



San Luis Obispo Local Agency Formation Commission Meeting Agenda January 16, 2025, 9:00am

MEETING

JAN 16, 2025 – 9 A.M.
BOARD OF SUPERVISORS
CHAMBERS
COUNTY GOVT. CENTER
1055 MONTEREY STREET,
SAN LUIS OBISPO, CA 93408

CONTACT

ROB FITZROY
EXECUTIVE OFFICER
805-781-5795
SLO.LAFCO.CA.GOV

COMMISSIONERS

VACANT, CHAIR, SPECIAL DISTRICT
STEVE GREGORY, VICE CHAIR, CITY
VACANT, COUNTY
JIMMY PAULDING, COUNTY
ED WAAGE, CITY
ROBERT ENNS, SPECIAL DISTRICT
DAVID WATSON, PUBLIC
DAWN ORTIZ-LEGG, COUNTY ALTERNATE
CARLA WIXOM, CITY ALTERNATE
ED EBY, SPECIAL DISTRICT ALTERNATE
MICHAEL DRAZE, PUBLIC ALTERNATE

MEETING PARTICIPATION

- **To submit written comment**, mention the matter or agenda item number and send via email to mmorris@slo.lafco.ca.gov or fill out an online submission form on our website at slo.lafco.ca.gov, or U.S. mail at 1042 Pacific St Suite A, San Luis Obispo CA, 93401. All correspondence is distributed to each Commissioner and will become part of the official record of the Commission meeting.
- **To submit a pre-recorded verbal comment** call (805) 781-5795; state and spell your name, mention the agenda item number you are calling about, and leave your comment. Your comments will be distributed to each Commissioner and will become part of the official record of the Commission meeting.
- **To provide live comment**, attend the in-person meeting and fill out a “request to speak form” provided in the front and back of the meeting room and hand it to the Commission Clerk prior to the beginning of that item. Each speaker will be limited to a three-minute presentation. During public hearings, applicants or their representatives will be given the opportunity to speak first after the staff report is given and questions of the Commission have been addressed.

Other Notes:

- In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate at this meeting, please contact the Clerk at 805-781-5795. Notification provided a minimum of 48 hours prior to the meeting will enable the Clerk to make reasonable arrangements to ensure accessibility to this meeting. Pursuant to the ADA, the meeting room is accessible to the physically disabled.
- It is required by Government Code Section 84308 that a participant in a LAFCO proceeding who has a financial interest in the decision and who has made a campaign contribution of more than \$250 to any Commissioner within (12) months prior, must disclose the contribution. If you are affected, please notify Commission Staff before the hearing.



MEETING AGENDA

Pledge of Allegiance

Call to Order/Roll Call

Chair and Vice Chair Appointments

Approval of the Minutes: December 19, 2024 (Pages 3 - 5)

Non-Agenda Public Comment Period

This is the period in which persons may speak on items that are not on the regular agenda. You may provide public comment using one of the three methods mentioned above in the “Meeting Participation” section.

Consent Agenda

A-1: 2025 Biennial Update of the Conflict of Interest Code (Pages 6 - 13)

Recommendation:

Action: Adopt the resolution to amend the conflict of interest code, as contained in Attachment A.

Regular Matters

B-1: LAFCO File No 2-R-23: Sphere of Influence Amendment and Annexation No. 1 to County Service Area 23 (111 Residential Lots In Tract 2586) (Pages 14 - 197)

Recommendation:

Action 1: Acting as the Responsible Agency pursuant to the California Environmental Quality Act (CEQA), find by motion, that the Certified Environmental Impact Report (EIR) and EIR Addendum, State Clearinghouse No. 2004111112, adopted by the County of San Luis Obispo, was reviewed, considered, and determined to be adequate for purposes specified in Section 15096 of the CEQA Guidelines and for use in considering approval of the proposed Sphere of Influence amendment and annexation.

Recommendation:

Action 2: Approve, by resolution, the proposed Sphere of Influence Amendment and Annexation No. 1 to County Service Area 23, as contained in Attachment A, subject to conditions of approval, adopt Findings of Fact and a Statement of Overriding Findings for compliance with CEQA (Attachment A, Exhibit A) and waive protest proceedings pursuant to Government Code Section 56662(a).

Commissioner Comments

Legal Counsel Comments

Executive Officer Comments

Adjournment



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
DECEMBER 19, 2024, MEETING MINUTES**

Call to Order

The San Luis Obispo Local Agency Formation Commission (LAFCO) meeting was called to order at 9:00 a.m. on Thursday, December 19, 2024, by Vice Chairperson Steve Gregory in the Board of Supervisors Chambers at the County Government Center, 1055 Monterey Street, San Luis Obispo, CA 93408.

