.

~~c.~~

2. **Impact B-4.** The Amended Project would impact wetland and waters of the U.S. regulated by the U.S. Army Corps of Engineers (ACOE) and Regional Water Quality Control Board (RWQCB) and riparian areas regulated by the California Department of Fish and Game (CDFG). These impacts are Class II, significant but mitigable.

   a. **Mitigation –**

   B-4(a) Wetland and Riparian Protection. Implementation of the following measures within the 676 acre cluster field is required to mitigate the loss of riparian/wetland habitat where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site, or development of lots as provided in the plans for the Applicants Amended Project:

   1. Building envelopes shall be located so that all riparian and wetland habitat is buffered from development (including grading) by a minimum 200 -foot setback from Trout, and the portions of Tostada Creeks with aquatic habitat, or any other habitats found to support CRLF or Steelhead. Other wetlands and waters of the U.S. or state shall have a minimum setback of 100 feet where feasible. If seasonal pools contain VPFS, a minimum 300 foot setback shall be required. Setback requirements may be increased by the Corps, RWQCB, CDFG, NMFS and/or USFWS.
   2. The wetland and riparian habitat area buffer zones for preserved wetland and riparian areas shall be shown on all grading plans and shall be demarcated with highly visible construction fencing to ensure that these areas are not impacted during construction-related activities.
   3. Erosion control measures including, but not limited to straw wattles, silt fences, and fiber mats shall be implemented at the limits of grading to reduce sediments from entering the wetland and riparian habitat area buffer zones.
   4. Outlet structures shall minimize disturbance to the natural drainage and avoid use of hard bank structures. Where erosion of outlet structures is a concern and bank stabilization must be utilized, bioengineering techniques (e.g., fiber mats and rolls, willow wattling, and natural anchors) shall be used for bank retaining walls. If concrete must be used, then prefabricated crib wall construction shall be used rather than pouring concrete. Rock grouting shall only be used if no other feasible alternative is available as determined by Planning and Building.
   5. Disturbance to drainage bottoms due to the installation of any drain or outlet structures shall be minimized to the greatest extent possible and shall be permitted by all appropriate regulatory agencies as described in 8 below.
   6. A grease trap and/or silt basin shall be installed in all drop inlets closest to the creek to prevent oil, silt and other debris from entering the creek. Such traps/basins shall be maintained and cleaned out every spring and fall to prevent overflow situations and potential mosquito habitats from forming;

If impacts to wetland and/or riparian habitat are not fully avoided, the following shall be implemented.

7. The applicant shall obtain a permit from the ACOE pursuant to Section 404 of the Clean Water Act, a water quality certification from the RWQCB pursuant to Section 401 of the Clean Water Act, and a Streambed Alteration Agreement from the CDFG pursuant to Section 1600 et seq. of the California Fish and Game Code for any grading or fill activity within drainages and wetlands.

   For development of Roads C, D, and H, which are proposed to cross Tostada Creek, the applicant shall consult with the ACOE and CDFG in designing creek crossings. Where appropriate, and if there is concurrence with ACOE and CDFG, pre-engineered bridge structures are recommended to minimize disturbance within the western portion of Tostada Creek.

   It is recommended that the applicant contact these agencies prior to final plan submittal in order to incorporate any additional requirements into the project design. As part of the permitting process, the applicant will be required to provide a compensatory habitat mitigation and monitoring program for impacts to jurisdictional areas. The Plan shall follow the minimum criteria described in 9 below.

8. A compensatory mitigation program at a minimum 2:1 ratio for the loss of any wetlands, including those not under federal or state jurisdiction but meeting one-parameter criteria (hydrology, vegetation, or soils), shall be designed and implemented by a qualified biologist. Regulatory agencies may require a greater mitigation ratio. At a minimum, the plan shall include the following components:

   a. Mitigation plantings for the loss of existing wetland and riparian habitat shall be located in the drainages that are proposed to be modified or preserved as part of the project to the fullest extent feasible.

   b. As part of the plan, the applicant shall include a mitigation-phasing section to ensure that all restoration plantings are in place with sufficient irrigation prior to final inspection.

   c. Restoration/revegetation activities shall use native riparian and wetland species from locally collected stock.

   d. Removal of native species in the creeks/drainages that are to be retained shall be prohibited; however, select willow cuttings and emergent plant division are permissible.

   e. Prior to commencement of grading, the applicant shall file a performance security with the County to complete restoration and maintain plantings for a seven (7) year period.

b. Findings – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance

c. Supportive Evidence – Please refer to pages 4.3-52 through 4.3-57 and pages 6-94 through 6-99 and Comment DE in the Response to Comments of the Final EIR. The Draft EIR identified setbacks of 100 feet from Trout Creek and 50 feet from Tostado Creek, wetlands, and Waters of the US. The RDEIR increased the setback on Tostado Creek to 100 feet and required a 50 foot setback on ephemeral drainages. The FEIR recommended a 200 foot setback from Trout Creek and Tostado Creek

and 100 foot setback from wetlands, Waters of the US. The RDEIR Comments letter provided by Althouse and Meade dated March 27, 2008 indicates that the Department of Fish and Game typically recommends 100-foot setbacks from perennial drainages and 50-foot setbacks from ephemeral drainages. The application of the set-back mitigations recommended in the FEIR, unless qualified, would render the project infeasible of construction by denying improved access to the project site, preventing continuing existing agricultural access and activities or future agricultural activities, or the development of building on building envelopes shown in the Applicant's Amended project. The conditions are applied to the "676.6 acre cluster field" since that is the only area of development for which there is a rational nexus and rough proportionality between the project impacts and the mitigation condition.

3. **Impact B-5.** The Amended Project would impact San Luis Obispo Mariposa Lily, and may impact San Luis Obispo County morning glory, which are Special-Status Plant Species. This would be a Class II, significant but mitigable impact.

   a. **Mitigation –**

   B-5(a) Follow-up Special-status Plant Surveys. Follow-up special-status plant surveys for San Luis Obispo mariposa lily and San Luis Obispo County morning glory shall be performed in the spring prior to commencement of ground disturbance. The survey for San Luis Obispo mariposa lily shall be required only on potential impact areas containing San Luis Obispo mariposa lily that are delineated on Figure 4.3-2 of the EIR. The applicant shall submit to the County an updated San Luis Obispo mariposa lily population survey report of the Amended Project site conducted by a County approved botanist.

   The San Luis Obispo County morning glory has not previously been observed in the project area, but it is known to occur adjacent to the site southeast of Yerba Buena Creek in the Miller Flats area. Since suitable habitat exists, surveys shall be conducted prior to grading to determine whether this species exists in the project area.

   The purpose of the follow-up special-status plant surveys is to provide accurate baseline information for the preparation of the San Luis Obispo mariposa lily and San Luis Obispo County morning glory mitigation and monitoring plan for construction areas. The follow-up will ensure a current and accurate assessment of the numbers of individuals that will be impacted by the applicant's Amended Project. The updated survey shall quantify the total number of individuals within each lot and road segment. Areas occupied by these species shall be flagged (and/or identified using a Global Positioning System) for future bulb and plant salvage and seed collection efforts.

   B-5(b) San Luis Obispo Mariposa Lily and San Luis Obispo County Morning Glory Mitigation and Monitoring Plan. Prior to the issuance of any grading permits, a mitigation and monitoring plan that addresses impacts to the San Luis Obispo mariposa lily and San Luis Obispo County morning glory (if present) shall be prepared and approved by the County and CDFG. The detailed mitigation and monitoring plan shall be developed by a County-approved qualified biologist to protect and enhance the remaining occurrences of these species within the Cluster field of the Amended Project and describe a collection and restoration plan to mitigate for impacted areas. The mitigation and monitoring plan shall at a minimum to include the following:

- A worker education program that shall include identification of special-status plant species and their habitat, the limits of construction, efforts required to reduce impacts to these species, and a fact sheet summarizing this information;
- Description of a collection plan to ensure that all San Luis Obispo mariposa lily bulbs and seeds from San Luis Obispo County morning glory plants located within 25 feet of the Amended Project lots and roads will be removed by a qualified biologist during the appropriate season prior to clearing and grading activities associated with lot development and road construction;
- Description of proposed propagation techniques using collected material;
- Specific areas proposed for revegetation and rationale for why these sites are suitable;
- Specific habitat management and protection concepts to be used to ensure long-term maintenance and protection of the San Luis Obispo mariposa lily and San Luis Obispo County morning glory such as annual population census surveys and habitat assessments; establishment of monitoring reference sites; fencing of species preserves and signage to identify the environmentally sensitive areas; a seasonally-timed weed abatement program; and seasonally-timed plant/seed/bulb collection, propagation, and reintroduction of San Luis Obispo mariposa lily and San Luis Obispo County morning glory into specified receiver sites;
- Success criteria based on the goals and measurable objectives to ensure a viable San Luis Obispo mariposa lily and San Luis Obispo County morning glory populations on the Amended Project site in perpetuity;
- An adaptive management program to address both foreseen and unforeseen circumstances relating to the preservation and mitigation programs;
- Remedial measures to address negative impacts to San Luis Obispo mariposa lily and San Luis Obispo County morning glory and their habitat that may occur during construction activities, as well as post-construction when dwellings are occupied;
- An education program to inform residents of the presence of San Luis Obispo mariposa lily, San Luis Obispo County morning glory, and other sensitive biological resources on-site, and to provide methods that residents can employ to reduce impacts to species occurrences in protected open space areas;
- Reporting requirements to track success or failure of the mitigation program and to ensure consistent data collection and reporting methods used by monitoring personnel; and,
- Maintenance and cost estimates.

The mitigation ratio (habitat area created to habitat area impacted) will be 2:1 for special-status plant species' habitat impacted by development of the applicant's Amended Project. Mitigation for the San Luis Obispo morning glory may also occur in mitigation area designated for the Valley Needlegrass Grassland as this is the preferred habitat for this species [please refer to measure B-2(a)].

B-5(c) Protective Fencing. A qualified biologist shall oversee the installation of temporary fencing around habitat containing the San Luis Obispo mariposa lily and/or San Luis Obispo County morning glory occurrences prior to any construction

activities in the vicinity. Protective fencing shall remain in place throughout construction activities.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.3-57 through 4.3-63 and pages 6-94 through 6-99 of the Final EIR.

4. **Impact B-6.** The Amended Project could result in a direct take of the federally threatened Vernal Pool Fairy Shrimp (VPFS) through grading activities for the development, and sediment runoff into seasonal pools. This potential impact is Class II, significant but mitigable.

   a. **Mitigation –**

   B-6(a) Vernal Pool Fairy Shrimp Presence/Absence Determination. Prior to issuance of Grading Permits, a USFWS protocol wet season survey shall be conducted prior to 2010/2011 by a qualified and federally permitted biologist to complete protocol survey requirements to conclusively determine the presence or absence of VPFS within the Amended Project area. The wet season survey shall include surveys of Seasonal Pools 1, 2, and 3, 4, 5, 6, and 7 identified on Figure 4.3-2 in the FEIR per the USFWS (1996) guidelines. A report consistent with current federal reporting guidelines shall be prepared to document the methods and results of surveys. Should the presence of VPFS or additional special-status wildlife species be determined, a map identifying locations in which these species were found shall be prepared and included in the report.

   If the surveys produce a negative finding for the presence of VPFS, then no further mitigation would be required. If VPFS are identified within Seasonal Pools 1, 2, 3, 4, 5, 6, or 7 identified on Figure 4.3-2 in the FEIR, then B-6(b) would be required.

   B-6(b) Mitigation for Vernal Pool Fairy Shrimp. This measure shall only apply if VPFS are identified during USFWS protocol surveys.

   The applicant shall implement measures that minimize adverse effects on VPFS. Subject to concurrence by and coordination with USFWS, required measures may include the following:

   - Avoidance of occupied habitats and a three hundred-foot setback from occupied habitats; and
   - Where avoidance is not possible, compensatory mitigation approved by County Planning and Building, shall be developed for impacts to occupied habitats at a 3:1 ratio, and impacts to potentially suitable habitats in which VPFS were not found at a 2:1 ratio.

   A USFWS permitted biologist familiar with VPFS habitat "creation" techniques shall review VPFS compensatory mitigation areas. Enhancement of the on-site vernal pool/wetland habitat that is undisturbed by the Amended Project may also be a part of the mitigation program for any impacted VPFS habitats. Upon approval from the USFWS, an appropriate salvage and relocation methodology will be selected that will include the following:

   - Shrimp cysts shall be collected during the dry season from the existing habitat and placed into storage;

- Topsoil shall also be removed and stored under conditions suitable to retain cysts, and used as a top dressing for created vernal pools as proposed in the VPFS mitigation plan;
- If topsoil is not used, preserved cysts would be added to the recreated vernal pool/wetlands in December or January, after sufficient pooling has occurred.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.3-63 through 4.3-66 and pages 6-94 through 6-99 of the Final EIR.

5. **Impact B-7.** The Amended Project could result in a direct take of the federally threatened South/Central California Coast Steelhead and/or the loss of federally designated Steelhead Critical Habitat through grading activities for the development, and sedimentation of occupied creeks. This potential impact is Class II, significant but mitigable.

a. **Mitigation** –

B-7(a) South/Central California Coast Steelhead (Steelhead) Mitigation, Minimization and Protection Plan. Steelhead have been identified on-site and setbacks from their identified habitat shall be implemented to avoid or minimize impacts to this federally listed species and its habitat. Prior to development, a Steelhead Protection Plan shall be prepared by a qualified Steelhead biologist to protect Steelhead within the on-site portions of Trout and Tostada Creeks. These measures apply to areas within the 676 acre cluster field where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site, or development of lots as provided in the plans for the Applicants Amended Project. The plan shall include, but not be limited to the following:

- A 200 foot permanent buffer from the top of bank of Trout and the areas of Tostada Creeks with aquatic habitat and 100 foot buffer or minimum setback from ephemeral drainages that are tributaries to Trout Creek shall be established and maintained in perpetuity. In the short term, this buffer will ensure construction activities do not increase the erosion potential in the area or facilitate construction related sediment from entering the creek. The buffer shall be demarcated with highly visible construction fencing for the benefit of contractors and equipment operators. In the long term, this buffer will reduce the amount of sediment and pollutant runoff that would enter these waterways. Grading, landscaping, structures and other types of disturbance shall be prohibited within these buffer areas, with the exception of road improvements and road crossings, as detailed below.
- Road crossings of Trout and Tostada Creeks are allowable (if permitted by the appropriate agencies) if the following measures are implemented. The crossings must be designed following the NMFS Southwest Region's (2001) Guidelines for Salmonid Passage at Stream Crossings [http://swr.nmfs.noaa.gov/hcd/MNFSSCG.PDF]. Clear-span structures are recommended. Areas of temporary disturbance resulting from the construction or improvements to road crossings shall be restored using native vegetation at a minimum of 2:1 (area restored to area

temporarily impacted). However, agency permitting for impacts to riparian and/or wetland resources may require a higher ratio. Additional details required for riparian restoration are contained within measure B-4(a).

- The applicant shall prepare and submit for approval to the County a sediment and erosion control plan that specifically seeks to protect waters and riparian woodland resources adjacent to construction sites. Erosion control measures shall be implemented to prevent runoff into Trout and Tostada Creeks, ephemeral drainages, and wetlands. Silt fencing, straw bales, and/or sand bags shall be used in conjunction with other methods to prevent erosion and sedimentation of the stream channel. The plan shall specify locations and types of erosion and sediment control structures and materials that would be used on-site during construction activities. The plan shall also describe how any and all pollutants originating from construction equipment would be collected and disposed.

- During construction activities, washing of concrete, paint, or equipment shall occur only in areas where polluted water and materials can be contained for subsequent removal from the site. Washing will not be allowed in locations where the tainted water could affect sensitive biological resources.

The applicant shall coordinate with the NOAA National Marine Fisheries Service and ACOE, and shall demonstrate compliance with Section 7 (federal nexus) and/or Section 10 (no federal nexus) of the federal Endangered Species Act (FESA), as applicable. This consultation may necessitate the issuance of a NMFS Biological Opinion and/or the preparation of a Habitat Conservation Plan for Steelhead and their habitat. The applicant shall also coordinate with CDFG and other resource agencies, as applicable. The applicant shall implement all measures prescribed by these agencies.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.3-66 through 4.3-70 and pages 6-94 through 6-99 and Comment DE in the Response to Comments of the Final EIR. The Draft EIR identified setbacks of 100 feet from Trout Creek and 50 feet from Tostado Creek, wetlands, and Waters of the US. The RDEIR increased the setback on Tostado Creek to 200 feet and required a 100 foot setback on ephemeral drainages. The FEIR recommended a 200 foot setback from Trout Creek and Tostado Creek and 100 foot setback from wetlands, Waters of the US. The RDEIR Comments letter provided by Althouse and Meade dated March 27, 2008 indicates that the Department of Fish and Game typically recommends 100-foot setbacks from perennial drainages and 50-foot setbacks from ephemeral drainages. The application of the set-back mitigations recommended in the FEIR, unless qualified, would render the project infeasible of construction by denying improved access to the project site, preventing continuing existing agricultural access and activities or future agricultural activities, or the development of building on building envelopes shown in the Applicant's Amended project. The conditions are applied to the "676.6 acre cluster field" since that is the only area of development for which there is a rational nexus and rough proportionality between the project impacts and the mitigation condition.

6. **Impact B-8.** The Amended Project could result in take of the federally threatened California red-legged frog through grading activities for the development, and would fragment the amount of available habitat potentially used for movement and dispersal. This potential impact is Class II, significant but mitigable.

   a. **Mitigation – These mitigation measures apply to the 676 acre cluster field.**

      B-8(a) California Red-legged Frog Avoidance, Minimization, and Mitigation Measures. Subject to concurrence by and coordination with the County and USFWS, required measures shall include the following where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site, or development of lots as provided in the plans for the Applicants Amended Project:

      - At least 45 days prior to the onset of activities, the applicant shall submit the name(s) and credentials of biologists who would conduct activities specified in the following measures. No project activities shall begin until proponents have received written approval from the USFWS that the biologist(s) is qualified to conduct the work.

      - A County approved biologist shall survey the work site and suitable habitat within 330 feet of work sites two weeks before the onset of activities. If CRLF, tadpoles, or eggs are found, relocations shall be conducted only if authorized by the USFWS. If USFWS approves moving animals, the approved biologist shall be allowed sufficient time to move CRLF from the work site before work activities begin. Only County approved biologists shall participate in activities associated with the capture, handling, and monitoring of CRLF. All conditions specified by the USFWS exemption or authorization shall be implemented regarding relocation of this species.

      - If CRLF are found during the preconstruction surveys within 330 feet of any work area, and for any areas already known to be occupied by CRLF, work within 330 foot of these habitats must be limited to the period between April 30 to July 30 or the work area must be surrounded by exclusionary fencing to reduce impacts to frogs that are in upland areas during the rainy season or juvenile dispersal. The exclusionary fencing shall be at least three feet high and keyed into the ground, made of solid mesh (such as silt fence; orange construction fence is not suitable) and shall be maintained throughout the construction period. This fencing can also function for erosion and sedimentation control. An approved biologist must survey the project limits for CRLF each morning prior to the start of work. Any CRLF found within the work area shall be relocated, if authorized by the USFWS. If relocations are not authorized by the USFWS, the fence shall be modified to allow the frog to pass through to suitable habitat, and work shall not commence until it has left.

      - Before any construction activities begin on the applicant's Amended Project, a County approved biologist shall conduct a training session for all construction personnel. At a minimum, the training shall include a description of the CRLF and its habitat, the importance of the CRLF and its habitat, the general measures that are being implemented to conserve the CRLF as they relate to the project, and the boundaries within which the project may be

accomplished. Brochures, books, and briefings may be used in the training session, provided that a qualified person is on hand to answer any questions.