Pledge of Allegiance

Roll Call

Present: Vice Chair Steve Gregory, Commissioners Debbie Arnold, Robert Enns, Jimmy Paulding, and Ed Waage, and Alternate Commissioners Ed Eby and David Watson

Absent: Alternate Commissioners Dawn Ortiz-Legg and Carla Wixom

Staff: Rob Fitzroy, LAFCO Executive Officer
Imelda Marquez-Vawter, LAFCO Analyst
Morgan Bing, LAFCO Analyst
Melissa Morris, LAFCO Commission Clerk
Holly Whatley, LAFCO Legal Counsel (via phone)

Vice Chair Gregory thanked and recognized **Chairperson Arnold** for 8 years of service on the Commission.

Approval of the Minutes: November 14, 2024 & November 21, 2024

Vice Chair Gregory announced the consideration of approval of the November 14, 2024, and November 21, 2024, Regular Meeting and Protest Proceeding Hearing Minutes.

Vice Chair Gregory asked for Commissioner comments.

Vice Chair Gregory opened the item for public comment, announcing it was closed shortly after hearing none.

Vice Chair Gregory asked for a motion to approve the minutes.

Commissioner Arnold motioned to approve the minutes.

Commissioner Watson seconded the motion.

AYES: Commissioners Arnold, Watson, Eby, Enns, Paulding, Waage, and Vice Chair Gregory

NAYS: None

ABSTAINING: None

The motion passed.

Non-Agenda Public Comment Period (continued)

Vice Chair Gregory opened the item for public comment, announcing it was closed shortly after hearing none.

Regular Matters

A-1: First Quarter Fiscal Year 2024-2025 Budget Status and Work Plan Report

Mr. Fitzroy provided comment on the item.

Vice Chair Gregory opened the item for public comment, announcing it was closed shortly after hearing none.

Vice Chair Gregory opened the item for Commissioner questions and comments, announcing it was closed shortly after hearing none.

Commissioner Paulding motioned to approve staff recommendation for A-1.

Commissioner Waage seconded the motion.

AYES: Commissioners Paulding, Waage, Arnold, Eby, Enns, Watson, and Vice Chair Gregory

NAYS: None

ABSTAINING: None

The motion passed.

B-1: Final Results for the Protest Hearing for LAFCO File No. 1-E-23 | Oceano Community Services District Divestiture of Fire Protection Service and Designation of the County of San Luis Obispo as the Successor Agency for Fire Protection Service

Mr. Fitzroy and Ms. Bing provided comment on the item.

Vice Chair Gregory opened the item for Commissioner questions and comments, announcing it was closed shortly after hearing none.

Vice Chair Gregory opened the item for public comment, announcing it was closed shortly after hearing none.

Commissioner Paulding motioned to approve staff recommendation for B-1.

Commissioner Waage seconded the motion.

Commissioner Paulding provided comment on the item.

AYES: Commissioners Paulding, Waage, Arnold, Eby, Enns, Watson, and Vice Chair Gregory

NAYS: None

ABSTAINING: None

The motion passed.

Commissioner Comments: **Commissioner Waage** thanked **Commissioner Arnold** for her service on LAFCO. **Commissioner Arnold** thanked the Commission. **Vice Chair Gregory** thanked **Commissioner Arnold** for her service on LAFCO.

Legal Counsel Comments: **Ms. Whatley** provided updates on upcoming meetings.

Executive Officer Comments: **Mr. Fitzroy** thanked **Commissioner Arnold** for her service, introduced **Ms. Morris**, and provided updates on upcoming meetings.

Adjournment: With no further business before the Commission, the meeting adjourned at 9:18 AM until the next meeting of the Commission in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo.

THESE MINUTES ARE NOT OFFICIAL NOR ARE THEY A PERMANENT PART OF THE RECORD UNTIL THEY ARE APPROVED BY LAFCO COMMISSIONERS AT THE NEXT REGULAR MEETING.

Respectfully submitted,
Melissa Morris, LAFCO Commission Clerk



San Luis Obispo Local Agency Formation Commission

TO: MEMBERS OF THE COMMISSION

FROM: ROB FITZROY, EXECUTIVE OFFICER

DATE: JANUARY 16, 2025

SUBJECT: 2025 BIENNIAL UPDATE OF THE CONFLICT OF INTEREST CODE

RECOMMENDATION

Action: Adopt the resolution to amend the conflict of interest code, as contained in Attachment A.