- A County approved biologist shall be present at the work site until such time as all removal of California red-legged frogs, instruction of workers, and habitat disturbance have been completed. After this time, the contractor or permittee shall designate a person to monitor the on-site compliance with all minimization measures. The USFWS approved biologist shall ensure that this individual receives training outlined above and in the identification of CRLF. The monitor and the County approved biologist shall have the authority to halt any action that might result in impacts that exceed the levels anticipated by USFWS during review of the proposed action. If work is stopped, USFWS, and the ACOE as applicable, shall be notified immediately by the USFWS-approved biologist or on-site biological monitor.

- During project activities, all trash that may attract predators shall be properly contained, removed from the work site and disposed of regularly. Following construction, all trash and construction debris shall be removed from the work areas.

- All fueling and maintenance of vehicles and other equipment and staging areas shall occur at least 100 feet from any riparian habitat or water body. The permittee, and ACOE as applicable, shall ensure contamination of habitat does not occur during such operations. Prior to the onset of work, the permittee shall prepare and comply with a plan to allow a prompt and effective response to any accidental spills. All workers shall be informed of the importance of preventing spills and of the appropriate measures to take should a spill occur.

- A County approved biologist shall ensure that the spread or introduction of invasive non-native plant and animal species, especially bullfrogs, shall be avoided to the maximum extent possible. Invasive exotic plants and animals in the development shall be removed and destroyed.

- Riparian and wetland areas shall be revegetated with an appropriate assemblage of native riparian wetland and upland vegetation suitable for the area. A species list and restoration and monitoring plan shall be included with the project proposal for review and approval by USFWS, and the ACOE as applicable. Such a plan must include, but not be limited to: location of the restoration, species to be used, restoration techniques, time of year the work will be done, identifiable success criteria for completion, and remedial actions if the success criteria are not achieved.

- The number of access routes, number and size of staging areas, and the total area of the activity shall be limited to the minimum necessary for development. Routes and boundaries shall be clearly demarcated, and these areas shall be outside of riparian and wetland areas. Where impacts occur in these staging areas and access routes, restoration shall occur as identified in the above measures.

- A 200 foot setback shall be established around water bodies with confirmed occurrences of CRLF. This includes the portions of Trout Creek, Tostada Creek with aquatic vegetation which are within the cluster development area. Landscaping, grading for structures, structures, and other types of non agricultural disturbance shall be prohibited within these buffer areas. Road

crossings, improvements to widen the existing ranch road to CalFire requirements, and driveways are allowed within the buffer area. A reduced buffer may be allowed as approved by the Department of Fish and Game.

- Areas of temporary disturbance resulting from the construction or improvements to road crossings shall be restored using native vegetation at a minimum of 2:1 (area restored to area temporarily impacted). However, agency permitting for impacts to riparian and/or wetland resources may require a higher ratio.
- Restrictions on the use of pesticides near water bodies with confirmed occurrences of CRLF.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance

c. **Supportive Evidence** – Please refer to pages 4.3-70 through 4.3-77 and pages 6-94 through 6-99 and Comment DE in the Response to Comments of the Final EIR. The Draft EIR identified setbacks of 100 feet from Trout Creek and 50 feet from Tostado Creek, wetlands, and Waters of the US. The RDEIR increased the setback on Tostado Creek to 100 feet and required a 50 foot setback on ephemeral drainages. The FEIR recommended a 200 foot setback from Trout Creek and Tostado Creek and 100 foot setback from wetlands, Waters of the US. The RDEIR Comments letter provided by Althouse and Meade dated March 27, 2008 indicates that the Department of Fish and Game typically recommends 100-foot setbacks from perennial drainages and 50-foot setbacks from ephemeral drainages. The application of the set-back mitigations recommended in the FEIR, unless qualified, would render the project infeasible of construction by denying improved access to the project site, preventing continuing existing agricultural access and activities or future agricultural activities, or the development of building on building envelopes shown in the Applicant's Amended project. The conditions are applied to the "676.6 acre cluster field" since that is the only area of development for which there is a rational nexus and rough proportionality between the project impacts and the mitigation condition.

7. **Impact B-9.** The Amended Project would directly and indirectly reduce the populations and available habitat for wildlife in general, including special-status wildlife species. Because of the size of the site, degree of habitat diversity, and known or potential presence of a number of special-status wildlife species on-site, the loss of wildlife habitat is a Class II, significant but mitigable impact.

a. **Mitigation** –

B-9(a) Legless and Horned Lizard Capture and Relocation. Immediately prior to the initiation of construction in the developable area, capture and relocation efforts shall be conducted for the silvery legless lizard and coast horned lizard. Designated areas in permanent open space shall be identified within the Amended Project site for release of captured legless lizards and coast horned lizards.

Surveys shall be conducted by a County approved biologist, and shall include the following minimum requirements:

- Raking of leaf litter and sand under shrubs within suitable habitat in the area to be disturbed to a minimum depth of eight inches for the silvery legless lizard.

- In addition to raking, "coverboards" shall be used to capture silvery legless lizards and coast horned lizards. Coverboards can consist of untreated lumber, sheet metal, corrugated steel, or other flat material used to survey for reptiles and amphibians. Coverboards shall be placed flat on the ground and checked regularly in the survey areas. Coverboards shall be placed in the survey area a minimum of two weeks, but preferably at least four weeks, before surveys begin and will be checked once a week during raking surveys. Captured lizards will be placed immediately into containers containing sand or moist paper towels and released in designated release areas no more than three hours after capture.

During all grading activities, a County approved qualified biologist shall be on-site to recover any silvery legless lizards that may be excavated/unearthed with native material. The unearthed lizards shall be immediately relocated and released to the designated release area.

B-9(b) Southwestern Pond Turtle Avoidance, Capture and Relocation. A County approved biologist shall conduct spring surveys for this species before the onset of construction activities. The survey area shall include ponds located within the Amended Project area with ponded water as well as on-site drainage corridors. If any southwestern pond turtles are found within 1,000 feet of construction activities such as lot grading or road construction, the approved biologist shall contact CDFG to determine if moving any individuals is appropriate. If CDFG approves moving animals, the biologist shall be allowed sufficient time to move the animals from the work site before work activities begin. If CDFG does not recommend moving the animals, a 1,000 foot buffer from the pond, seasonal pool, in stream pools, and/or nesting site shall be implemented. No grading or other construction activities shall occur within the set buffer. Only the approved biologist shall participate in activities associated with the capture and handling of turtles. Measures B-4(a), B-6(b), and B-8(a) will also benefit this species. B-4(a) will reduce direct impacts (development), restore impacted areas, and reduce potential indirect impacts (sedimentation and concrete/oil runoff) into wetlands and riparian habitat used for breeding and foraging by the southwestern pond turtle. B-6(b) will provide protection to seasonal pool/wetland habitat that are occupied by the federally threatened VPFS and that may also be used by the SWPT and B-8(a) will provide federal protection to seasonal pool/wetland habitat that are occupied by the federally-threatened CRLF and that may also be used by the SWPT.

B-9(c) Pre-construction Bird Survey. To avoid impacts to nesting special-status bird species, namely the state Fully Protected white-tailed kite and golden eagle, the federally-threatened and Fully Protected bald eagle, other special-status bird species listed in Table 4.3-4 of the Final EIR, and all birds protected under the Migratory Bird Treaty Act, the initial ground-disturbing activities and tree removal shall be limited to the time period between September 1 and February 15. If initial site disturbance, grading, and tree removal cannot be conducted during this time period, a pre-construction survey for active nests within the limits of grading shall be conducted by a qualified biologist at the site two weeks prior to any construction activities. All potential nest locations shall be searched by the biologist including, but not limited to grassland, chaparral, central coastal scrub, and oak woodlands. If active nests are located, all construction work must be conducted outside a buffer zone from the nests to be determined by a qualified biologist. No direct disturbance to nests shall occur until the adults and young are no longer reliant on the nest site. A qualified biologist shall confirm that breeding/nesting is completed and young have fledged the nest prior to the start of construction in the buffer zone. Surveys following the

Protocol for Evaluating Bald Eagle Habitat and Populations in California Bald Eagle (Jackson and Jennings, 2004) are also required.

B-9(d) American Badger Avoidance. The mitigation measures below are recommended to determine whether badgers are present in the area prior to development and to prevent American badgers from becoming trapped in burrows during construction activities.

- A pre-construction survey for active American badger dens shall be conducted within one month of initial ground disturbance activities by a County qualified biologist. To avoid the potential direct take of adults and nursing young, no grading shall occur within 50 feet of an active badger den as determined by a County-approved biologist between March 1 and June 30.

  Construction activities during July 1 through March 1 shall comply with the following measures to avoid direct take of adult and weaned juvenile badgers:

- A County-approved biologist shall conduct a biological survey of the entire development area prior to the start of ground clearing or grading activity. The survey shall cover the entire development area. Surveys shall focus on both old and new den sites. If dens are too long to see the end, a fiber optic scope (or other acceptable method such as den characteristics) shall be used to assess the presence of badgers. If no fiber optic scope is available, occupation of the potential dens by badgers can be ascertained by dusting the den openings with a fine layer of dust for three successive nights and looking for footprints or other evidence of occupation. Inactive dens shall be excavated by hand with a shovel to prevent badgers from re-using them during construction.

B-9(e) Native Landscaping. All landscape plants for the Amended Project shall be on the County's approved plant list. To ensure that project landscaping does not introduce invasive non-native plant species into the vicinity of the site, the final landscaping plan shall be reviewed and approved by a County approved biologist and County Environmental and Resource Management Division prior to implementation. All invasive plant species shall be removed from the landscaping plan.

B-9(f) Pet Brochure. The applicant shall prepare a brochure that informs prospective homebuyers about the impacts associated with non-native animals, especially cats and dogs, and other non-native animals to the project site. Similarly, the brochure shall inform potential homebuyers of the potential for coyotes to prey on domestic animals.

B-9(g) Night Lighting Standards. Night lighting of public areas shall be kept to the minimum necessary for safety purposes. Exterior lighting within 100 feet of open space shall be shielded and aimed as needed to avoid spillover into open space areas. Decorative lighting shall be low intensity and be less than 25 watts.

B-9(h) Minimize Road Widths. Roadway widths adjacent to open space/agricultural areas shall be reduced to the minimum width possible, while maintaining Fire Department Requirements for emergency access, with slower speed limits introduced. Posted speed limits should be 25 mph or less.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.3-77 through 4.3-84 and pages 6-94 through 6-99 of the Final EIR.

C. **Cultural Resources (Class II)**

1. **Impact CR-3.** Construction of the Amended Project could disturb previously unidentified buried archeological deposits. This is a Class II, significant but mitigable impact.

   a. **Mitigation** –

   CR-3(a) Buried Site Testing at Isolate Locations. Isolated artifacts shall be tested by a qualified archaeologist to determine whether or not isolated artifacts within or adjacent to the Amended Project represent more substantial buried components. Such testing shall involve hand excavation of shovel probes and/or other sampling units. The type and distribution of sampling units shall be determined by a qualified professional archaeologist, who will carry out the isolate testing in the presence of a Native American monitor. If isolate testing reveals the presence of a buried site, then site boundary definition and avoidance, or mitigative data recovery, shall be carried out in accordance with measures CR-2(a) or CR-2(b).

   At the commencement of construction, an archaeologist and a Native American representative shall conduct an orientation for construction workers to describe site avoidance requirements, the possibility of exposing unexpected archaeological resources, and the steps to be taken if such a find is encountered.

   A qualified archaeologist and Native American representative shall monitor all earth moving activities within native soil. If multiple pieces of heavy equipment are in use simultaneously at diverse locations during construction, each location may be monitored individually. In the event that archaeological remains are encountered during construction, all work in the vicinity of the find will be halted until such time as the find is evaluated by a qualified archaeologist and appropriate mitigation, if necessary, is implemented.

   CR-3(b) Archaeological Resource Construction Monitoring. An archaeological resource monitoring plan prepared by a qualified archaeologist shall be submitted for review by the County Environmental Coordinator. The plan shall include a list of personnel involved in monitoring activities, and descriptions of monitoring methods, resources expected to be encountered, circumstances that would result in halting work, procedures for halting work, and procedures for monitoring reporting.

   b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

   c. **Supportive Evidence** – Please refer to pages 4.4-23 through 4.4-25 and page 6-99 of the Final EIR.

~~c.~~

2. **Impact CR-4.** There is the potential that Amended Project construction will disturb previously unidentified human remains. This is a Class II, significant but mitigable impact.

   a. **Mitigation –**

   CR-4(a) Treatment of Human Remains. In the event of the accidental discovery or recognition of any human remains in any location other than a dedicated cemetery, the following steps will be taken:

   I. State Health and Safety Code Section 7050.5 requires that there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until:

      A. The County Coroner is contacted to determine that no investigation of the cause of death is required, and

      B. If the coroner determines the remains to be Native American, the coroner has 24 hours to notify the Native American Heritage Commission. The Native American Heritage Commission shall identify the person or persons it believes to be most likely descended from the deceased Native American. The most likely descendent may then make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and any associated grave goods as provided in Public resources Code Section 5097.98.

   II. If the Native American Heritage Commission is unable to identify a most likely descendent; or if the most likely descendent fails to make a recommendation within 24 hours after being notified by the commission; or if the landowner or his authorized representative rejects the recommendation of the descendent, and mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner, then the landowner or his authorized representatives shall reinter the Native American human remains and associated grave items with appropriate dignity on the property in a location not subject to further subsurface disturbance. However, any such activity shall be supervised by a Chumash representative if a most likely descendent is either not identified or fails to respond to notification.

   b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

   c. **Supportive Evidence** – Please refer to pages 4.4-25 through 4.4-26 and page 6-99 of the Final EIR.

3. **Impact CR-5.** Implementation of the Amended Project could result in indirect impacts to identified or unidentified archaeological and historical resources. This is a Class II, significant but mitigable impact.

   a. **Mitigation –**

   CR-5(a) Prohibition of Archaeological Site Tampering. Off-road vehicle use, unauthorized collecting of artifacts, and other activities that could destroy or damage archaeological or historical sites shall be prohibited and shall be punishable by fine. The applicant shall prepare a brochure for all homebuyers and other occupants

describing the cultural sensitivity of the area and explaining the prohibitions. Informational material shall be general in content and shall not include any information that could lead to the identification or location of sensitive cultural resources. Homebuyers and other occupants shall acknowledge receipt and understanding of such prohibitions in writing.

CR-5(b) Periodic Monitoring of Archaeological Site Condition. To ensure that prohibitions on site tampering and vandalism are effective, the applicant shall fund an annual inspection of cultural resources within or adjacent to the development areas, during which the condition of the sites shall be assessed and any degradation of integrity from vandalism, erosion, or other factors shall be identified. A qualified professional archaeologist and/or a Native American representative trained in site assessment shall carry out the annual site inspections and prepare a brief report for the County, with recommendations for addressing any apparent site degradation. The applicant shall also develop a list of threatened and sensitive cultural resources sites on other lands within the Amended Project area, and shall retain a qualified archaeologist to inspect and report to the County Environmental Coordinator on the condition of those sites annually.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.4-26 through 4.4-28 and page 6-99 of the Final EIR.

4. **Impact CR-6.** The Amended Project facilities and infrastructure could impact fossil-bearing strata and could damage or destroy significant fossil materials. This is a Class II, significant but mitigable impact.

   a. **Mitigation** –

   CR-6(a) Preparation of a Paleontological Resource Monitoring Plan. Prior to issuance of grading permits, the applicant shall retain a qualified accredited paleontontologist to prepare a Paleontological Resource Monitoring Plan based on the specific construction plans. The monitoring plan shall detail the procedures for monitoring construction in areas of high or unknown sensitivity, collecting fossil remains and relevant geographic and stratigraphic data, stabilizing and preserving recovered specimens, and cataloguing and curating the collection [see measures P-1(b) and P-1(c)]. The monitoring plan shall include provisions for collecting a representative sample of invertebrates from the identified site at the staff recommended development area prior to construction, documenting the site according to the standards developed by the National Research Council (1987), and assessing the potential of this site to contain significant vertebrate remains.

   CR-6(b) Paleontological Monitoring. A qualified paleontological monitor shall observe any initial excavation, grading, or other ground disturbance which extends below the upper soil layers in in situ sedimentary rock where paleontological sensitivity is high or unknown. Any excavation into in situ older Quaternary Alluvium, Paso Robles, Monterey, Santa Margarita, Vaqueros, Atascadero, or Toro formations shall be monitored. The areas covered by late Quaternary strata shall be monitored if excavation is undertaken below the uppermost few feet of sediment, because these strata have yielded vertebrate remains elsewhere in San Luis Obispo County. Shallow excavations in the Quaternary deposits are unlikely to yield significant fossils and do not need monitoring. Paleontologists who monitor excavations must be

qualified and experienced in salvaging fossils and authorized to temporarily divert equipment while removing fossils. They must be properly equipped with tools and supplies to allow for rapid removal and preparation of specimens, and trained in safe practices when working around construction equipment. If multiple pieces of heavy equipment are in use simultaneously at diverse locations during construction, each location may be monitored individually.

CR-6(c) Treatment of Paleontological Remains Discovered During Monitoring. If paleontological resources are found during excavations or other ground disturbance, work shall cease temporarily in the immediate area of the discovery. Ground disturbance may be redirected to another area so that the significance of the fossil find may be assessed. If an accredited paleontologist is not already on site, a vertebrate paleontologist with regional experience will be contacted to inspect the excavation, assess the significance of the fossil find, recover any exposed fossils of significance, and recommend additional mitigation measures, if necessary.

A standard sample (3–12 cubic meters) of matrix from each site will be taken for identification of microvertebrates (rodents, birds, rabbits), especially when the potential for microvertebrates is high. The monitors also will determine whether the fossils are part of an archaeological deposit. If the fossils are found with cultural material, the site then will be considered an archaeological discovery and treated according to the procedures specified in measure CR-3(b).

Significant fossils found during construction shall be preserved by prompt removal whenever feasible. Due to the potential for rapid deterioration of exposed surface fossils, preservation by avoidance is not an appropriate measure. When a significant fossil cannot be removed immediately, stabilization is needed to prevent further deterioration prior to removal. The fossil location must be stabilized under the direction of a professional paleontologist.

At the time of collecting, each specimen or group of specimens will be clearly located and plotted on a USGS topographical quadrangle map. Field methods, other excavation activities, and working conditions during monitoring of the paleontological resources will be recorded in a field notebook or on a paleontological resources record or worksheet such as those developed by the National Research Council (1987).

Recovered specimens will be stabilized and prepared for identification. Sedimentary matrix with microfossils will be screen washed and sorted to identify the contained fossils. Removal of excess matrix during preparation reduces long-term storage requirements. Competent qualified specialists will classify individual specimens to the lowest identifiable taxon, typically to genus, species, and element. Batch identification and batch numbering (e.g., "mammal, 25 specimens") shall be avoided.

Paleontological specimens will be cataloged according to current professional standards, and a complete list of collected specimens must be prepared. A complete set of field notes, geologic maps, and stratigraphic sections must accompany the fossil collections.

All fossil remains recovered during construction and operation must be curated by a recognized, nonprofit paleontological specimen repository with a permanent curator, such as a museum or university. Specimens must be stored in a fashion that allows researchers to retrieve specific individual specimens in the future. In addition to the LACM and UCMP, qualified research facilities include California State Polytechnic

University, San Luis Obispo; the Santa Barbara Museum of Natural History; or Santa Barbara City College.

The project paleontologist will complete a final report summarizing findings, describing important fossil localities (vertebrate, megainvertebrate, or plant) discovered in the project area, and explaining any mitigation measures taken. The report will include a summary of the field and laboratory methods, site geology and stratigraphy, an itemized inventory of recovered specimens, faunal lists, and site records. The report also shall discuss the importance of the recovered fossil materials. The reports will be prepared by a professional paleontologist and distributed to the appropriate agencies, museums, colleges, or universities.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.4-28 through 4.4-30 and page 6-99 of the Final EIR.

D. **Drainage, Erosion, and Sedimentation (Class II)**

1. **Impact D-2.** The Amended Project would introduce paved and roofed areas and thus has the potential to result in increased peak storm water discharges and volumes of runoff. Impacts are Class II, significant but mitigable.

a. **Mitigation –**

D-2(a) Yerba Buena Drainage System. Runoff from the Amended Project must be detained in on-site detention basins. The proposed detention structure for the portion of the Amended Project site draining to Yerba Buena creek shall be designed to comply with County criteria (reduction of the 50 year, 10 hour post-development peak flow to 2 year, 10 hour pre-development conditions). A Drainage Study shall be prepared by a qualified hydrologist to identify detention volumes and release rates for the proposed facilities. The study shall also address flow routing and relative times of concentration in the watershed at the detention facility compared with the existing channel. The detention facility shall be located within an Agricultural Conservation Easement, in an area that does not contain oak trees, special status species or habitat, identified cultural resources, or prime agricultural soils.

The design of all facilities must be reviewed and approved by County Public Works staff.

D-2(b) Trout Creek Drainage System. Runoff from the Amended Project must be detained in on-site detention basins. Prior to approval of a Land Use Permit, the applicant shall design a detention structure for the portion of the Amended Project site that drains to the unnamed tributary to Trout Creek. This detention structure shall be designed to comply with County criteria (reduction of the 50 year, 10 hour post-development peak flow to 2 year, 10 hour pre-development conditions), as well as reduce the 100-year 10-hour post-development runoff to 100 year 10 hour predevelopment conditions. A Drainage Study shall be prepared to identify detention volumes and release rates for the required facilities. The study should also address flow routing and relative times of concentration in the watershed at the detention facility compared with existing channels. The detention facility shall be located within an Agricultural Conservation Easement, in an area that does not contain oak trees, special status species or habitat, identified cultural resources, or prime agricultural soils.

D-2(c) LID-Integrated Management Practices. Low Impact Development (LID) design technologies shall be employed by individual lot developers to the maximum extent practicable. LID is an alternative site design strategy that uses natural and engineered infiltration and storage techniques to control storm water runoff where it is generated to reduce downstream impacts. The following LID practices shall be implemented, as feasible, to re-establish pre-development runoff conditions:

1. Bioretention cells;
2. Tree boxes to capture and infiltrate street runoff;
3. Vegetated swales, buffers and strips;
4. Roof leader flows directed to planter boxes and other vegetated areas;
5. Permeable pavement;
6. Impervious surface reduction and disconnection;
7. Soil amendments to increase infiltration rates; and
8. Rain gardens, rain barrels, and cisterns.

Only natural fiber, biodegradable materials shall be used.

Since LID is intended to mimic the pre-development regime through both volume and peak runoff rate controls, the flow frequency and duration for the post-development conditions should be identical (to the greatest degree possible) to those for the pre-development conditions.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.5-6 through 4.5-9 and pages 6-99 through 6-100 of the Final EIR.

2. **Impact D-4.** Due to the intensification of uses associated with the applicant's Amended Project, there is the potential for storm water transport of pollutants, bacteria, and sediment into downstream facilities. Impacts are Class II, significant but mitigable.

a. **Mitigation** –

D-4(a) Pollutant Removal Techniques. In addition to LID-integrated management practices required by measure D-2(c), the applicant shall integrate into project design other available technologies and techniques to remove pollutants from site runoff prior to entering the drainage courses. Such techniques shall include reduced slope grading, drainage through vegetative zones (e.g., bio-swale) and other options to intercept pollutants being conveyed toward drainage paths. Technological solutions such as gravelly filter blankets or particulate filters (e.g. Fossil Filters) should also be installed as pollutant-removal solutions. Only natural fiber, biodegradable materials shall be used.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.5-9 through 4.5-10 and pages 6-99 through 6-100 of the Final EIR.

~~c.~~

E. Geologic Stability (Class II)

1. **Impact G-1.** Due to the presence of active and potentially active faults in the vicinity of the applicant's Amended Project, the site and surrounding area is subject to strong ground shaking. Ground shaking has the potential to cause fill material to settle, destabilize slopes, and cause physical damage to structures, property, utilities and road access. This is a Class II, significant but mitigable impact.

   a. **Mitigation –**

      G-1(a) UBC Compliance. Above-ground structures shall be designed and built according to the latest UBC Seismic Zone 4 standards.

   b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

   c. **Supportive Evidence** – Please refer to pages 4.6-23 through 4.6-24 and page 6-100 of the Final EIR.

2. **Impact G-2.** Soils on the Amended Project site have the potential to present soil-related hazards (expansive soils, erosive soils, settlement) to structures, utilities, and roadways. This is a Class II, significant but mitigable impact.

   a. **Mitigation –**

      G-2(a) Soils/Foundation Report. Upon implementation of the applicant's Amended Project, individual property developers proposing development within the areas identified as having a high shrink-swell potential, high to very high erosion hazard and/or potential for settlement shall submit a soils/foundation report as part of the application for any Building Permit(s). To reduce the potential for foundation cracking, one or more of the following shall be implemented and/or as recommended by a qualified engineer:

      1. Use continuous deep footings (i.e., embedment depth of 3 feet or more) and concrete slabs on grade with increased steel reinforcement together with a pre-wetting and long-term moisture control program within the active zone.

         a. Removal and recompaction of loose soils.

      2. Removal of the highly expansive material and replacement with non-expansive compacted import fill material.

      3. The use of specifically designed drilled pier and grade beam system incorporating a structural concrete slab on grade supported approximately 6 inches above the expansive soils.

      4. Chemical treatment with hydrated lime to reduce the expansion characteristics of the soils.

      5. Where necessary, construction on transitional lots shall include over excavation to expose firm sub-grade, use of post tension slabs in future structures, or other geologically acceptable method.

      G-2(b) Grading and Erosion Control Plan. A grading and erosion control plan that minimizes erosion, sedimentation and unstable slopes shall be prepared and implemented by the applicant or representative thereof, prior to issuance of tract-wide Grading Permits. It must include the following:

a. Methods such as retention basins, drainage diversion structures, spot grading, silt fencing/coordinated sediment trapping, straw bales, and sand bags shall be used to minimize erosion on slopes and siltation into Yerba Buena, Santa Margarita and Trout Creeks (including the unnamed tributary to Trout Creek) during grading and construction activities.

b. Grading associated with the residential cluster, except for roads and road crossings shall be prohibited within 100 feet of Trout Creek and within 50-feet of the unnamed tributary to Trout Creek, wetlands, and waters of the U.S. where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project [refer to B-4(a)].

c. Graded areas shall be revegetated within 4 weeks of grading activities with deep-rooted, native, drought-tolerant species to minimize slope failure and erosion potential. If determined necessary by Planning and Building, irrigation shall be provided. Geotextile binding fabrics shall be used if necessary to hold slope soils until vegetation is established.

d. Temporary storage of construction equipment and equipment washing areas shall be limited to a minimum of 100 feet from Trout Creek and 50-feet from the unnamed tributary to Trout Creek, wetlands, and waters of the U.S.

e. After construction of tract improvements, exposed areas shall be stabilized to prevent wind and water erosion, using methods approved by the Planning and Building Department Grading Division and the Air Pollution Control District (APCD). These methods may include the importation of topsoil to be spread on the ground surface in areas having soils that can be transported by the wind and/or the mixing of the highly erosive sand with finer-grained materials (silt or clay) in sufficient quantities to prevent its ability to be transported by wind. The topsoil or silt/clay mixture is to be used to stabilize the existing soil to prevent its ability to be transported by wind. At a minimum, six inches of topsoil or silt/clay/sand mixture is to be used to stabilize the wind-erodable soils.

f. Landscaped areas adjacent to structures shall be graded so that drainage is away from structures.

g. Irrigation shall be controlled so that overwatering does not occur. An irrigation schedule shall be reviewed and approved by Planning and Building prior to issuance of grading permits.

h. Grading on slopes steeper than 5:1 shall be designed to minimize surface water runoff.

i. Fills placed on slopes steeper than 5:1 shall be properly benched prior to placement of fill.

j. Brow ditches and/or berms shall be constructed and maintained above all cut and fill slopes, respectively.

k. Cut and fill benches shall be constructed at regular intervals.

l. Retaining walls shall be installed to stabilize slopes where there is a 10-foot or greater difference in elevation between buildable lots.

m. The applicant shall limit excavation and grading to the dry season of the year (typically April 15 to November 1, allowing for variations in weather) unless a

Planning and Building Department approved erosion control plan is in place and all measures therein are in effect.

n. The applicant shall post a bond with the County and hire a Planning and Building-qualified geologist or soils engineer prior to issuance of grading permits, and to ensure that erosion is controlled and mitigation measures are properly implemented.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

Supportive Evidence – Please refer to pages 4.6-24 through 4.6-27 and page 6-100 and Comment DE in the Response to Comments of the Final EIR. The Draft EIR identified setbacks of 100 feet from Trout Creek and 50 feet from Tostado Creek, wetlands, and Waters of the US. The RDEIR increased the setback on Tostado Creek to 100 feet and required a 50 foot setback on ephemeral drainages. The application of the set-back mitigations recommended in the FEIR, unless qualified, would render the project infeasible of construction by denying improved access to the project site, preventing continuing existing agricultural access and activities or future agricultural activities, or the development of building on building envelopes shown in the Applicant's Amended project. The conditions are applied to the "676.6 acres cluster field" since that is the only area of development for which there is a rational nexus and rough proportionality between the project impacts and the mitigation condition.

3. **Impact G-3.** The Amended Project area contains several steep slopes and is subject to moderate landslide potential. Landsliding has the potential to damage and destroy structures, roadways and other improvements as well as to alter or block drainage channels, causing further damage and erosion. Soil slumping can damage or destroy structures and lead to erosion problems. These are Class II, significant but mitigable impacts.

a. **Mitigation** –

G-3(a) Lot Geotechnical Investigations and Practices. Each lot shall be inspected to ensure a low risk of landslides or soil slumping. Geotechnical engineering measures, such as shoring soils of any landslide areas shall be required to ensure that the slope will not be destabilized during the grading activity. Remedial measures during grading may include the removal of the slump or debris slide from the top to the toe of slope.

In accordance with the applicable building codes, lot investigations shall be performed prior to construction in areas determined to have a moderate or higher landslide hazard (as seen in Figure 4.6-5 of the EIR). Investigations and practices shall include the following:

a) Prior to issuance of any building permits, a qualified geotechnical engineer and/or engineering geologist shall prepare thorough lot geologic/geotechnical studies, and a slope stability analysis which shall incorporate lot-specific recommendations. The slope stability analysis shall at a minimum meet the requirements of CDMG 1997 (Guidelines for Evaluating and Mitigating Seismic Hazards in California, Special Publication 117). In addition, the stability analysis shall meet the requirements of the County Planning and Building Department.

b) During grading, engineering geologists and geotechnical engineers shall confirm preliminary findings reported in the preliminary studies.

All applicable recommendations of final geologic and geotechnical investigations shall be implemented. These recommendations may include: avoidance of or setbacks from historic landslide deposits or areas susceptible to a potential for landslides; the restriction of grading in areas with landslide hazards; drainage improvements to ensure potential landslide areas do not become saturated; excavating standard keyways and benches in a stair-step configuration; water addition or drying-out as needed to bring soils to an acceptable moisture content; limitations on cut and fill slope gradients; and/or removal and backfilling or potential landslide areas.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.6-28 through 4.6-29 and page 6-100 of the Final EIR.

4. **Impact G-4.** Seismic activity could produce sufficient ground shaking which may result in liquefaction of soils near on-site streams. Amended Project lots could be subject to high liquefaction hazards. This is a Class II, significant but mitigable impact.

   a. **Mitigation** –

   G-4(a) Reduction of Liquefaction Potential. Appropriate techniques to minimize liquefaction potential shall be prescribed by an engineering geologist and implemented by the applicant prior to issuance of Building Permits. Suitable measures to reduce liquefaction impacts shall include one or more of the following as recommended by a qualified engineer: specialized design of foundations by a structural engineer, removal or treatment of liquefiable soils to reduce the potential for liquefaction, drainage to lower the groundwater table to below the level of liquefiable soils, in-situ densification of soils, or other alterations to the ground characteristics. All on-site structures shall comply with applicable methods of the Uniform Building Code [refer to G-1(a) (UBC Compliance).

   b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

   c. **Supportive Evidence** – Please refer to pagse 4.6-30 and 6-100 of the Final EIR.

5. **Impact G-5.** Surface materials in portions of the Amended Project site allow for percolation of groundwater and may result in seepage into building foundations. This is a Class II, significant but mitigable impact.

   a. **Mitigation** –

   G-5(a) Subdrains. An engineering geologist or a soils engineer shall observe construction activities to review the potential for subsurface water on lots located on any of the following soils: Arnold-San Andreas complex (30-75 percent slopes), Hanford and Greenfield fine sandy loams (2-9 percent slopes), Hanford and Greenfield gravelly sandy loams (0-2 percent slopes and 2-9 percent slopes), Oceano loamy sand (2-9 percent slopes), San Andreas sandy loam (15-30 percent slopes), or San Andreas-Arujo sandy loams (9-15 percent slopes). As determined

necessary by a qualified engineer, subdrains shall be installed within foundations, soft soils, or roadways, to alleviate ponding of water.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pagse 4.6-31 and 6-100 of the Final EIR.

F. **Land Use (Class II)**

1. **Impact LU-1.** Construction activity associated with the Amended Project would create temporary noise, air quality, and visual impacts due to the use of construction equipment and generation of fugitive dust and debris. These effects could cause nuisances at adjacent properties and disrupt agricultural activity. However, these impacts would be temporary in nature and are Class II, significant but mitigable.

   a. **Mitigation** – No mitigation measures are required beyond those identified in Sections 4.8, Noise, 4.2, Air Quality, and 4.13, Visual Resources, of the Final EIR.

   b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

   c. **Supportive Evidence** – Please refer to pages 4.7-3 and 6-100 of the Final EIR. Please also refer to the Tract Map Findings (Exhibit C) and CUP Findings (Exhibit E), as well as the Applicant's booklet submittals to Board of Supervisors responding to the staff report prepared for the Board.

G. **Noise (Class II)**

1. **Impact N-1.** Construction of the Amended Project would generate nuisance noise levels at the nearest sensitive receptors. Later phases of construction would also expose occupants of previous phases of subdivision development to nuisance noise levels. This is a Class II, significant but mitigable impact.

   a. **Mitigation –**

   N-1(a) Construction Hours. Hours of construction noise which will cross a property line shall be limited to the hours between 7 a.m. and 7 p.m. on weekdays and 8 a.m. to 5 p.m. on weekends.

   N-1(b) Construction Noise Attenuation. For all construction activity on the Amended Project site, additional noise attenuation techniques shall be employed as needed to ensure that noise remains within levels allowed by the County of San Luis Obispo noise standards. The following measures shall be incorporated into contract specifications to reduce the impact of construction noise.

   - All construction equipment shall have properly maintained sound-control devices. No equipment shall have an unmuffled exhaust.
   - Contractors shall implement appropriate additional noise attenuation techniques including, but not limited to, siting the stationary construction equipment away from residential areas to the extent possible, and notify adjacent residents in advance of construction work.

   N-1(c) Construction Equipment. Stationary construction equipment that generates noise that exceeds 60 dBA CNEL at the boundaries of adjacent residential properties shall be baffled. All construction equipment powered by internal combustion engines

shall be properly muffled and maintained. Unnecessary idling of internal combustion engines shall be prohibited. Whenever feasible, electrical power shall be used to run air compressors and similar power tools.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.8-9 through 4.8-11 and page 6-105 of the Final EIR.

H. **Public Safety (Class II)**

1. **Impact S-3.** Two water storage tanks would be constructed to serve the applicant's Amended Project. The potential public safety impact associated with failure of the water storage tanks is Class II, significant but mitigable.

   a. **Mitigation –**

   S-3(a) Property Protection. Properties located adjacent to the tank area shall be protected in the event of tank failure. This protection shall include a berm or diversionary structure that can withstand the force of water flowing against it, as determined by a qualified engineer. Future property owners of lots in the vicinity of the tanks shall be informed of the potential risk of property damage and a notice shall be recorded on the property Title describing the risk of tank failure.

   b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

   c. **Supportive Evidence** – Please refer to pages 4.9-8 through 4.9-9 and page 6-105 of the Final EIR.

2. **Impact S-4.** The Amended Project includes land uses that may involve the use, transport, or storage of limited quantities of hazardous chemicals. Residential land uses would not be expected to use chemicals in quantities that would pose a significant health risk if properly used. However, the potential public safety impact associated with the use, transport and/or storage of water tank treatment chemicals would be a Class II, significant but mitigable impact.

   a. **Mitigation –**

   S-4(a) Chemical Storage. All chemicals are to be stored in a locked and labeled enclosure. The enclosure shall be properly placarded in accordance to County of San Luis Obispo Fire Department requirements. Emergency telephone numbers shall be properly displayed in and near the chemical storage areas. Material Safety Data Sheets shall be kept within the enclosure in a location accessible to all who handle the chemicals. All chemicals shall be used in a manner consistent with their purpose. Personnel who handle chemicals shall be trained in their proper use, storage, and disposal.

   b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

   c. **Supportive Evidence** – Please refer to pages 4.9-9 through 4.9-10 and page 6-105 of the Final EIR.

3. **Impact S-6.** Large-scale grading and excavation operations during Amended Project development could expose construction workers and other individuals to valley fever. Impacts are Class II, significant but mitigable.

   a. **Mitigation** – Measures AQ-2(b) (Dust Control), AQ-2(d) (Dust Control Monitor), and AQ-2(e) (Active Grading Areas) would minimize dust generation, thereby minimizing exposure to valley fever, should it be present.

   b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

   c. **Supportive Evidence** – Please refer to pages 4.9-10 through 4.9-11 and page 6-105 of the Final EIR.

I. **Public Services (Class II)**

1. **Impact PS-2.** The Amended Project lacks sufficient defensible space features that could result in impacts related to public safety at the site. Such safety concerns would be a Class II, significant but mitigable impact.

   a. **Mitigation** –

   PS-2(a) Defensible Space Features. The applicant shall implement defensible space features, including security lighting, in common areas, subject to the review and approval of the Sheriff's Department. In addition, individual lot developers shall incorporate structural defensible space features, including burglary-resistant hardware, into individual building plans.

   b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

   c. **Supportive Evidence** – Please refer to pages 4.10-2 through 4.10-3 and pages 6-105 through 6-106 of the Final EIR.

2. **Impact PS-3.** The Amended Project would increase the number of residents served by the CalFire and is located within a high fire hazard area. The Amended Project may substantially affect the personnel, equipment or organization of the Fire Department which could impede emergency access to the Amended Project residences. This would be a Class II, significant but mitigable impact.

   a. **Mitigation** –

   PS-3(a) Fire Station. The applicant shall provide for the construction of a new CalFire Station to be located near the Amended Project site either through the dedication of land or through the payment of in lieu fees, as determined by CalFire and County Planning and Building Department.

   PS-3(b) On-Site Fire Protection. Road widths and circulation, as well as the placement of fire hydrants and installation of automatic sprinkler systems, shall be designed with the guidance of the Fire Department. A road system that allows unhindered Fire Department access and maneuvering during emergencies shall be provided. Specifically, the following measures are required:

   - Amended Project roads must be an all weather surface at least 20 feet in width unless otherwise approved by CalFire, unobstructed by parking. Cul-de-sacs and turnouts must be to Fire Department standards. As the on-site

- Class A Roofs. All Amended Project structures shall have non-wood Class A roofs, with the ends of tile blocked, spark arresters visible from the street, proper vent screens, and non-combustible gutters and down spouts. No combustible paper in or on attic insulation shall be allowed.
- Design of Accessory Features. Decks, gazebos, patio covers, and fences, must not overhang slopes and must be of one-hour fire retardant construction. Front doors shall be solid core, minimally 1 ¾ inch thick. Garage doors shall be noncombustible.
- Power Lines. All new power lines shall be installed underground in order to prevent fires caused by arcing wires.
- Fire Walls. Structures along the perimeter or exposed to internal open space areas shall have one hour rated exterior fire walls, with exterior walls being more than two inches thick, and must not contain vinyl or plastic window frames or rain gutters or down spouts.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.10-6 through 4.10-10 and pages 6-105 through 6-106 of the Final EIR.