DISCUSSION

The Local Agency Formation Commission (LAFCO) is required to maintain a conflict-of-interest (COI) code under the California Political Reform Act, which includes all the designated positions that are required to file a “Form 700” with the County Clerk of the Board - the local code administrator. Every elected official and public employee who makes or influences governmental decisions is required to submit a Statement of Economic Interests, known as “Form 700”.

The Political Reform Act requires every local government agency to review its COI code biennially. LAFCO’s COI code was last updated through the 2022 biennial review; changes were approved by the Commission on August 18, 2022. As part of the 2025 biennial review, an amendment is proposed to re-name a recently augmented position, previously known Clerk Analyst to the Commission Clerk. Attachment A contains LAFCO’s proposed revised COI code shown in red. No further changes are necessary at this time.

An agency/department’s COI code is not effective until it has been reviewed by the County Counsel and approved by the County Board of Supervisors. LAFCO Counsel will work with the County Clerk of the Board and the County Counsel to finalize the proposed changes.

Attachment A: Resolution adopting Updated Conflict of Interest Code

- COMMISSIONERS
- Chairperson
VACANT
Special District Member
- Vice-Chair
STEVE GREGORY
County Member
- VACANT
County Member
- JIMMY PAULDING
County Member
- ROBERT ENNS
Special District Member
- ED WAAGE
City Member
- DAVID WATSON
Public Member
- ALTERNATES
- DAWN ORTIZ-LEGG
County Member
- ED EBY
Special District Member
- CARLA WIXOM
City Member
- Michael Draze
Public Member
- STAFF
- ROB FITZROY
Executive Officer
- IMELDA MARQUEZ-VAWTER
Analyst
- MORGAN BING
Analyst
- MELISSA MORRIS
Commission Clerk
- HOLLY WHATLEY
Legal Counsel

Attachment A

Resolution adopting Updated Conflict of Interest Code

IN THE LOCAL AGENCY FORMATION COMMISSION

COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

Thursday, January 16, 2025

RESOLUTION NO. 2022-XX

2025 BIENNIAL UPDATE OF THE SAN LUIS OBISPO LOCAL AGENCY FORMATION COMMISSION'S CONFLICT OF INTEREST CODE

WHEREAS, Government Code section 87300 requires each local public agency to adopt and promulgate a conflict of interest code pursuant to the Political Reform Act (Gov. Code, § 81000 et seq.); and

WHEREAS, the Board of Supervisors is designated as the "code reviewing body" for all local agencies, except cities, whose boundaries are located wholly within the county; and

WHEREAS, pursuant to Government Code section 87306.5, the Clerk of the Board of Supervisors of the County of San Luis Obispo, as the local code administrator, directed those local agencies that have adopted a conflict of interest code to review their codes to determine whether any changes to their codes are necessary due to changed circumstances; and

WHEREAS, Government Code section 87306 requires local agencies to submit to the code reviewing body a biennial report identifying changes in its code that are necessitated by changed circumstances, such as the addition of new positions, or the deletion of positions that have become obsolete; and

WHEREAS, minor changes need to be made to LAFCO's Conflict of Interest Code; and

WHEREAS, the Commission has duly considered the proposed amendments to the Conflict of Interest Code;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Local Agency Formation Commission that:

1. The Amended Conflict of Interest Code attached hereto as Exhibit A supersedes the Conflict of Interest Code last amended on August 18, 2022.
2. The list of designated LAFCO positions and applicable disclosure categories attached as Appendix A & B is hereby adopted as the appendix of designated positions and disclosure categories to accompany section 18730.
3. Designated employees and officers shall file statements of economic interest (FPPC Form 700) with the Clerk of the Board of Supervisors who will make the statements available for public inspection and copying.
4. This conflict of interest code shall not take effect until the San Luis Obispo County Board of Supervisors approves it in its capacity as code reviewing body under the Political Reform Act. The Commission Clerk is hereby authorized and directed to submit a

certified copy of this resolution with appendices to the Board of Supervisors and request approval of the Conflict of Interest Code.

5. After approval by the San Luis Obispo County Board of Supervisors, the attached Exhibit A together with Appendices A & B shall constitute the Conflict of Interest Code of the San Luis Obispo Local Agency Formation Commission.

Upon a motion by _____, seconded by Commissioner _____, and on the following roll call vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted.