3. **Impact PS-5.** The Amended Project would generate approximately 110 tons of solid waste per year. The solid waste disposal services and landfill that would serve the Amended Project have adequate capacity to accommodate the waste generated by the project. However, the Amended Project would result in the use of part of the limited remaining capacity of the landfill. Therefore, solid waste generation would be a Class II, significant but mitigable impact.

a. **Mitigation –**

PS-5(a) Construction Solid Waste Minimization. During the construction phases of the applicant's Amended Project, the following mitigation measures shall be implemented to reduce solid waste generation to the maximum extent feasible:

- Prior to construction, the contractor shall arrange for construction recycling service with a waste collection provider. Roll-off bins for the collection of recoverable construction materials shall be located on-site. The applicant, or authorized agent thereof, shall arrange for pick-up of recycled materials with a waste collection provider or shall transport recycled materials to the appropriate service center. Wood, concrete, drywall, metal, cardboard, asphalt, soil, and land clearing debris may all be recycled.
- The contractor shall designate a person to monitor recycling efforts and collect receipts for roll-off bins and/or construction waste recycling. All subcontractors shall be informed of the recycling plan, including which materials are to be source-separated and placed in proper bins.
- The contractor shall use recycled materials in construction wherever feasible.

The above construction waste recycling measures shall be incorporated into the construction specifications for the contractor.

PS-5(b) Recycling Plan. A long term plan for recycling shall be developed by the applicant with specific collection goals for each recyclable material category and a method to track quantities of materials. The goal shall be a 50 percent waste stream diversion. The applicant shall provide this plan prior to final occupancy. The plan shall include, at a minimum upon concurrence of the Public Works Department, the following items:

- Description of all activities which shall reduce solid waste generation by a minimum of 50 percent;
- Methodology for monitoring activities for program effectiveness/efficiency;
- Compilation and provision of quarterly diversion updates/reports to the County 30 days after the end of each calendar quarter listing the amount of wastes disposed and recycled by tons;
- Listing of solid waste/recycling/service providers utilized to provide recycling/composting/waste reduction programs; and
- Annual evaluation of program submitted to the Public Works Department.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.10-18 through 4.10-20 and pages 6-105 through 6-106 of the Final EIR.

J. **Transportation and Circulation (ClassII)**

1. **Impact T-2.** The internal roadway systems of the Amended Project would be designed to provide adequate circulation. However, site access to the Amended Project area could result in an inadequate stopping sight distance. Class II, significant but mitigable impacts would result.

   a. **Mitigation** –

   T-2(a) West Driveway Relocation. The Amended Project west driveway shall be relocated at least 590 feet to the east to eliminate stopping site distance impacts associated with the West Pozo Road crest located west of the driveway. The relocated driveway will be in close proximity to the driveway for the cemetery located on the north side of Pozo Road.

   The design of the driveways shall follow recommended guidelines as stated in the Caltrans Highway Design Manual.

   b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

   c. **Supportive Evidence** – Please refer to pages 4.12-30 through 4.12-31 and page 6-106 of the Final EIR.

2. **Impact T-4.** The addition of traffic generated by the Amended Project may result in conflicts with pedestrians and bicyclists, as well as increase demand for transit services. Although impacts on transit services would be less than significant, impacts related to pedestrian movement and bicycle conflicts are Class II, significant but mitigable.

~~2.~~

a. **Mitigation –**

T-4(a) El Camino Real/Encina Avenue In-Pavement Flashing Lights. Pedestrian in-pavement flashing lights shall be installed on the eastbound and westbound approaches to the intersection of El Camino Real and Encina Avenue to warn drivers of the presence of pedestrians crossing at the intersection. The precise location for beacon installation shall be determined in consultation with Caltrans under the encroachment permit process, and shall include any required ramps or other Americans with Disabilities Act (ADA) upgrades. The applicant shall fund and install the in-pavement flashing lights on El Camino Real.

The design of the pedestrian in-pavement flashing lights shall be consistent with the Santa Margarita Design Plan, adopted October 9, 2001, which recommended pedestrian improvements along El Camino Real in downtown Santa Margarita. Because El Camino Real (SR 58) is a state-maintained roadway, this measure would require Caltrans approval and an encroachment permit.

T-4(b) Pedestrian Pathway. The pedestrian pathway between the Amended Project lots and the community shall be open for public use. No-climb fencing shall be installed for the length of the trail. A road maintenance agreement shall be established to maintain the pathway. The trail shall also permit bicycle transportation.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.12-32 through 4.12-34 and page 6-106 of the Final EIR. Also refer to the Applicants testimony during the Planning Commission and Board of Supervisors hearings that the project is not proposing a homeowners association and thereby a road maintenance agreement and project conditions, covenants and restrictions would be the mechanism for maintenance of the trail. As a condition of approval, the CC&R's and road maintenance agreements would be subject to the review and approval of the Planning Director prior to final map recordation.

K. **Visual Resources (Class II)**

1. **Impact VR-1.** The Amended Project has the potential to alter the aesthetic character of the Santa Margarita Ranch vicinity through alteration of scenic vistas, the introduction of new light and glare generators in to the area, and the changing of the area's character from a rural to rural-residential condition. This is Class II, significant and mitigable impact to the aesthetic character of the area.

a. **Mitigation –**

VR-1(a) Prohibition of Structural Silhouetting. Building heights shall be limited on lots located near ridgelines consistent with the lot development matrix prepared for the project and vegetative screening shall be provided such that the residential units do not silhouette against the sky when viewed from off-site viewpoints.

VR-1(b) Architectural and Landscape Guidelines. The applicant shall develop and implement Architectural and Landscape Guidelines that include the components listed below. The Guidelines shall include clear criteria and requirements to guide the design, layout, and landscaping of individual residential lots. All future development

shall comply with the Guidelines. Enforcement of compliance with the Guidelines shall be the responsibility of the Planning and Building Department.

Tract landscaping. Landscaping guidelines shall describe the following elements:

- Landscaping shall emulate and be compatible with the surrounding natural environment; only natural fiber, biodegradable materials shall be used;
- Fuel management techniques shall be used, including, but not limited to, fire resistive landscaping, defensible space features, and strictly controlled vegetation within defensible space;
- Fire-resistant vegetation shall be used in tract landscaping.

Individual House Landscaping. Landscaping Plans for individual houses shall be prepared by a qualified Landscape Architect or Landscape Contractor, and shall be designed to screen and blend the Amended Project into the surrounding area while preserving identified viewsheds. Individual lot landscaping plans shall incorporate plants consistent with the San Luis Obispo County Approved Plant List. Only natural fiber, biodegradable materials shall be used.

Roofing and Feature Color and Material. Development plans shall include earth-tone colors on structure roofing and other on-site features to lessen potential visual contrast between the structures and the hilly terrain that constitutes the visual backdrop of the area. Natural building materials and colors compatible with surrounding terrain (earth tones and non-reflective paints) shall be used on exterior surfaces of all structures, including fences.

Avoidance of Visual Prominence. Building heights shall be consistent with the heights identified in the Lot Development Matrix a copy of which is attached.

Understory and Retaining Wall Treatment. Understories and retaining walls higher than six (6) feet shall be in tones compatible with surrounding terrain using textured materials or construction methods which create a textured effect.

VR-1(c) Oak Tree Avoidance. The removal of oak trees shall be avoided where feasible. New roads shall be designed around existing trees by using modified street design, off-street parking, bulb-outs, or split lanes. Home sites should be located where oak trees are less dense on the lot.

VR-1(d) Bury Water Tanks. The water tanks shall be placed below grade to reduce their visual profile. The tanks shall be placed at a depth such that the tanks do not silhouette against the sky. If burying water tanks is infeasible, natural building materials and colors compatible with surrounding terrain (earth tones and non-reflective paints) shall be used on exterior surfaces.

VR-1(e) Lighting. New lighting shall be oriented away from sensitive uses, and should be hooded, shielded, and located to direct light pools downward and prevent glare. The following standards shall also be implemented:

- All exterior lighting shall be designed as part of the overall architectural concept. Fixtures, standards and all exposed accessories shall be harmonious with the building design, the lighting design and hardware of the public spaces, and the overall visual environment of the County.
- Lighting shall be used for safety and security to illuminate building entrances, parking and loading areas, and pedestrian walkways.

- Light fixtures with exposed light bulbs shall generally be avoided.

All light fixtures shall be shielded to confine the spread of light within the Amended Project boundaries.

VR-1(f) Street Light Limitations. Streetlights shall be pedestrian in scale, not to exceed a height of 10 feet, and shall be architecturally compatible with surrounding development. Streetlights, where they are included, shall be primarily for pedestrian safety (at roadway intersections only), and shall not provide widespread illumination.

VR-1(g) Clear Excess Debris. Upon completion of each phase of development, the developer shall clear the project site of all excess construction debris.

VR-1(h) Grading. Grading should preserve hillsides and natural topography to the maximum extent feasible. Grading transitions should be gentle rather than abrupt.

VR-1(i) Accessory Structures/Infrastructure. New roads shall be blended into the landscape and follow existing topography and vegetation patterns. Cut and fill slopes shall be contoured to conform to the prevailing adjacent landforms and landscapes and drainage swales should be used rather than curbs. Utility service for new development shall be underground.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.13-4 through 4.13-19 and page 6-106 of the Final EIR. The Applicants project has been designed and modified to avoid visual prominance. The Applicant has also proposed lot-specific height limits based upon visual analysis (including those prepared by RRM Design Group), and prepared a Lot Develop Matrix, a copy of which is attached hereto and incorporated herein by this reference. These limitations provide the same level of mitigation as a blanket 22 foot height restriction which is legally infeasible because there is no rational nexus or rough proportionality between a blanket 22 foot height restriction and the visual impacts of the project as redesigned and mitigated.

L. Water and Wastewater (Class II)

1. **Impact W-2.** The Amended Project soils provide sufficient percolation to support effluent disposal fields. However, percolation tests have not been completed for all lots. Improper disposal field design could result in health hazards or potential ground and surface water contamination. Therefore, the Amended Project would result in Class II, significant but mitigable impacts related to wastewater disposal.

   a. **Mitigation –**

   W-2(a) Septic Tank Maintenance Plan and Monitoring. The applicant shall prepare a Septic Tank Maintenance Plan. The Plan shall require a minimum tank cleaning frequency of once every five years, delineate proposed groundwater monitoring locations (up gradient and down gradient of the Amended Project), and recommended frequency of collection and analysis. The applicant shall install groundwater monitoring wells, which shall be sited and designed by a qualified hydrogeologist. At a minimum, three groundwater monitoring wells shall be located up gradient of the Amended Project area and three shall be located downgradient.

   W-2(b) Septic Tank and Leach field Site Plans. The applicant shall develop and submit septic tank and leach field site plans for each lot, as well as percolation tests and borings in accordance with County leach field design/construction requirements.

The applicant shall demonstrate sufficient leach field percolation for each residential unit and lot, or as allowed by the Land Use Ordinance in accordance with County standards.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.14-14 through 4.14-16 and pages 6-106 through 6-107 of the Final EIR.

2. **Impact W-3.** Wastewater discharge systems can degrade groundwater quality if wastes are put into the discharge systems that are harmful to groundwater quality. Impacts from the Amended Project are Class II, significant but mitigable.

a. **Mitigation** –

W-3(a) Water Softeners. Future residents of the Amended Project shall be prohibited from installing water softeners which require on-site regeneration or are self-regenerating. Off-site regenerated water softeners shall be allowed if they are regenerated outside the Amended Project site.

W-3(b) Pollutant Input Minimization. The Santa Margarita Ranch Mutual Water Company shall annually include a written statement with resident water bills that describes methods to prevent degradation of water quality in septic systems. The flyer shall state that chemicals, paints, solvents, pesticides, herbicides, or other household hazardous wastes shall not enter drains.

b. **Findings** – Changes or alterations have been required in, or incorporated into, the Amended Project which mitigate or avoid the significant effects on the environment to a level of insignificance.

c. **Supportive Evidence** – Please refer to pages 4.14-16 through 4.14-17 and pages 6-106 through 6-107 of the Final EIR.

VI. FINDINGS FOR IMPACTS IDENTIFIED AS SIGNIFICANT AND UNAVOIDABLE (Class I)

Class I impacts are those which are significant, and cannot be mitigated to insignificance by implementation of mitigation measures. The unavoidable significant impacts of the project are found to be acceptable due to overriding considerations (See Section VII). The findings below are for Class I impacts, where implementation of the project may result in the following significant, unavoidable environmental impacts:

A. Agricultural Resources (Class I)

1. **Impact AG-1.** The Final EIR states that the Amended Project could permanently compromise the sustainability of a 676.7-acre grazing unit and would convert 21 acres containing prime soils to non-agricultural uses however public testimony provided at the Planning Commission and the Board of Supervisors indicated that actual experience with other ag cluster projects such as Varian Ranch over the past 20 years, have demonstrated that grazing units adjacent to residential cluster lots have successfully co-existed without compromises agricultural viability. Further testimony provided by Dr. Thomas Rice indicated that soil map unit 182 is not a prime soil. 80 acres of grazing land will be converted as part of the project and up to 5 acres of Class 1 and 2 soils will be converted. Impacts related to agricultural conversion would be Class I, significant and unavoidable.

a. **Mitigation** – The FEIR states that no feasible measures are available that would mitigate impacts to portions of the grazing unit where residences or other improvements would be located or prime soils located on the Amended Project site. However the project would permanently preserve over 900 acres of Prime Farmland and existing vineyards and over 2,000 acres of grazing lands.

b. **Findings** – Changes or alterations have not been incorporated in to the Amended Project to avoid or substantially lessen the significant environmental effects as identified in the Final EIR; these effects have not been lessened to a level of insignificance. These impacts are acceptable by reason of the overriding considerations discussed in Section VII.

c. **Supportive Evidence** – Please refer to pages 4.1-16 through 4.1-17 and pages 6-87 through 6-93 of the Final EIR and public testimony before the Board of Supervisors on November 18, 2008.

2. **Impact AG-2.** The Amended Project would create conflicts between urban uses and existing and future agricultural uses. Potential land use conflicts are a Class I, significant and unavoidable, impact.

a. **Mitigation** –

Mitigation measures AG-2(a) Disclosure of Potential Nuisance

ARCS AG-2(a) Disclosure of Potential Nuisance. In accordance with the County Right to Farm Ordinance (No. 2050), upon the transfer of real property on the Agricultural Residential Cluster Subdivision site, the transferor shall deliver to the prospective transferee a written disclosure statement that shall make all prospective homeowners in the proposed Agricultural Residential Cluster Subdivision aware that although potential impacts or discomforts between agricultural and non-agricultural uses may be lessened by proper maintenance, some level of incompatibility between the two uses would remain. This notification shall include disclosure of potential nuisances associated with on-site agricultural uses, including the frequency, type, and technique for pesticide spraying, frequency of noise-making bird control devices, dust, and any other vineyard practices that may present potential health and safety effects. In addition, the notification shall identify that adjoining agricultural land is permanently protected for agricultural uses, and that future agricultural uses may vary from current uses and might include processing facilities, nighttime operation, wind machines, odor, dust, noise, legal chemical applications, use and creation of compost, and/or changes in irrigation patterns and water use. The establishment of new agricultural uses, if established in accordance with standard agricultural practices, will not be considered a nuisance from the time of establishment.

AG-2(b) Agricultural Buffers

The applicant shall maintain buffered lot locations from existing vineyards as shown on the building envelope exhibits for the Amended Project and considered in the FEIR.

AG-2(c) Oak Tree Retention

All existing oak trees located between Agricultural Residential Cluster Subdivision lots and vineyards shall be retained for screening/buffering purposes. Should oak tree removal be required for safety reasons, trees shall be replaced in accordance with Agricultural Residential Cluster Subdivision measure B-3(b) (Oak Tree Replacement, Monitoring, and Conservation).

AG-2(d) No-Climb Fencing.

Existing fencing located between the outer perimeter of Agricultural Residential Cluster Subdivision residential lots and vineyards shall be maintained in perpetuity, or new no-climb fencing shall be installed, to reduce trespass potential.

b. **Findings** – Changes or alterations have been required in, or can be incorporated in to the Amended Project which avoid or substantially lessen the significant environmental effects as identified in the Final EIR; however, these effects have not been lessened to a level of insignificance. These impacts are acceptable by reason of the overriding considerations discussed in Section VII.

c. **Supportive Evidence** – Please refer to pages 4.1-17 through 4.1-21 and pages 6-87 through 6-93 of the Final EIR.

B. **Air Quality (Class I)**

1. **Impact AQ-1.** The Amended Project will result in operational air pollutant emissions, primarily from vehicular traffic. This would result in an exceedance of the APCD thresholds, and would be a Class I, significant and unavoidable impact. The off-site mitigation fee recommended in the FEIR is not legally feasible because it would amount to nine million dollars according to the testimony of APCD representative, or ninety thousand dollars per housing unit, and because there is no rational nexus or rough proportionality between the impacts attributable to the applicants' Project and the imposition of this condition. Such a sum is excessive and would render the project infeasible, and is not similar to other fees charged in the County.

a. **Mitigation** –

Mitigation measures AQ-1(a) Energy Efficiency

ARCS AQ-1(a) Energy Efficiency. The applicant shall increase building energy efficiency ratings by at least 10% above what is required by Title 24 requirements. Potential energy consumption reduction measures include, but are not limited to:

- Using roof material with a solar reflectance value meeting the EPA/DOE Energy Star® rating to reduce summer cooling needs and/or installing photovoltaic roof tiles;
- Using high efficiency gas or solar water heaters;
- Using built-in energy efficient appliances;
- Installing double-paned windows;
- Installing door sweeps and weather stripping if more efficient doors and windows are not available;
- Installing low energy interior lighting;
- Using low energy street lights (i.e. sodium); and
- Installing high efficiency or gas space heating.

AQ-1(b) Shade Trees

Shade trees **native to the Santa Margarita Ranch** shall be planted to shade **the southern exposure of** on-site **homes and** structures, decreasing indoor temperatures and reducing energy demand for air conditioning. The landscape plan shall be submitted

to the San Luis Obispo APCD for review and comment. County Planning and Building shall review project landscaping plans for consistency with this mitigation measure.

AQ-1(c) Outdoor Electrical Outlets

All new homes shall be constructed with outdoor electrical outlets to encourage the use of electric appliances and tools.

AQ-1(d) Telecommuting, AQ-1(e)

All new homes shall be constructed with internal wiring/cabling that allows telecommuting, teleconferencing, and telelearning to occur simultaneously in at least three locations in each home. This control measure seeks to reduce emissions by promoting telecommuting for any employee whose job can accommodate working from home.

ARCS AQ-1(e) Residential Wood Combustion

All new homes shall only be permitted to install APCD-approved wood burning devices, as applicable. Approved devices include:

- All EPA-certified phase II wood burning devices;
- Catalytic wood burning devices which emit less than or equal to 4.1 grams per hour of particulate matter which are not EPA-certified but have been verified by a nationally-recognized testing lab;
- Non-catalytic wood burning devices which emit less than or equal to 7.5 grams per hour of particulate matter which are not EPA-certified but have been verified by a nationally-recognized testing lab;
- Pellet-fueled wood heaters; and
- Dedicated gas-fired fireplaces.

"Backyard" green waste burning shall be prohibited due to nuisance and negative health effects.

AQ-1(f) Off-Site Mitigation.

Prior to issuance of grading permits, the applicant shall work with APCD to define a fee, due at issuance of individual building permits, to assist in the implementation of off-site emission reduction measures. The fee shall be similar to and not exceed the South County Air Quality Mitigation Fee. Off-site emission reduction measures may include, but would not be limited to:

- Off-site emission reduction measures may include, but would not be limited to:
- Developing or improving park-and-ride lots;
- Retrofitting existing homes in the project area with APCD-approved wood combustion devices;
- Retrofitting existing homes in the project area with energy-efficient devices;
- Constructing satellite worksites;
- Funding a program to buy and scrap older, higher emission passenger and heavy-duty vehicles;

- Replacing/re-powering transit buses;
- Replacing/re-powering heavy-duty diesel school vehicles (i.e. bus, passenger or maintenance vehicles);
- Funding an electric lawn and garden equipment exchange program;
- Retrofitting or re-powering heavy-duty construction equipment, or onroad vehicles;
- Re-powering marine vessels;
- Re-powering or contributing to funding clean diesel locomotive main or auxiliary engines;
- IInstalling bicycle racks on transit buses;
- Purchasing particulate filters or oxidation catalysts for local school buses, transit buses or construction fleet;
- Installing or contributing to funding alternative fueling infrastructure (i.e. fueling stations for CNG, LPG, conductive and inductive electric vehicle charging, etc.);
- Funding expansion of existing transit services;
- Funding public transit bus shelters;
- Subsidizing vanpool programs;
- Subsidizing transportation alternative incentive programs;
- Contributing to funding of new bike lanes;
- Installing bicycle storage facilities; and
- Providing assistance in the implementation of projects that are identified in City or County Bicycle Master Plans.

b. **Findings** – Changes or alterations have been required in, or can be incorporated in to the Amended Project which avoid or substantially lessen the significant environmental effects as identified in the Final EIR; however, these effects have not been lessened to a level of insignificance. These impacts are acceptable by reason of the overriding considerations discussed in Section VII.

c. **Supportive Evidence** – Please refer to pages 4.2-6 through 4.2-11 and pages 6-93 through 6-94 of the Final EIR.

2. **Impact AQ-4.** The Amended Project would exceed the population growth assumptions of the 2001 Clean Air Plan (CAP). In addition, due to the distance of the site from services, Amended Project implementation would result in a substantial increase in vehicle miles traveled. Therefore, the Amended Project is inconsistent with the CAP. This is a Class I, significant and unavoidable impact.

a. **Mitigation** – No feasible measures are available to reduce the population generation associated with the Amended Project without substantially redesigning the alternative. In addition, no measures are available to substantially reduce the vehicle miles traveled associated with the applicant's Amended Project, due to the distance between the alternative and community services.

b. **Findings** – Changes or alterations or not available to be incorporated in to the Amended Project to avoid or substantially lessen the significant environmental effects as identified in the Final EIR; these effects have not been lessened to a level of insignificance. These impacts are acceptable by reason of the overriding considerations discussed in Section VII.

c. **Supportive Evidence** – Please refer to pages 4.2-18 through 4.2-20 and pages 6-93 through 6-94 of the Final EIR.

3. **Impact B-3.** The Amended Project would result in the removal of and/or impacts to an estimated 250 to 350 blue oak, coast live oak, and valley oak trees as well as the conversion of native oak woodland habitat. In accordance with Kuehl Bill mitigation techniques, half of the oak trees that are removed or impacted can be replaced, but due to the long time-period required for the planted trees to possess equivalent oak woodland habitat values and the fact that there is no assurance that oak trees designated to remain on the lots will be protected in the future, impacts to oak trees and oak woodlands are Class I, significant and unavoidable.

   a. Mitigation

   Mitigation measures B-3(a) Oak Tree Inventory, Avoidance, and Protection Plan

   ARCS B-3(a) Oak Tree Inventory, Avoidance, and Protection Plan. The applicant shall prepare an Oak Tree Inventory, Avoidance and Protection Plan as outlined herein. The plan shall be reviewed by the County approved arborist prior to approval of grading permits, and shall include the following items:

   1. Comprehensive Oak Tree Inventory. This shall include the following information:

   a) An inventory of all trees at least 5 inches in diameter at breast height within 50 feet of all proposed Agriculture Residential Cluster Subdivision impact areas. All inventoried trees shall be shown on maps. The species, diameter at breast height, location, and condition of these trees shall be documented in data tables.

   b) Identification of trees which will be retained, removed, or impacted. This information shall be shown on maps and cross-referenced to data tables described in Item (a).

   c) The location of proposed structures, utilities, driveways, septic tanks, leach fields, grading, retaining walls, outbuildings, and impervious surfaces shall be shown on maps. The applicant shall clearly delineate the building sites/building control lines containing these features on the project plans. In addition, the plans shall include any fenced areas for livestock or pets and clearance areas prescribed by CalFire.

   d) A landscaping plan that describes the size and species of all trees, shrubs, and lawns proposed to be planted in the project area, including the limits of irrigated areas.
   e) Revised drainage patterns that are within 100 feet upslope of any existing oak trees to remain. All reasonable efforts shall be made to maintain historic drainage patterns and flow volumes to these trees. If not feasible, the drainage plan shall clearly show which trees would be receiving more or less drainage.

   2. Oak Tree Avoidance Measures. Grading and development within proposed lots shall avoid the removal of oak trees to the maximum extent possible. Such activities must minimize potential disturbance to oaks and their associated root zones to the maximum extent possible, with final site plans requiring concurrence from County staff to ensure compliance with this provision.

   3. Oak Tree Protection Guidelines. Tree protection guidelines and a root protection zone shall be established and implemented for each tree to be retained that occurs within 50 feet of impact areas. The following guidelines shall be included:
   a) A qualified arborist shall determine the critical root zone for each retained tree on a case-by-case basis, based upon tree species, age, and size. This area will vary from 1.0 to 1.5 times its diameter at breast height [as specified in Harris, Clark and Matheny

(2004) Arboriculture]. At a minimum, the critical root zone shall be the distance from the trunk to the drip line of the tree.
b) All oak trees to remain within 50 feet of impact areas (construction or grading) shall be marked for protection and the root zone fenced prior to any grading. Grading, utility trenching, compaction of soil, or placement of fill shall be avoided within these fenced areas. If grading in the root zone cannot be avoided, retaining walls shall be constructed to minimize cut and fill impacts. The project arborist must approve any work within the root protection zone.
c) Care shall be taken to avoid surface roots within the top 18 inches of cut and not left exposed above ground surface.
d) Unless previously approved by the County, the following activities shall be prohibited within the root zone of remaining oak trees: year round irrigation (no summer watering, unless "establishing" a new tree or native compatible plant for up to 3 years); grading (includes cutting and filling of material); compaction (e.g., regular use of vehicles); placement of impermeable surfaces (e.g., pavement); or disturbance of soil that impacts roots (e.g., tilling).

Trimming oak branches shall be minimized, especially for larger lower branches, and the amount done in one season shall be limited to 10 to 30% of the canopy to reduce stress/shock. If trimming is necessary, the applicant shall either use a qualified arborist or utilize accepted arborist's techniques.

B-3(b) Oak Tree Replacement, Monitoring, and Conservation.

Of those trees identified under Agricultural Residential Cluster Subdivision measure B-3(a) as being removed or impacted, 50% shall be replaced per County and Kuehl Bill standards. A conservation easement or monetary contribution to the Oak Woodlands Conservation Fund shall be used for the remaining mitigation.

1. Replacement. The County approved arborist shall provide or approve an oak tree replacement plan at a minimum 4:1 ratio for oak trees removed and a minimum replacement ratio of 2:1 for oak trees impacted (i.e., disturbance within the root zone area).

a) Replacement plantings shall be from regionally- or locally-collected seed stock grown in vertical tubes or deep one-gallon tree pots. Four foot diameter shelters shall be placed over each oak tree to protect it from deer and other herbivores, and shall consist of 54" tall welded wire cattle panels (or equivalent material) and be staked using T-posts. Wire mesh baskets, at least two-foot diameter and 2-feet deep, shall be used below ground. Planting during the warmest, driest months (June through September) shall be avoided. The plan shall provide a species-specific planting schedule. If planting occurs outside this time period, a landscape and irrigation plan shall be submitted prior to permit issuance and implemented after approved by the County. Average tree densities shall be no greater than one tree every twenty feet and shall average no more than four planted per 2,000 square feet. Trees shall be planted in random and clustered patterns to create a natural appearance. Replacement trees shall be planted in a natural setting on the north side of and at the canopy/dripline edge of existing mature native oak trees; on north-facing slopes; within drainage swales (except when riparian habitat present); where topsoil is present; and away from continuously wet areas (e.g., lawns, leach lines, etc). Replanting areas shall be either in native topsoil or areas where native topsoil has been reapplied. A seasonally timed maintenance program, which includes regular

weeding (hand removal at a minimum of once early fall and once early spring within at least a three-foot radius from the tree or installation of a staked "weed mat" or weed-free mulch) and a temporary watering program, shall be developed for all oak tree planting areas on the Agricultural Residential Cluster Subdivision. A qualified arborist/botanist shall be retained to monitor the acquisition, installation, and maintenance of all oak trees to be replaced within the Agricultural Residential Cluster Subdivision. Replacement trees shall be monitored and maintained by a qualified arborist/botanist for at least seven years or until the trees have successfully established as determined by the County's Environmental Coordinator. Annual monitoring reports will be prepared by a qualified arborist/botanist and submitted to the County by October 15 each year. Annual monitoring reports will include specifics discussed below.

b) The restored area shall be at a minimum equal in size to the area of oak woodlands lost or disturbed.

c) An approved arborist shall submit to the County an initial postplanting letter report, and thereafter annual monitoring reports shall be submitted. All trees planted as mitigation shall have an 80% survival rate after seven years. If any trees planted as mitigation do not survive at seven years from the time of planting, they will be replaced as soon as possible as determined by the arborist/botanist.

d) A cost estimate for the planting plan, installation of new trees, and maintenance of new trees for a period of seven years shall be prepared by a qualified individual and approved by the County. Prior to site grading/issuance of construction permits, a performance bond, equal to the cost of the estimate, shall be posted by the applicant. The replacement mitigation trees shall also have an overall survival rate of 80% after seven years from date of planting.

2. Maintenance. Unless previously approved by the County, the following activities are not allowed within the root zone of newly planted oak trees:

a) Year-round irrigation (no summer watering, unless 'establishing' a new tree or native compatible plant for up to 3 years);

b) Grading (includes cutting and filling of material);

c) Compaction (e.g., regular use of vehicles);

d) Placement of impermeable surfaces (e.g., pavement); or

e) Disturbance of soil that impacts roots (e.g., tilling). Trimming oak branches shall be minimized, especially for larger lower branches, and the amount done in one season shall be limited to 10 to 30% of the canopy to reduce stress/shock. If trimming is necessary, the applicant shall either use a qualified arborist or utilize accepted arborist's techniques.

3. Conservation Easements and/or Contribution to the Oak Woodlands Conservation Fund. Replanting detailed above can account for up to 50% of the mitigation requirement. The remaining mitigation shall be in accordance with the County's Oak Woodland Mitigation Plan. Per the County's draft Plan, the mitigation shall be a minimum of a 2,000 square foot conservation easement per tree removed (based upon an

average 50 foot diameter canopy). The oak conservation area shall be designated onsite and be managed by a third party.

b. **Findings** – Changes or alterations have been required in, or can be incorporated in to the Amended Project which avoid or substantially lessen the significant environmental effects as identified in the Final EIR; however, these effects have not been lessened to a level of insignificance. These impacts are acceptable by reason of the overriding considerations discussed in Section VII.

c. **Supportive Evidence** – Please refer to pages 4.3-42 through 4.3-52 and pages 6-94 through 6-99 of the Final EIR.

C. Cultural Resources (Class I)

1. **Impact CR-1.** As defined in Appendix E (Cultural Landscape Report), the historic core of the Santa Margarita Ranch is a rural historic district eligible for the CRHR. The Amended Project is located in one of the character-defining areas of the district. Development of the Amended Project in this area would substantially diminish the integrity of the design, setting, materials, feeling, and association of this important character-defining area. In addition, implementation of the Amended Project would adversely impact traditional Native American values. This is a Class I, significant and unavoidable impact. The FEIR mitigation designating the Santa Margarita Ranch as a rural Historic District is legally infeasible because there in no rational nexus or rough proportionality between the impacts attributable to the applicants' project and the imposition of this condition. Many of the historical resources identified in the FEIR are located on a parcel that is not part of this project.

a. Mitigation

Mitigation measures CR-1(a) Avoidance

The preferred mitigation measure is avoidance of the impacts described above. If avoidance cannot be achieved, other forms of mitigation, such as graphic documentation (photographs, drawings, etc.) and archaeological data recovery, will lessen the impacts but will not mitigate the loss of integrity to a less than significant level.

CR-1(b) Cultural Design Guidelines

The Architecture and Landscape Guidelines (refer to Agricultural Residential Cluster Subdivision measure VR-1(b) in Section 4.13, *Visual Resources)* shall incorporate the design principles, plans, and massing of historic ranch structures, such as sandstone or adobe construction, gable roofs, shiplap siding, and/or natural landscaping. The County will have final approval over the project design elements, based in part on consultation with a qualified historian.

CR-1(c) Viewshed Preservation

Because the native flora of the ranch is a key character defining feature of the historic landscape and a critical element of the historic viewshed, non-agricultural open space should be left in natural grasses, with native trees and other flora.

It should be noted that Agricultural Residential Cluster Subdivision measure VR-1(a) in Section 4.13, *Visual Resources,* which prohibits structural silhouetting on ridgelines, would also reduce this impact.

CR-1(d) Preservation of Key Landscape Elements

New roads on the ranch shall follow the natural topography to the extent possible, without substantial cuts or fills; the roads shall be as narrow as allowed by County requirements, with no verges. Signage must be subdued, and not mar or interfere with the views. Historic types of fencing shall be used. To facilitate preservation of these landscape elements, historic roads and other landscape remnants shall be recorded and mapped in greater detail. In particular, a survey of El Camino Real shall be carried out by a qualified professional using the location on the 1858 and 1889 maps as a guide. Any remnants or other physical evidence of these roads shall be thoroughly documented, and no development of any kind shall be located in the path of El Camino Real or other historical transportation elements. The current local historic place names indicate the history of the ranch and the people who impacted the landscape. These names shall be retained and incorporated into any development. New place names shall reflect the historical usage.

b. **Findings** – Changes or alterations have been required in, or can be incorporated in to the Amended Project which avoid or substantially lessen the significant environmental effects as identified in the Final EIR; however, these effects have not been lessened to a level of insignificance. These impacts are acceptable by reason of the overriding considerations discussed in Section VII.

c. **Supportive Evidence** – Please refer to pages 4.4-15 through 4.4-21 and page 6-99 of the Final EIR.

4. **Impact CR-2**. Thirty-two prehistoric and historical archaeological sites and six isolates are located within or immediately adjacent to the Amended Project site. All of these resources contribute to the significance of the Santa Margarita Ranch Rural Historic District and are eligible for the California Register of Historic Resources (CRHR) under multiple significance criteria. Recovery of the important information in these sites through excavation would lessen the impacts. However, damage to or destruction of the important associations of these sites, and disruption of their setting and feeling, is a Class I, significant and unavoidable impact.

a. Mitigation

Mitigation measures CR-2(a) Avoidance

As feasible, all cultural sites within Tract 2586 shall be avoided during development. To ensure avoidance, the boundaries of all sites within or adjacent to the housing cluster shall be defined through a program of systematic subsurface boundary testing using shovel probes, surface test units, and other appropriate sampling units. The type and distribution of sampling units shall be determined by a qualified professional archaeologist, who will carry out the boundary testing in the presence of a Native American monitor. After site boundaries are defined, an exclusion zone shall be placed around each site. An exclusion zone is a fenced area where construction equipment and personnel are not permitted. The exclusion zone fencing shall be installed (and later removed) under the direction of a qualified archaeologist and shall be placed five meters beyond the defined site boundary to avoid inadvertent damage to sites during installation. If multiple pieces of heavy equipment are in use simultaneously at diverse locations during construction, each location may be monitored individually. If avoidance cannot be achieved, other forms of mitigation, such as data recovery, will lessen the impacts but will not mitigate the loss of integrity to a less than significant level.

CR-2(b) Mitigative Data Recovery Excavation.

If avoidance of an archaeological site(s) is not possible, data recovery excavation shall be completed prior to issuance of grading permits. A data recovery plan shall be submitted by a qualified archaeologist for review by the County Environmental Coordinator. Data recovery shall be funded by the applicant, shall be performed by a County-qualified archaeologist, and shall be carried out in accordance with a research design consistent with the requirements of the California Office of Historic Preservation Planning Bulletin 5, *Guidelines for Archaeological Research Design*. At a minimum, data recovery shall include:

- Mapping of site boundaries and the distribution of surface remains;
- Surface collection of artifacts;
- Excavation of a sample of the cultural deposit to characterize the nature of the site and retrieve a representative sample of artifacts and other remains within the proposed impact area;
- Monitoring of excavations at Native American sites by a tribal representative;
- Technical studies and analysis of the recovered sample, including radiocarbon dating, typological and technical analysis of tools and debris, identification and analysis of preserved faunal and floral remains, and other studies appropriate to the research questions outlined in the research design;
- Cataloguing and curation of all artifacts and records detailing the results of the investigations at a county approved curation facility;
- submission of a final technical report detailing the results of the investigations;
- preparation of an interpretive report suitable for distribution to the general public.

b. **Findings** – Changes or alterations have been required in, or can be incorporated in to the Amended Project which avoid or substantially lessen the significant environmental effects as identified in the Final EIR; however, these effects have not been lessened to a level of insignificance. These impacts are acceptable by reason of the overriding considerations discussed in Section VII.

c. **Supportive Evidence** – Please refer to pages 4.4-21 through 4.4-23 and page 6-99 of the Final EIR.

D. **Noise (Class I)**

1. **Impact N-2.** Long-term traffic generated by the Amended Project would incrementally increase noise levels at existing receptors located adjacent to roadways in the Santa Margarita Ranch vicinity. The effect of this noise on off-site sensitive receptors in the area is a Class I, significant and unavoidable impact.

   a. **Mitigation** – The implementation of structural measures (e.g., sound walls, solid core doors, and/or double paned windows) would be infeasible due to physical, economic, or other constraints, and would rely upon the cooperation of off-site property owners, which cannot be assured. Therefore, no feasible measures are available that would mitigate impacts to existing sensitive receptors.

   b. **Findings** – Changes or alterations or not available to be incorporated in to the Amended Project to avoid or substantially lessen the significant environmental effects as identified in the Final EIR; these effects have not been lessened to a level of insignificance. These impacts are acceptable by reason of the overriding considerations discussed in Section VII.

c. **Supportive Evidence** – Please refer to pages 4.8-11 through 4.8-12 and page 6-105 of the Final EIR.

E. Transportation and Circulation (Class I)

1. **Impact T-1.** Development of the Amended Project would result in the addition of 1,154 average daily trips (88 AM peak hour and 119 PM peak hour trips) to study-area roadways and intersections. Although this would not result in exceedances of roadway or intersection level of service standards, with the exception of the US 101/SR 58 interchange northbound off-ramp, the Amended Project will add traffic to locations with existing hazards and deficiencies. The mitigation measures T-1(b) and T-1(c), U.S. 101 Northbound and Southbound Off-Ramps to SR 58 (FEIR 4.12-26) is not legally feasible because there is no rational nexus or rough proportionality between the impacts attributable to the Applicant's Project and the imposition of this condition. This deficiency regarding the 101 Northbound and Southbound Off-Ramps to SR 58 is pre-existing condition. The implementation of these conditions are beyond the control of the Applicant and are not feasible because it cannot be accomplished within a reasonable time if at all. The FEIR recognized that there is "uncertainty regarding Caltrans approval of facilities with State jurisdiction" (FEIR ES-33), thereby further rendering the imposition of this condition infeasible. Implementation of proposed mitigation measures below would improve hazards and deficiencies. However, due to uncertainty regarding Caltrans approval of facilities within State jurisdiction, Class I, significant and unavoidable impacts would result.

a. **Mitigation** –

Mitigation measures T-1(a) SR 58 South of J Street

1. Install radar feedback signs and advisory speeds on each approach to the 90- degree on SR 58 near J Street.

As these improvements would occur within Caltrans jurisdiction, an encroachment permit from Caltrans would be required if the cost of the improvements is less than three million dollars. A Project Study Report and associated approval from Caltrans would be required if the cost of the improvements exceeds three million dollars.

T-1(b) U.S. 101 Northbound Off-Ramp to SR 58

The park-and-ride facility is located adjacent to the northbound offramp, reconfiguration of the parking lot and access to a nearby frontage road is required. The applicant shall include designs for the revised park and ride and frontage road access in the permit with Caltrans.

As these improvements would occur within Caltrans jurisdiction, an encroachment permit from Caltrans would be required if the cost of the improvements is less than three million dollars. A Project Study Report and encroachment permit from Caltrans would be required if the cost of the improvements exceeds three million dollars.

T-1(e) Estrada Avenue/H Street Warning Beacon.

A pedestrian-activated advanced warning beacon shall be installed on the northbound approach to the intersection of Estrada Avenue and H Street, before the crest on Estrada Avenue, to warn drivers of the presence of pedestrians crossing at the

intersection. A pedestrian-activated beacon shall also be installed for southbound Estrada Avenue traffic. The precise location for beacon installation shall be determined in consultation with Caltrans under the encroachment permit process, and shall include any required ramps or other Americans with Disabilities Act (ADA) upgrades. The applicant shall fund and install both advanced warning beacons.

b. **Findings** – Changes or alterations have been required in, or can be incorporated in to the Amended Project which avoid or substantially lessen the significant environmental effects as identified in the Final EIR; however, these effects have not been lessened to a level of insignificance. These impacts are acceptable by reason of the overriding considerations discussed in Section VII.

c. **Supportive Evidence** – Please refer to pages 4.12-16 through 4.12-30 and page 6-106 of the Final EIR.

F. Water and Wastewater (Class I)

1. **Impact W-1.** The Amended Project would connect to the Nacimiento Water Project for water supply. During the public testimony before the Planning Commission and Board of Supervisors the County Director of Public Works testified that the Santa Margarita Ranch has an allocation of 200 AFY of Nacimiento Water and that the pipeline and distribution facility are under construction. He also state the water from the Nacimiento Water project would be available to able to serve the project.

   a. **Mitigation** –

   Mitigation measure W-1(a) Water Conservation Measures.

   The applicant shall implement water conservation measures, including, but not limited to:

   - Using available and proven technologies and equipment that provide adequate performance with a substantial water savings. This may include the installation of high efficiency washing machines and ultra-low flush toilets during construction and/or the use of micro sprinklers or drip tape for domestic and agricultural irrigation, installation of hot water pipe circulating systems or "point-of-use" water heaters. Installation of these water conservation measures shall be included in CC&Rs for residential lots and monitored by a homeowners association or similar entity;
   - Implementing tiered commodity rates for water sales that increase with higher water usage to financially encourage each resident to conserve water;
   - Establishing low water use landscaping on all common landscaped areas greater than 0.1 acres, including low water use irrigation methods such as drip irrigation; and
   - Limiting total residential irrigated landscape areas to 3,000 square feet and limiting turf (lawn) areas to no more than 25 20% of residential irrigated landscape areas (or 600 square feet at maximum); and
   - Providing and updating an educational brochure regarding water conservation.

   b. **Findings** – Changes or alterations have been required in, or can be incorporated in to the Amended Project which avoid or substantially lessen the significant environmental effects as identified in the Final EIR; however, these effects have not been lessened to a level of insignificance. These impacts are acceptable by reason of the overriding considerations discussed in Section VII.

~~b.~~

c. **Supportive Evidence** – Please refer to pages 4.14-5 through 4.14-13 and pages 6-106 through 6-107 of the Final EIR and also refer to the public testiony provided by the County Public Works Director, and John Hollenbeck, Nacimiento Water Project Manager, and Curtis Hopkins.

VII. FINDINGS FOR GLOBAL CLIMATE CHANGE IMPACTS

The primary source of greenhouse gases (GHGs) in California is fossil fuel combustion. The primary GHG associated with fuel combustion is carbon dioxide (CO_2), with lesser amounts of methane (CH_4) and nitrous oxide (N_2O). The Amended Project would result in emissions of these GHGs due to fuel combustion in motor vehicles, which would contribute to potential cumulative impacts of GHG emissions on global climate.

In its report to the Governor and the Legislature, the Climate Action Team recommended strategies that could be implemented by various state boards, departments, commissions, and other agencies to reduce GHG emissions. The design of the Amended Project would result in inconsistencies with the Climate Action Team Strategy "Smart Land Use and Intelligent Transportation," which promotes jobs/housing proximity, transit-oriented development, and high density residential/commercial development along transit corridors. Inconsistencies with this strategy from the Amended Project are outlined below.

- The Amended Project would not be located in close proximity to any commercial or job center (approximately 8 miles to Atascadero and approximately 10 miles to San Luis Obispo). As a result, it would reduce job/housing proximity and increase vehicle trips and travel distances.
- The Amended Project would not be located along an established transit route and would be unlikely to create demand for transit facilities due to the relatively low density of the development.
- The Amended Project would be developed at a relatively low density in a rural area.

The Amended Project would be inconsistent with the "Smart Land Use and Intelligent Transportation" strategy, and would result in an incremental contribution to cumulative quantities of global climate change (GCC).

The San Luis Obispo County APCD has identified mitigation measures which are required to reduce impacts related to GCC. These measures include the following construction equipment controls: maintaining equipment according to manufacturer's specifications; maximizing the use of diesel construction equipment; idling limitations; and using electric or alternatively fueled construction equipment. These controls are included in measure AQ-2(a) (Construction Equipment Controls). In addition, the following mitigation measures are required:

AQ-GCC(a) Construction Phase Mitigation to Reduce Fuel Usage and thus Greenhouse Gases. In addition to construction equipment controls required by measure AQ-2(a), the following construction equipment measures shall be implemented to improve fuel efficiency and reduce greenhouse gas (GHG) emissions such as CO_2:

1. Maximize, to the extent feasible, the use of on-road heavy-duty equipment and trucks that meet the CARB's 1998 or newer certification standard for on-road heavy-duty diesel engines.

2. Add a section to the Construction Management Plan identified in measure AQ-2(e) (Active Grading Areas) that schedules construction-related trips during non-peak hours to reduce peak hour and congestion-related emissions.

AQ-GCC(b) Operational Phase Mitigation to Reduce Fuel Usage and thus Greenhouse Gases. In addition to energy efficiency measures listed in measure AQ-1(a) (Energy Efficiency), the following green building techniques shall be implemented where feasible:

1. Engineer and position buildings to eliminate or minimize the development's active heating and cooling needs (e.g., solar orientation).
2. Install solar systems to reduce energy needs (e.g., solar panels).
3. Install solar water heaters.
4. Plant native, drought resistant landscaping.
5. Use locally-produced building materials.
6. Use renewable or reclaimed building materials.
7. Increase building energy efficiency ratings by at least 20 percent above what is required by Title 24 requirements, rather than 10 percent as required by measure AQ-1(a) (Energy Efficiency):

AQ-GCC(c) Alternative Transportation. The Amended Project shall further offset greenhouse gas (GHG) emissions by improving nearby transit amenities to help expand the interest and use of transit, thus reducing vehicle trips, fossil fuel consumption, and related GHG impacts. The mitigation requiring the funding by the RTA to implement SMART signage for the four bus stops in Santa Margarita is infeasible as the infrastructure is not in place to implement the mitigation. The implementation of this condition is beyond the control of the applicant because it cannot be accomplished within a reasonable timeframe, if at all.

1. Provide Regional Transit Authority (RTA) approved transit shelters for the three unsheltered RTA bus stops in the community of Santa Margarita.
2. Work with RTA to include bus stops at the two project entrances for the Santa Margarita Lake Shuttle

Findings – Changes or alterations have been required in, or can be incorporated in to the Amended Project which avoid or substantially lessen the significant environmental effects as identified in the Final EIR.

Supportive Evidence – Please refer to pages 4.2-25 through 4.2-32 of the Final EIR.

VIII. CUMULATIVE IMPACTS

The Final EIR discloses potential impacts associated with buildout of the Amended Project in combination with the Future Development Program. The incremental contribution of the Amended Project to cumulative impacts is captured in the project-level analysis throughout the Final EIR. Class I impacts associated with the Amended Project and the Future Development Program are compared below:

Class I Impacts: Amended Project	Class I Impacts: Future Development Program

Class I Impacts: Amended Project

- Impact AG-1: Agricultural Lands Conversion
- Impact AG-2: Agriculture-Urban Conflicts
- Impact AQ-1: Operational Air Pollutant Emissions
- Impact AQ-4: Clean Air Plan Consistency
- Impact B-3: Oak Tree Removal
- Impact CR-1: Impacts to Historical Character and Native American Values
- Impact CR-2: Damage or Destruction of Prehistoric and Historic Archaeological Sites
- Impact N-1: Long-term Traffic Noise Generation
- Impact T-1: Addition of Traffic to Locations with Existing Hazards and Deficiencies
- Impact W-1: Water Supply

Class I Impacts: Future Development Program

- Impact AG-1: Agricultural Lands Conversion
- Impact AG-2: Agriculture-Urban Conflicts
- Impact AQ-2: Clean Air Plan Consistency
- Impact B-2: Oak Tree Removal
- Impact CR-1: Impacts to Historical Character and Native American Values
- Impact CR-2: Damage or Destruction of Prehistoric and Historic Archaeological Sites
- Impact N-1: Long-term Traffic Noise Generation
- Impact T-1: Addition of Traffic to Locations with Existing Hazards and Deficiencies
- Impact T-2: Inadequate Site Access and Internal Circulation
- Impact VR-1: Alteration of Aesthetic Character
- Impact W-1: Water Supply

As shown above, the only Class I impact associated with the Future Development Program that was not captured by the Amended Project analysis relates to inadequate site access and internal circulation. The Amended Project would not contribute to this impact, as this impact relates to the potential site design of conceptual future development. No action is being taken at this time to authorize, approve or provide entitlement to any project in the Future Development Program. The incremental contribution of the Amended Project to other cumulative impacts (i.e. those classified as Class II or III) is similarly captured in the project-level analysis. As a result, the Amended Project is not responsible for any cumulative impacts beyond those disclosed for the project itself.

IX. STATEMENT OF OVERRIDING CONSIDERATIONS

Findings pursuant to CEQA Guidelines sections 15093 and 15092.

A. The applicant's Amended Project's significant, unmitigable, unavoidable adverse effects are as follows:

1. The Final EIR states that the Amended Project could permanently compromise the sustainability of a 676.7-acre grazing unit and would convert 21 acres containing prime soils to non-agricultural uses. However public testimony

provided at the Planning Commission and the Board of Supervisors indicated that actual experience with other ag cluster projects such as Varian Ranch over the past 20 years, have demonstrated that grazing units adjacent to residential cluster lots have successfully co-existed without compromising agricultural viability. Further testimony provided by Dr. Thomas Rice indicated that soil map unit 182 is not a prime soil. 80 acres of grazing land will be converted as part of the project and up to 5 acres of Class 1 and 2 soils will be converted. Impacts related to agricultural conversion would be Class I, significant and unavoidable. The FEIR states that no feasible measures are available that would mitigate impacts to portions of the grazing unit where residences or other improvements would be located or prime soils located on the Amended Project site. These specific losses of building sites for cattle grazing and limited prime soils losses could not be completely eliminated even with mitigation through permanently preserving over 900 acres of prme farmland and existing vineyards and over 2,000 acres of grazing land.

2. The FEIR states that the development in accordance with the Amended Project would create conflicts between between proposed residential cluster uses and proposed and existing agricultural uses. While the public testimony refered to above and the experience with agricultural clusters indicates that cluster residential uses does not impair agricultural viability, there would still be residential uses adjacent to agricultural uses where none existed before, and that this would still be a condition which did not exist without the project.

3. The development in accordance with the Amended Project would result in operational air pollutant emissions.

4. The development in accordance with the Amended Project would exceed the population growth assumptions of the 2001 Clean Air Plan, and would result in a substantial increase in vehicle miles traveled and associated increase in emissions.

5. The development in accordance with the Amended Project would result in the removal of and/or impacts to 250 to 350 oak trees, as well as the conversion of native oak woodland habitat by placing homes within portions of the oak woodland which would not exist without the project.

6. The development in accordance with the Amended Project would add residential cluster units into a previously undisturbed area, although the cluster division would be consistent with creating a rural charcter for the new homes and area. However, the addition of new homes would change the current undeveloped rural character.

7. The development in accordance with the Amended Project could damage or destroy the important associations of prehistoric and historical archaeological sites.

8. The development in accordance with the Amended Project would incrementally increase noise levels at existing receptors located adjacent to roadways in the Santa Margarita Ranch vicinity.

9. The development in accordance with the Amended Project would result in the addition of 1,154 average daily trips to study area roads and intersections, which will add traffic to locations with existing hazards and deficiencies.

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10. The development in accordance with the Amended Project may not have an assured long-term water supply, due to uncertainties regarding timing and availability of the Nacimiento Water Project.

B. Findings – The Board of Supervisors has weighed the benefits of the Amended Project against its unavoidable environmental impacts. Based on the consideration of the record as a whole, the Board of Supervisors finds that the benefits of the project outweigh the unavoidable adverse environmental impacts to the extent that the unavoidable adverse environmental impacts become "acceptable".

C. Supporting Evidence

1. Social, Economic and Environmental Benefits. The Amended Project would result in the following social and economic benefits:
   a. The Amended Project will preserve over 3,620 acres on five separate parcels with permanent open space / agricultural conservation easements (ACEs) parcels.
   b. The Amended Project will preserve over 900 acres of land mapped by the Department of Conservation as Prime Farmland and over 2,000 acres of grazing land.
   c. The Amended Project will protect and preserve the rural character of the area by protecting the region's aesthetic value.
   d. Although the Amended Project will result in a limited amount of tree removals, its approval will result in the preservation of over 1,400 acres of oak woodlands,
   e. The Amended Project will result in the preservation / protection of 31 acres of wetlands, and 30 miles of waterways, and other important biological habitat.
   f. The permanent open space / agricultural conservation easements (ACEs) parcels will preserve identified and unidentified archeological sites
   g. The construction of the Amended Project will result in both short-term and long-term economic benefits to the County of San Luis Obispo and its residents.
      i. The project will increase contributions to County property taxes.
      ii. The project will indirectly provide for a number of jobs relating to construction of and maintaining approximately 111 new homes and related improvements.
      iii. The project will increase the countywide available housing stock by 111 units.
2. Mitigation Enhancement - The Final EIR contains mitigaton measures which will substantially lessen the significant environmental Impacts of the project. The following are some of the more substantial environmental benefits:
   a. Provisions for 3,621 acres of permanent agricultural land/open space.
   b. Preservation and restoration of sensitive vegetation found on the subject property.
   c. Preservation and enhancement of oak woodland
   d. Minimizing potential impacts to special status plant and animal species
   e. Minimizing impacts to air quality by the implementation of on-site and off-site mitigation measures.

f. On-site mitigation measures include standard and discretionary site design and operations/PM10 measures.

g. Off-site mitigation measures include improvements and additions to the existing transit facilities in Santa Margarita to make them more convenient and user friendly to the residents of the North County and Santa Margarita.

h. Provisions for setbacks and separations between the residential uses and on-site agricultural operations

i. Height limitations on select home sites to ensure that the visual character of the site when viewed from off-site public roads remains intact.

j. Avoidance as feasible and preservation of archeological resources.

k. Transportation related improvements to areas with existing hazards including the installation of pedestrian activated warning beacon at Estrada Avenue and H Street, Installation of radar feedback signs and advisory speeds on each approach to the 90-degree corner on SR 58 near J street, and the iinstallation of pedestrian in pavement flashing lights on the eastbound and westbound approaches to the intersection of ECR and Encina Avenue.

3. Alternatives. The Amended Project (Alternative 12) is an alternative to the Agricultural Residential Cluster Subdivision that was analyzed in the Final EIR. The project alternatives identified in the Environmental Impact Report, are rejected because of not meeting the applicant's objectives for the project. Alternative 12 is the Environmentally Superior Alternative which meets the applicant's objectives and is consistent with the applicable Salinas River Area Plan, Land Use Category, and Agricultural Cluster ordinance, and the approval would be consistent with the applicable, objective general plan and zoning standards applicable to the property, and the project would not have a specific, adverse impact upon the public health or safety, that is, a significant, quantifiable, direct, and unavoidable impact based on objective, identified written public health or safety standards.

   The FEIR discuses a variety of alternatives which are specifically rejected:

   Alternative 1.: No Project/No Development. This alternative is inconsistent with the General Plan, Salinas River Area Plan Standards, the Land Use Designation, and does not meet the applicant's objectives for the project. This alternative is also rejected since the Amended project is consistent with the applicable, objective general plan and zoning standards applicable to the property, and the project would not have a specific, adverse impact upon the public health or safety, that is, a significant, quantifiable, direct, and unavoidable impact based on objective, identified written public health or safety standards. This alternative would also not provide permanent protection of approximately 96% of the project site which would be achieved by the Amended Project, agricultural easements protecting existing vineyard operations and on-going cattle operations on the project site.

   Alternative 2: No Project/Existing Zoning. This alternative assumes that the agricultural residential cluster division is not constructed, and that further development of the site continues in accordance with all applicable County policies. This alternative assumes that two residential units would be developed on each of the existing 28 parcels in accordance with existing Agriculture zoning. This alternative is rejected as not achieving the applicant's objectives, and further because it is inconsistent the General Plan and Area Plan standards which provide for an agricultural clustering subdivision rather than the development of existing lots.

This alternative is also rejected since the Amended project is consistent with the applicable, objective general plan and zoning standards applicable to the property, and the project would not have a specific, adverse impact upon the public health or safety, that is, a significant, quantifiable, direct, and unavoidable impact based on objective, identified written public health or safety standards. This alternative would also not provide permanent protection of approximately 96% of the project site which would be achieved by the Amended Project, agricultural easements protecting existing vineyard operations and on-going cattle operations on the project site.

This alternative proposes a traditional pattern of development according to existing lot lines is environmentally inferior to an agricultural cluster subdivision which permanently preserves open space and agriculturally viable operations.

Alternative 3: This alternative involves a reconfiguration of the agricultural residential cluster subdivision design but does not achieve the project applicant goal and would not maintain the rural character of the development due to site design, and would more closely resemble a traditional subdivision.

Alternative 4: Revised Cluster Location 1. This alternative assumes that the proposed agricultural residential cluster subdivision is relocated north of and immediately adjacent to the community of Santa Margarita, continuing the existing community grid pattern. This alternative is rejected because it is inconsistent the project applicant's goals and is legally infeasible as being inconsistent with the existing General Plan and Salinas River Area Plan standards, the Agriculture land use category. This alternative is also inconsistent with the applicant's project goals. This location would include development within the 100 year FEMA floodplain and be located on prime agricultural soils. It would also be located near the Naciemiento Fault Zone and in areas of high landslide potential. (See FEIR, Figure 6-2.)

Alternative 5: Revised Cluster Location 2. This alternative is located south of the town of Santa Margarita and is legally infeasible as inconsistent with the adopted General Plan and area plan standards. This alternative would result in greater impacts to prime soils and grazing units (FEIR, 6-33). The direct impacts to California annual grassland, emergent wetland, and riparian/riverine habitat types would be greater than the Applicant's Project Alternative. (FEIR, 6-33.) It is also in a location with drainage issues and in which the applicant has dedicated drainage basin easements to the County. This alternative would locate lots directly atop the Nacimiento Fault Zone which bisects the alternative site, and would result in greater impacts related to surface rupture and similar impacts related to groundshaking, soil-related hazards, and landslide potential when compared to the Applicants Amended project. . (FEIR, 6-35) This alternative is would result in greater visibility of the residential uses from residential properties. (FEIR, 6-37)

Alternative 6: Revised Cluster Location 3. This alternative is southwest of the community and is legally infeasible as inconsistent with the adopted General Plan and area plan standards, This alternative would include areas of prime agricultural soils regardless of irrigation.. (FEIR, Figure 6-4.) Direct impacts to blue oak woodland and California annual grassland habitat types would be greater than the Applicant's Project Alternative. (FEIR 6-41) The noise impacts from this alternative would be similar to and worse than the Applicant's Project Alternative (FEIR 6-42). This alternative would result in public safety impacts both similar to and greater than the Applicant's Project Alternative. (FEIR 6-42). More homes may be visible from roadways within the Community of Santa Margarita and State Route 58 west of the Community of Santa Margarita. (FIR, 6-44)

Alternative 7: Tighter Cluster Alternative: This alternative is a reconfiguration of the agricultural residential cluster subdivision design This alternative is legally infeasible as it is inconsistent with the adopted General Plan and area plan standards. , It is also inconsistent with the applicant's project goals.. This alternative would result in the direct conversion of approximately 46.8 acres of prime soils (Figure 6-5 in the Draft EIR and Figure 2-2 Final EIR), and would result in greater impacts related to direct conversion of prime soils than the Applicants Alternative Project. (FIER 6-45) The design of this alternative more closely resembles a traditional subdivision and would therefore more greatly impact the rural character of the area. (FIER 6-52) The tighter cluster would result in more concentrated urbanized appearance within the rural context and more homes may be visible from roadways within the community of Santa Margarita. (FEIR 6-52)

Alternative 12: Amended Project. This alternative contains the same development characteristics and the originally proposed project but incorporates a reorganized lot layout to avoid placing lots on prime soils, reduces visual impacts, reduces impacts to oak trees, and avoids archaeologically sensitive areas; reorganization of roadways, and incorporation of building envelopes and height restrictions. Alternative 12 is the Environmentally Superior Alternative which meets the applicant's objectives and is consistent with the applicable Salinas River Area Plan, Land Use Category, and Agricultural Cluster ordinance, and the approval would be consistent with the applicable, objective general plan and zoning standards applicable to the property, and the project would not have a specific, adverse impact upon the public health or safety, that is, a significant, quantifiable, direct, and unavoidable impact based on objective, identified written public health or safety standards.

Alternative 13: Santa Margarita Town Expansion: This alternative is a reconfiguration of the agricultural residential cluster subdivision design adjacent to the community of Santa Margarita. This alternative is infeasible since it is located in an area where the owners have dedicated a drainage easement to the County for drainage purposes and protection of the community of Santa Margarita. This alternative would result in increased prime soil conversion. (FEIR 6-108) This site contains a larger area of emergent wetland habitat than the Applicant's Project Alternative. (FEIR, 6-111). This alternative would reduce the project density and therefore be inconsistent with the Applicants project goals. This reduced density could not be supported by findings that the reduction in density is required because the Applicant's Project Alternative would have a specific, adverse impact upon the public health or safety, that is, a significant, quantifiable, direct and unavoidable impact based on objective, identified written public health or safety standards, and is therefore legally infeasible.

Alternative 14: Reduced Project. This alternative would cluster 40 lots including one open space lot. This alternative would reduce the project density and therefore be inconsistent with the Applicants project goals. This reduced density could not be supported by findings that the reduction in density is required because the Applicant's Project Alternative would have a specific, adverse impact upon the public health or safety, that is, a significant, quantifiable, direct and unavoidable impact based on objective, identified written public health or safety standards, and is therefore legally infeasible.

Staff Recommended Alternative. This alternative was made to the Planning Commission and would cluster 39 lots in the northern most portion of the subdivision site. The design of this alternative more closely resembles a traditional subdivision

and would therefore more greatly impact the rural character of the area. (FIER 6-52) The tighter cluster would result in more concentrated urbanized appearance within the rural context and more homes may be visible from roadways within the community of Santa Margarita. This alternative would reduce the project density and therefore be inconsistent with the Applicants project goals. This reduced density could not be supported by findings that the reduction in density is required because the Applicant's Project Alternative would have a specific, adverse impact upon the public health or safety, that is, a significant, quantifiable, direct and unavoidable impact based on objective, identified written public health or safety standards, and is therefore legally infeasible.

X. CEQA GENERAL FINDINGS

A. The Board of Supervisors finds that changes or alterations have been incorporated into the project to mitigate or avoid significant impacts to the greatest degree practicable. These changes or alterations include mitigation measures and project modifications outlined herein and set forth in more detail in the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program Final EIR.

B. The Board of Supervisors finds that the project, as approved, includes an appropriate Mitigation Monitoring Program. This mitigation monitoring program ensures that measures that avoid or lessen the significant project impacts, as required by CEQA and the State CEQA Guidelines, will be implemented as described.

XI. MITIGATION MONITORING PROGRAM

A. The applicant, Santa Margarita Ranch, LLC, will be responsible for implementing the mitigation measures. The County Planning and Building Department will be responsible for monnitoring to ensure that all project mitigation measures are properly implemented. Mitigation measures will be programmed to occur at, or prior to, the following milestones:

- *Prior to commencement of construction/vegetation removal.* These are measures that need to be undertaken before earth moving activities begin. These measures include items such as staking the limits of environmentally sensitive areas or vegetation to remain, prepare and approve biological mitigation plans with resource agencies, and completing additional field surveys as required by conditions of approval.
- *During project construction/vegetation removal.* These measures are those that need to occur as the Amended Project is being constructed or the vegetation being removed. They include monitoring the construction site for the proper implementation of dust and emission controls, erosion controls, biological protection, and examining grading areas for the presence of cultural materials.
- *Prior to completion of construction.* These measures apply to project components that would go into effect at completion of the Amended Project construction phase, including items such as management or monitoring plans (e.g., revegetation, etc.). In order for the plan to be available for use at project completion, it will need to be prepared and completed before Amended Project construction is finished.

- *At the time of project completion/during operation of the project.* These are active measures that will commence upon completion of the construction phase and, in most cases, will continue through the life of the applicant's Amended Project.
- *Prior to approval of discretionary or building permit and/or recordation of the final map.*
- *Prior to occupancy or final inspection of the development.*

Connecting each of the mitigation measures to these milestones will integrate mitigation monitoring into existing County processes, as encouraged by CEQA. In each instance, implementation of the mitigation measure will be accomplished in parallel with another activity associated with the project.

B. As lead agency for the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program Final EIR, the Board of Supervisors hereby certifies that the approved Mitigation Monitoring Program is adequate to ensure the implementation of the mitigation measures described herein.

IN THE BOARD OF SUPERVISORS
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

Tues day December 23, 2008

PRESENT: Supervisors Harry L. Ovitt, Bruce S. Gibson, Jerry Lenthall, K.H. 'Katcho' Achadjian, and Chairperson James R. Patterson

ABSENT: None

RESOLUTION NO. 2008-455

RESOLUTION UPHOLDING THE APPEAL AND REVERSING THE DECISION OF THE PLANNING COMMISSION AND CONDITIONALLY APPROVING THE APPLICATION OF SANTA MARGARITA RANCH LLC AND THE FINDINGS AND CONDITIONS OF APPROVAL FOR A TENTATIVE TRACT MAP/CONDITIONAL USE PERMIT, TRACT 2586, CONDITIONAL USE PERMIT S030115U

The following resolution is now offered and read:

WHEREAS, on July 7, 2008, July 24, 2008, August 28, 2008, September 25, 2008 and October 9, 2008, the Planning Commission of the County of San Luis Obispo (hereinafter referred to as the Planning Commission") duly considered and disapproved the application of Santa Margarita Ranch LLC for a tentative tract map/conditional use permit for Tract 2586, Conditional Use Permit S030115U; and

WHEREAS, Santa Margarita Ranch LLC has appealed the Planning Commission's decision to the Board of Supervisors of the County of San Luis Obispo (hereinafter referred to as the "Board of Supervisors") pursuant to the applicable provisions of Title 21 and Title 22 of the San Luis Obispo County Code; and

WHEREAS, a public hearing was duly noticed and conducted by the Board of Supervisors on November 4, 2008, and November 18, 2008 and December 19, 2008 and a determination and a decision was made on December 23, 2008; and

WHEREAS, at said hearings, the Board of Supervisors heard and received all oral and written protests, objections, and evidence, which were made, presented, or filed, and all persons present were given the opportunity to hear and be heard in respect to any matter relating to said appeal; and

WHEREAS, the Board of Supervisors has duly considered the appeal, the application of Santa Margarita Ranch LLC and the Findings and Conditions of Approval for Tentative Tract Map/Conditional Use Permit for Tract 2586, Conditional Use Permit S030115U.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of San Luis Obispo, State of California, as follows:

1. That the recitals set forth hereinabove are true, correct, and valid.

2. That the Appeal upheld and the decision of the Planning Commission is reversed and the application of Santa Margarita Ranch LLC for Tentative Tract Map/Conditional Use Permit for Tract 2586 and Conditional Use Permit S030115U is approved with the attached findings and conditions of approval (Exhibits C and D – Tract 2586; Exhibits E and F – Conditional Use Permit S030115U).

3. The Environmental Impact Report prepared for this project is hereby certified as complete and adequate having been prepared in accordance with the provisions of the California Environmental Quality Act (CEQA Findings – Exhibit B).

4. The Statement of Overriding Considerations is here by adopted based upon the findings set forth in Exhibit B attached hereto and incorporated by reference herein as though set forth in full (Conditions of Approval, Tract Findings and Conditional Use Permit Findings).

Upon motion of Supervisor Ovitt, seconded by Supervisor Lenthall, and on the following roll call vote, to wit:

AYES: Supervisors Ovitt, Lenthall, Achadjian

NOES: Supervisors Gibson, Chairperson Patterson

ABSENT: None

ABSTAINING: None

the foregoing resolution is hereby adopted.

James R. Patterson
Chairperson of the Board of Supervisors

ATTEST:

JULIE L. RODEWALD
Clerk of the Board of Supervisors
By: Sandy Currens Deputy Clerk

[SEAL]

APPROVED AS TO FORM AND LEGAL EFFECT:

WARREN R. JENSEN
County Counsel

By:_____
Deputy County Counsel

Dated:_____

STATE OF CALIFORNIA,)
) ss.
County of San Luis Obispo,)

I, JULIE L. RODEWALD, County Clerk and ex-officio Clerk of the Board of Supervisors, in and for the County of San Luis Obispo, State of California, do hereby certify the foregoing to be a full, true and correct copy of an order made by the Board of Supervisors, as the same appears spread upon their minute book.

WITNESS my hand and the seal of said Board of Supervisors, affixed this 26th day of December, 2008.

JULIE L. RODEWALD
County Clerk and Ex-Officio Clerk of the Board of Supervisors

(SEAL)

By Sandy Currens
Deputy Clerk.

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STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO) ss

I, JULIE L. RODEWALD, County Clerk of the above entitled County, and Ex-Officio Clerk of the Board of Supervisors thereof, do hereby certify the foregoing to be a full, true and correct copy of an order entered in the minutes of said Board of Super-visors, and now remaining of record in my office.

Witness, my hand and seal of said Board of Supervisors this January 15, 2009

JULIE L. RODEWALD
County Clerk and Ex-Officio Clerk of the Board of Supervisors

By Sandy Currens
Deputy Clerk

BOARD OF SUPERVISORS
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

Tuesday, December 23, 2008

PRESENT: Supervisors: Harry L. Ovitt, Bruce S. Gibson, Jerry Lenthall, K.H. 'Katcho' Achadjian, and Chairperson James R. Patterson

ABSENT: None

In the matter of Appeal by Santa Margarita Ranch LLC and **RESOLUTION NO. 2008-455:**

This is the time set for continued hearing (continued from December 19, 2008) to consider an appeal by Santa Margarita Ranch, LLC of the Planning Commission's disapproval of a tentative tract map (Tract 2586) and Conditional Use Permit (S030115U); 5th District.

Chairperson Patterson: outlines the process today and indicates that public testimony will be opened only for the new staff report.

Mr. Victor Holanda: Director of Planning and Building, addresses questions last Friday regarding staff direction indicating staff was asked for final information on the EIR, CEQA findings and the conditions; comments on his concerns to the Applicant's representative contacting staff for changes to the conditions; states he was unhappy with comments by a past Supervisor as to staff's role; feels this is a very unusual proceeding and he objects to this approval and wants time to work with the Applicant; staff did do has they were directed in creating the conditions, etc.

Board Members: respond to comments by Mr. Holanda; outline their concerns to the process; and thank staff for all their work in getting the conditions here today.

Mr. Warren Hoag: Planning, overview of the staff report and what is available for the public.

Mr. Bill Robeson: Planning, presents a brief staff report indicating that the packet includes a resolution to certify the EIR and adopt the conditions; states the resolution has one correction on page 2 and anther correction on page 62, condition 136 and reads the changes into the record.

Ms. Kami Griffin: Assistant Director of Planning and Building, addresses the changes to the conditions that were presented by the Applicant.

Supervisor Gibson: questions the condition changes by the Applicant and whether all the changes they requested were made, with Mr. Treavor Keith, Planning, and Ms. Griffin, responding.

Supervisor Gibson and Chairperson Patterson: express their concern to a number of the conditions and want to go through the conditions line by line.

Ms. Jamie Kirk: representing Santa Margarita Ranch, address comments to the condition changes they have presented; speaks to her conversation with staff, after the meeting on Friday; states Cal Fire contacted her yesterday on wording; states the clean up language on CEQA findings, etc. is what has been presented today; states the only major issue for them is the Ag buffer requirements.

Mr. Doug Filipponi: Applicant, thanks everyone for all the work on this and asks for time after public comment to speak again.

Mr. James Kilmer: Caltrans, indicates they want the original conditions of approval for roads included on Highway 101.

Ms. Ann McMahon, Ms. Marilyn Brown, Mr. Fred Frank, Mr. Allan Thomas, Mr. Bill Denneen, Ms. Jude Rock, Mr. Eric Greening, Ms. Barbara Ahern, Ms. Sue Luft, Mr. Michael Sullivan, Mr. David Broadwater, Mr. William Miller (member of SMART), Ms. Kathryn Sweet, Mr. David Blakely (past 5th District Supervisor), Ms. Sarah Christie (Planning Commissioner for the 5th District), Ms. Rosemary Wilvert, Mr. Cal Wilvert, Mr. Paul Rys, Ms. Naomi Blakely, Ms. Jan Surbey, Mr. Doug Tait, Mr. John Beccia (President of SMART), Ms. Dorothy Jennings, Ms. Susan Harvey (North County Watch): (several of the speakers presented documents, newspaper articles, letters for the record) address the following: their support of comments by Mr. Holanda; concerns to making a decision on such a short notice; concerns to the changes in the conditions; support for a "sane" project; the need for more public review before this moves forward; suggest that passing this prior to public review will hurt the Applicant more than help them; concerns to Supervisors voting to support this without explaining their vote; against approval of the project; approval with mitigations that are not reasonable; concerns to "rushed" last minute changes; concerns to adequate water for the project; suggest that the EIR should be recirculated with the new conditions; concerns to the costs associated with this if it goes to court; address the original appeal in 2004 by SMART; concerns there hasn't been a "working group" to find a good project for the Ranch; concerns to the difficulty in correlating the Applicant's and Staff's conditions; concerns to the cultural resources on this property; concern to the lack of ethics and integrity in this process; suggest this is a "fatally flawed" project; concerns to impacts that can't be mitigated; believe that approval will violate State and Federal CEQA law.

Mr. Ron Holland, Mr. Michael Ryan (past 5th District Supervisor), Mr. George Sullivan, Mr. Charlie (C.Z.) Whitney: (with some presenting documents for the record) address the following: support for the Ranch; the long process this has been through; suggests there are no major obstacles and this project should be approved.

Supervisor-Elect (District 3) Adam Hill: questions whether this process serves the public interest and public trust and feels this can be done as a better project.

Supervisor Gibson: reads several speakers who didn't speak and presented comments for the record from Mr. Bill Moylan, Dr. Mary Fullwood, Mr. Dennis Cassidy, Ms. Kathy Longacre and Mr. Greg Bettencourt.

Mr. Rob Rossi: Applicant, thanks the Board for the process; addresses the issue of the Ag Cluster and believes this was resolved and explains; responds to questions regarding the process being rushed; speaks to how long they have been working with staff.

Ms. Griffin: addresses staff's role with respect to interpretations and recommendations but the decision-makers have the final say.

Mr. Robeson: responds to public comment; indicates staff is not in support of the conditions and findings as presented today; responds to comments regarding real time billing by the Applicant and that stops at the time of the appeal.

Mr. Filipponi: responds to questions, indicating they have consistently offered up to 5 acres for donation to the cemetery.

Mr. Glen Marshall: Public Works, addresses discussions with Caltrans about widening Highway 58 and the request to widen from the project back to town was basically from the Bicycle Advisory Committee for bike lanes.

Mr. Dave Flynn: Public Works, comments on the bike lanes along Highway 58 and working with Caltrans on improvements.

Supervisor Ovitt: questions the cumulative impacts on roads from this project, with Mr. Flynn responding.

Board Members: discuss various issues, comments and concerns regarding the impacts to the roads.

Chairperson Patterson: addresses the concerns raised by Mr. Holanda this morning and suggests continuing this hearing to allow him, staff, members of the public, and the Applicant to work on this further.

Thereafter, on motion of Supervisor Chairperson James R. Patterson, seconded by Supervisor Bruce S. Gibson, and on the following roll call vote:

AYES: Supervisors: Chairperson James R. Patterson, Bruce S. Gibson,
NOES: Supervisors: Harry L. Ovitt, Jerry Lenthall, K.H. 'Katcho' Achadjian
ABSENT: None

to continue this hearing to February 10, 2009, and direct the Chairperson Patterson and another Supervisor, members of the community, various agency representatives, and the Applicant to meet, fails.

A motion by Supervisor Ovitt to uphold the appeal, adopt the resolution and approve the conditions with changes to the Ag buffers and the conditions with the changes by staff and the Applicant, is discussed.

Ms. Griffin: goes through all the changes, for the record, to the CEQA Findings and conditions for the tract map and Conditional Use Permit.

Supervisor Lenthall seconds the motion with the changes as read by Ms. Griffin.

Mr. Holanda: questions the condition requiring more than one agency approval and who will determine the resolution, asking if it will be staff or have to come back to Board; questions the "emergency" intertie, with the Board and Mr. Tim McNulty, Chief Deputy County Counsel, responding.

Supervisor Gibson: gives his view on the changes to the conditions and feels it's like "putting lipstick on the Titanic"; addresses his concerns to the Findings, with Mr. McNulty responding.

Supervisor Gibson: addresses the project description and his concerns that the emergency intertie and adding land to the cemetery have not been addressed in the EIR.

Ms. Kirk: responds that these were brought forward as a community benefit and not a project component; further they don't oppose the CSA #23 annexation and explains.

Supervisor Gibson: comments on the EIR and indicates the superior project alternative is "no project"; asks if Alternative 14 should be the superior alternative; feels mitigations have to be "feasible" and wants the "where feasible" clause dropped; addresses the issue of prime soils; comments on the air quality findings; feels the Applicant's changes to the conditions have stripped out a lot of the issues addressed in the EIR; comments on the Statement of Overriding Considerations and the Supporting Evidence; addresses the

tract findings and believes there a number of findings that the Board can't make; addresses his objections to the conditions; his concern to the prime Ag soil and to water availability for this project; indicating this is why he can't support the project as presented today.

Chairperson Patterson: questions the water issue from Public Works perspective, with Mr. Frank Honeycutt, Public Works, responding from the perspective of CSA #23; further comments on the working being done to only have one water entity in any given area.

Chairperson Patterson: questions funding potential from USDA for CSA #23; discusses changes to the conditions regarding the same from the Ranch, with Mr. Honeycutt addressing the language of the condition regarding annexation to CSA #23.

Chairperson Patterson: questions if the development moves forward and there are water issues whether the annexation should be moved forward, with Mr. McNulty, responding.

Chairperson Patterson: addresses the indemnification agreement that is now included; questions the tree removal numbers and feels there needs to be better protection of the trees, with Mr. Treavor Keith, Planning, responding.

Supervisor Ovitt: suggests there are mitigations in the EIR on the trees.

Chairperson Patterson: suggests the water language be put back in from the original conditions that are located on page C8-56 , "g", of the December 16, 2008 staff report; comments on the historic and archeological sites on the property; further expresses his concerns to the removal of issues outlined by experts on various issues.

Mr. Keith: states the tract conditions, page 95, do include oak tree protection guidelines.

Supervisor Ovitt: questions the emergency tie-ins with the Ranch by CSA #23 and how they will receive water, with Mr. Honeycutt responding.

Supervisor Gibson: believes if this is approved is will instantly become an antiquated subdivision and explains; feels this is a substandard project; suggests the majority of the Board are ignoring professionals, County staff and other agencies; addresses his concern to the Applicant writing the conditions; and, his concerns to the other Board members not being willing to debate their support for the project.

Supervisor Ovitt: restates his motion and responds to comments by Supervisor Gibson; and, **the motion maker and second amend the motion to remove the added "h" and "i" on page 60 of the Over Riding Findings, Section C Supportive Evidence, that relate to the emergency water inter-tie and the dedication of 5 acres for the cemetery.**

Supervisor Lenthall: addresses the motion and outlines why he is supporting the project.

Thereafter, on motion of Supervisor Harry L. Ovitt, seconded by Supervisor Jerry Lenthall and on the following roll call vote:

AYES: Supervisors: Harry L. Ovitt, Jerry Lenthall, K.H. 'Katcho' Achadjian
NOES: Supervisors: Bruce S. Gibson, Chairperson James R. Patterson
ABSENT: None

the Board upholds the appeal and revised the following: CEQA Findings – Exhibit B - page 10, AQ-2(f) "f" is deleted as it is a duplicate of "e" above it and new "f" reads "Off-site geological evaluation of adjacent property."; Page 31, G-2(b) "b" is changed to read "Grading associated with the residential

cluster, except for roads and road crossings shall be prohibited within 100 feet of Trout Creek and within 50-feet of the unnamed tributary to Trout Creek, wetlands, and waters of the U.S. where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project [See B-4(a)]"; page 32, G-2(b) "c. Supportive Evidence," the fourth sentence that begins "The FEIR recommended a 200 foot setback from Trout Creek" and the remainder of the paragraph is deleted and replaced with "The application of the set-back mitigations recommended in the FEIR, unless qualified, would render the project infeasible of construction by denying improved access to the project site, preventing continuing existing agricultural access and activities or future agricultural activities, or the development of building on building envelopes shown in the Applicant's Amended project. The conditions are applied to the '676.6 acre cluster field' since that is the only area of development for which there is a rational nexus and rough proportionality between the project impacts and the mitigation condition."; page 33, the second paragraph under 3 Impacts G-3 a "b)" that reads "The application of the set-back mitigations recommended in the FEIR . . ." is deleted; page 45, B. Air Quality, 1, sixth line down the wording "natural nexus" is changed to "rational nexus"; page 57, AQ-GCC(c) Alterative Transportation and the end of the first paragraph add "The mitigation requiring the funding needed by the RTA to implement SMART signage for the four bus stops in Santa Margarita is infeasible as the infrastructure is not in place to implement the mitigation. The implementation of this condition is beyond the control of the applicant because it cannot be accomplished within a reasonable timeframe, if at all."; Conditions of Approval for Tract 2586 – Exhibit D, page 11, Approved Project, 1-d, is deleted and replaced with "For the life of the project the applicant shall maintain home sites buffered from the existing vineyards. The home sites shall be as identified on the building envelope plan set prepared for the Amended Project. The Ag Commissioner's Office shall review the building envelopes on the final map to ensure the envelopes are in substantial conformance with the building envelopes identified in the Amended Project."; page 11, 1-f, amend the sixth line to add the word "emergency" before the word "intertie"; page 12, 1-h, after the word "matrix" add the wording "and building envelope plan set"; page 13, 2 k is added to read "Prior to Phase 1 map recordation State Route 58 shall be widened along both sides of the cemetery frontage or a Class 1 bike path from the cemetery to J Street shall be installed as approved by Caltrans, Public Works and the Department of Planning and Building."; page 14, 3-d, is deleted and replaced with "Prior to Phase 2 map recordation construct the following improvements along SR 58 corridor: i. The existing Park-and-Ride facility shall be sacrificed for abandonment and the existing PG&E Road (frontage road) shall be realigned easterly to safely intersect State Route 58 at a 90-degree angle and constructed in accordance with Figure 205.1 of the Highway Design Manual.; ii. A new Park-and-Ride facility on State Route 58 near its intersection with Wilhelmina Street or at a location to be jointly approved by the applicant, Caltrans, County Public Works Department and County Planning & Building Department. The new Park-and-Ride shall be designed for a minimum of 30 parking spaces allowing for future expansion up to 50 parking spaces, provide limited access control to State Route 58, provide standard commercial driveway(s) and accommodate bus turning movements and bus stop area. Work shall be inclusive of all necessary striping and signage. If work extends outside the existing right-of-way then additional right-of-way shall be granted in fee simple, at

no cost, to the State for public road purposes."; page 15, add new 13 under new title Water (Phases II and III) (renumbering the conditions) that would read "Prior to recordation of the final map for Phase II, provide evidence to the satisfaction of the Public Works Department, the Planning and Building Department and Environmental Health, that there is adequate water from Nacimiento water at a 1:1 ratio to serve the remaining phases of the project. If evidence cannot be provided to the satisfaction of the referenced Departments, the remaining phases of the project cannot be recorded until such evidence is provided."; page 17, 26f, the first sentence that reads "Agricultural buffers on all residential lots . . ." is deleted; page 19, r, second bullet, is deleted and replaced with "Grading associated with the residential cluster, except for roads and road crossings shall be prohibited within 100 feet of Trout Creek and within 50-feet of the unnamed tributary to Trout Creek, wetlands, and waters of the U.S. where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesite site or development of lots as provided in the plans for the Applicants Amended Project."; page 20, s, the second bullet, is amended to read "Retention and/or detention . . "; page 22, first bullet on the page is amended to read "Grading associated with the residential cluster, except for roads and road crossings shall be prohibited within 100 feet of Trout Creek and within 50-feet of the unnamed tributary to Trout Creek, wetlands, and waters of the U.S. where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project."; page 37, add a bullet to read "Off-site geological evaluation of adjacent property."; page 42, at the bottom of the page add a bullet to read "Off-site geological evaluation of adjacent property."; page 43, f5, add to the end of the paragraph "and notify adjacent residents in advance of construction work."; page 44, j5, add to the end of the first sentence "and notify adjacent residents in advance of construction work."; page 46, w5, is deleted and replaced with "Annexation to County Service Area 23 to accommodate the community water system that will be used for the proposed residences. Use of imported water (Nacimiento Water Project) at a 1:1 ratio for all residential development shall be provided through an annexation agreement secured through the Santa Margarita ranch Mutual Water Company allowing land application for agriculture to offset the use of groundwater for residential units and an emergency intertie with the existing CSA 23 system. If this option is not feasible (ie annexation to CSA 23), the land application of Nacimiento water will nevertheless be allowable and the requirement to construct an emergency intertie with the existing CSA 23 system must still be completed. Appropriate permits must be obtained."; page 47, third bullet is changed to read "1,500 square feet) not 3,000 and "300 square feet" not 600; page 50, f6, add to the end of the first paragraph "where feasible so as not to prevent existing or future agricultural operations, improving or maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesite site or development of lots as provided in the plans for the applicants Amended Project."; page 55, k6 and to the end of the first paragraph "where feasible so as not to prevent existing or future agricultural operations, improving or maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesite site or development of lots as provided in the plans for the applicants Amended Project."; and the first bullet at the bottom of the page is amended to read "200 foot" not 100 and "100 foot" not 50; page 59, s6, add to the end of the first paragraph, "where feasible

so as not to prevent existing or future agricultural operations, improving or maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesite site or development of lots as provided in the plans for the applicants Amended Project."; page 62, f the first sentence is deleted; page 63, r, second bullet is amended to read: "Grading associated with the residential cluster, except for roads and road crossings shall be prohibited within 100 feet of Trout Creek and within 50-feet of the unnamed tributary to Trout Creek, wetlands, and waters of the U.S. where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project", page 64, s, third bullet is corrected to read "Retention and/or detention of . ."; page 66, x, second bullet is corrected to read "Grading associated with the residential cluster, except for roads and road crossings shall be prohibited within 100 feet of Trout Creek and within 50-feet of the unnamed tributary to Trout Creek, wetlands, and waters of the U.S. where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project"; page 81, nnnn, add a bullet to read "Off-site geological evaluation of adjacent property."; page 86, c5 add a bullet to read "Off-site geological evaluation of adjacent property."; page 87, f5 and to the end of the paragraph "and notify adjacent residents in advance of construction work."; page 88, j5, add to the end of the second bullet "and notify adjacent residents in advance of construction work."; page 90, w5, is amended to read: "Annexation to County Service Area 23 to accommodate the community water system that will be used for the proposed residences. Use of imported water (Nacimiento Water Project) at a 1:1 ratio for all residential development shall be provided through an annexation agreement secured through the Santa Margarita ranch Mutual Water Company allowing land application for agriculture to offset the use of groundwater for residential units and an emergency intertie with the existing CSA 23 system. If this option is not feasible (ie annexation to CSA 23), the land application of Nacimiento water will nevertheless be allowable and the requirement to construct an emergency intertie with the existing CSA 23 system must still be completed. Appropriate permits must be obtained."; page 91, third bullet at top of the page, is changed to reflect "1,500 square feet" not 3,000 and "300 square feet" not 600; page 94, f6 is amended to add to the end of the paragraph "where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project"; page 99, k6 is amended to add to the end of the paragraph "where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project"; and the first bullet is amended to change it to read "200 foot" not 100 foot and "100 foot" not 50 foot; page 103, s6 add to the end of the first paragraph "where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project"; page 105, add new 28 and renumber that will read "Prior to

recordation of the final map the applicant shall offer to the cemetery district up to 5 acres of usable land for the purpose of expansion of the cemetery."; page 106, 34 is amended to read: "At the time of tract improvement plan submittal, the applicant shall provide funding for the County of San Luis Obispo to retain an environmental monitor to include Native monitor(s) to ensure compliance with County Conditions of Approval and EIR mitigation measures. The monitor shall assist the County in condition compliance and mitigation monitoring for all stage of the project development including review of tract improvement plans, monitoring during tract improvements, and review and development of subsequent residential development. The monitor will prepare a working monitoring plan that reflects the County-approved environmental and cultural resource mitigation measures/conditions of approval. This plan will include (1) goals, responsibilities, authorities, and procedures for verifying compliance with environmental and cultural resource mitigations; (2) lines of communication and reporting methods; (3) daily and weekly reporting of compliance; (4) construction crew training regarding environmental and cultural resource sensitivities; (5) authority to stop work; and (6) action to be taken in the vent of non-compliance. The environmental monitor shall be under contract to the County of San Luis Obispo. Costs of the monitor and any county administrative fees, shall be paid for by the applicant."; Conditional Use Permit S030115U Conditions – Exhibit F: page 9, 1e is changed to read "For the life of the project the applicant shall maintain home sites buffered from the existing vineyards. The home sites shall be as identified on the building envelope plan set prepared for the Amended Project. The Ag Commissioner's Office shall review the building envelopes on the final map to ensure the envelopes are in substantial conformance with the building envelopes identified in the Amended Project."; f, sixth line is amended to add the word "emergency" before the word "intertie"; page 10, h after the word "matrix" add "and building envelope plan set"; page 13, 7, and the following to the first paragraph "where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project"; page 19, 12 add to the end of the first paragraph "where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project"; and the first bullet under 12, change it to read "200 feet" not 100 and "100 foot" not 50; page 25, the third bullet on the page change to read "330 foot" not 100, page 26, 24 second bullet, is changed to read "Grading associated with the residential cluster, except for roads and road crossings shall be prohibited within 100 feet of Trout Creek and within 50-feet of the unnamed tributary to Trout Creek, wetlands, and waters of the U.S. where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project";, page 27, the last bullet on the page is changed to read "Retention and/or detention . ."; page 29, 30, the second bullet is changed to read "Grading associated with the residential cluster, except for roads and road crossings shall be prohibited within 100 feet of Trout Creek and within 50-feet of the unnamed tributary to Trout Creek, wetlands, and waters of the U.S. where feasible so as not to prevent existing or future agricultural operations, improving and maintaining existing ranch roads, installing utilities, and improving crossings to allow

access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project"; page 35, 47, the third line, the words "one story height" are deleted; page 44, add a new 73 and renumber and it will read "For the life of the project, no more than 100 trees shall be removed for the purposed of establishment of any components of the residential cluster subdivision, including all future development of the parcels." and this language should also be included in the tract conditions as part of the additional map sheet and the CC&R's; page 47, 88, add a bullet to read "Off-site geological evaluation of adjacent property."; page 55, add a bullet to read " Off-site geological evaluation of adjacent property."; page 56, 106, second bullet, add to the end "and notify adjacent residents in advance of construction work."; page 58, 115, delete the first sentence; page 59, 124, add to the sixth line the word "emergency" before the word "intertie"; page 60, 127, fourth bullet, change it to read "1,500 square feet" instead of "3,000" and "300 square feet" instead of "600"; page 62, 136, delete the words "any development" in the first line and replace them with "site disturbance" and is amended to read "Prior to any site disturbance on the site, the applicant shall provide funding for the County of San Luis Obispo to retain an environmental monitor to include Native monitor(s) to ensure compliance with County Conditions of Approval and EIR mitigation measures. The monitor shall assist the County in condition compliance and mitigation monitoring for all stage of the project development including review of tract improvement plans, monitoring during tract improvements, and review and development of subsequent residential development. The monitor will prepare a working monitoring plan that reflects the County-approved environmental and cultural resource mitigation measures/conditions of approval. This plan will include (1) goals, responsibilities, authorities, and procedures for verifying compliance with environmental and cultural resource mitigations; (2) lines of communication and reporting methods; (3) daily and weekly reporting of compliance; (4) construction crew training regarding environmental and cultural resource sensitivities; (5) authority to stop work; and (6) action to be taken in the vent of non-compliance. The environmental monitor shall be under contract to the County of San Luis Obispo. Costs of the monitor and any county administrative fees, shall be paid for by the applicant."; the Standard Conditions of Approval for Subdivisions using Community Water and Septic Tanks is included; the resolution is amended to correct #3 to reference Exhibit B not Exhibit 1 and RESOLUTION NO. 2008-455, resolution upholding the appeal and reversing the decision of the Planning Commission and conditionally approving the application of Santa Margarita Ranch and the Findings and Conditions of Approval for Tentative Tract Map/Conditional Use Permit, Tract 2586, Conditional use Permit S030115U, adopted as amended. Further, the Board certifies the Final Environmental Impact Report (FEIR) as shown in Exhibit B of the staff report dated December 23, 2008.

Supervisor Achadjian: states he would still like to work with Chairperson Patterson, the Applicant and the public to come up with a better project, with Mr. Filipponi indicating he is willing to talk more on this matter.

cc: Planning (2); Public Works; 12/26/08 vms

STATE OF CALIFORNIA)
) ss.
County of San Luis Obispo)

I, **JULIE L. RODEWALD**, County Clerk and Ex-Officio Clerk of the Board of Supervisors, in and for the County of San Luis Obispo, State of California, do hereby certify the foregoing to be a full, true and correct copy of an order made by the Board of Supervisors, as the same appears spread upon their minute book.

WITNESS my hand and the seal of the said Board of Supervisors, affixed this 26th day of December, 2008.

(SEAL)

JULIE L. RODEWALD
County Clerk and Ex-Officio Clerk of the Board of Supervisors

By: _____ Deputy Clerk

access to the proposed homesites site or development of lots as provided in the plans for the Applicants Amended Project"; page 35, 47, the third line, the words "one story height" are deleted; page 44, add a new 73 and renumber and it will read "For the life of the project, no more than 100 trees shall be removed for the purposed of establishment of any components of the residential cluster subdivision, including all future development of the parcels." and this language should also be included in the tract conditions as part of the additional map sheet and the CC&R's; page 47, 88, add a bullet to read "Off-site geological evaluation of adjacent property."; page 55, add a bullet to read " Off-site geological evaluation of adjacent property."; page 56, 106, second bullet, add to the end "and notify adjacent residents in advance of construction work."; page 58, 115, delete the first sentence; page 59, 124, add to the sixth line the word "emergency" before the word "intertie"; page 60, 127, fourth bullet, change it to read "1,500 square feet" instead of "3,000" and "300 square feet" instead of "600"; page 62, 136, delete the words "any development" in the first line and replace them with "site disturbance" and is amended to read "Prior to any site disturbance on the site, the applicant shall provide funding for the County of San Luis Obispo to retain an environmental monitor to include Native monitor(s) to ensure compliance with County Conditions of Approval and EIR mitigation measures. The monitor shall assist the County in condition compliance and mitigation monitoring for all stage of the project development including review of tract improvement plans, monitoring during tract improvements, and review and development of subsequent residential development. The monitor will prepare a working monitoring plan that reflects the County-approved environmental and cultural resource mitigation measures/conditions of approval. This plan will include (1) goals, responsibilities, authorities, and procedures for verifying compliance with environmental and cultural resource mitigations; (2) lines of communication and reporting methods; (3) daily and weekly reporting of compliance; (4) construction crew training regarding environmental and cultural resource sensitivities; (5) authority to stop work; and (6) action to be taken in the vent of non-compliance. The environmental monitor shall be under contract to the County of San Luis Obispo. Costs of the monitor and any county administrative fees, shall be paid for by the applicant."; the Standard Conditions of Approval for Subdivisions using Community Water and Septic Tanks is included; the resolution is amended to correct #3 to reference Exhibit B not Exhibit 1 and RESOLUTION NO. 2008-455, resolution upholding the appeal and reversing the decision of the Planning Commission and conditionally approving the application of Santa Margarita Ranch and the Findings and Conditions of Approval for Tentative Tract Map/Conditional Use Permit, Tract 2586, Conditional use Permit S030115U, adopted as amended. Further, the Board certifies the Final Environmental Impact Report (FEIR) as shown in Exhibit B of the staff report dated December 23, 2008.

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cc: Planning (2); Public Works; 12/26/08 vms

STATE OF CALIFORNIA)
) ss.
County of San Luis Obispo)

I, JULIE L. RODEWALD, County Clerk and Ex-Officio Clerk of the Board of Supervisors, in and for the County of San Luis Obispo, State of California, do hereby certify the foregoing to be a full, true and correct copy of an order made by the Board of Supervisors, as the same appears spread upon their minute book.

WITNESS my hand and the seal of the said Board of Supervisors, affixed this 26th day of December, 2008.

(SEAL)

JULIE L. RODEWALD
County Clerk and Ex-Officio Clerk of the Board of Supervisors

By: Vicki McKenzie Deputy Clerk

STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO) ss

I, JULIE L. RODEWALD, County Clerk of the above entitled County, and Ex-Officio Clerk of the Board of Supervisors thereof, do hereby certify the foregoing to be a full, true and correct copy of an order entered in the minutes of said Board of Super-visors, and now remaining of record in my office.

Witness, my hand and seal of said Board of Supervisors this Jan 15, 2009

JULIE L. RODEWALD
County Clerk and Ex-Officio Clerk of the
Board of Supervisors

By _____
Deputy Clerk