_____, Chair _____ Date
Local Agency Formation Commission

ATTEST:

Rob Fitzroy Date
LAFCO Executive Officer

APPROVED AS TO FORM AND LEGAL EFFECT:

Holly Whatley Date
LAFCO Legal Counsel

Exhibit 1

SAN LUIS OBISPO

LOCAL AGENCY FORMATION COMMISSION

CONFLICT OF INTEREST CODE AND FINANCIAL DISCLOSURE REQUIREMENTS

A. Incorporation by Reference of FPPC Model Code

The Political Reform Act, codified at Government Code §81000 et. seq., requires each state and local government agency to adopt and promulgate a conflict of interest code. The Fair Political Practices Commission (FPPC) has adopted a regulation, 2 California Code of Regulations §18730, which contains the terms of a standard conflict of interest code. ("Model Code".) This Model Code may be adopted by local agencies and incorporated by reference as the agency's conflict of interest code, together with appendices setting forth the designated positions and relevant disclosure categories applicable to each position. The Model Code may be amended from time to time by the FPPC after public notice and hearings to conform to amendments in the Political Reform Act.

The terms of 2 California Code of Regulations §18730 and any amendments to it, duly adopted by the FPPC, are hereby incorporated by reference.

Pursuant to section 2 of the Model Code, Appendix B attached hereto sets forth LAFCO's Designated Position List. Those persons holding positions listed in Appendix B must file statements of economic interest (Form 700) with the Executive Officer of the Commission setting forth financial interests in the disclosure categories identified therein and more fully defined in Appendix A, attached hereto.

B. Disqualification and Disclosure

The provisions of Article 2.5 of Chapter 4 of Title 9 of the Government Code are applicable to LAFCO. LAFCO officers must not accept, solicit, or direct a contribution of more than two hundred fifty dollars (\$250) from any party, or his or her agent, or from any participant, or his or her agent, while a proceeding involving a license, permit, or other entitlement for use is pending before LAFCO and for three months following the date a final decision is rendered in the proceeding if the officer knows or has reason to know that the participant has a financial interest, as that term is used in Government Code section 87100 (of the Political Reform Act). This prohibition applies regardless of whether the officer accepts, solicits, or directs the contribution for himself or herself, on behalf of any other officer, on behalf of any candidate for office, or on behalf of any committee. (Gov. Code, § 84308, subd. (b).)

Prior to rendering any decision in a proceeding involving a license, permit, or other entitlement for use pending before the Commission, each commissioner or alternate commissioner, as the case may be, who received a contribution within the preceding 12 months in an amount of more than two hundred fifty dollars (\$250) from a party or from any participant to a LAFCO proceeding shall disclose that fact on the record of the proceeding.

LAFCO members are disqualified and are not able to participate in any proceeding involving an "entitlement for use" (within the meaning of § 84308, subd. (a)(5)) if, within the 12 months preceding the LAFCO decision, the Commissioner received \$250 or more in campaign contributions from the applicant, an agent of the applicant or any financially interested person who actively supports or opposes the LAFCO decision on the matter.¹

¹This requirement is based on Government Code section 87100, which provides: Prior to rendering any decision in a proceeding involving a license, permit or other entitlement for use pending before an agency, each officer of the agency who received a contribution within the preceding 12 months in an amount of more than two hundred fifty dollars (\$250) from a party or from any participant shall disclose that fact on the record of the proceeding. No officer of an agency shall make, participate in making, or in any way attempt to use his or her official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use pending before the agency if the officer has willfully or knowingly received a contribution in an amount of more than two hundred fifty dollars (\$250) within the preceding 12 months from a party or his or her agent, or from any participant, or his or her agent if the officer knows or has reason to know that the participant has a financial interest in the decision, as that term is described with respect to public officials in Article 1 (commencing with Section 87100) of Chapter 7.

APPENDIX A

Disclosure Categories

- 1) All sources of income, including gifts;
- 2) Interests in real property located in whole or in part within, or not more than one-half mile outside, the boundaries of San Luis Obispo County (does not include the principal place of residence); and
- 3) Investments and business positions in business entities located in or doing business in San Luis Obispo County and engaged in:
 - a. The acquisition, sale, lease, or development of real property;
 - b. Providing insurance brokerage or consulting services; or
 - c. Providing services of the type which have, in the past two years or which with reasonable foreseeability, may be used in the next one-year period by the filer's division within the office.

Appendix B

Designations Position List

<u>Designated Position</u>	<u>Disclosure Category Numbers</u>
LAFCO Executive Officer	1, 2, 3
LAFCO Deputy Executive Officer	1, 2, 3
LAFCO Legal Counsel	1, 2, 3
LAFCO Commission Clerk	1, 2, 3a, 3c
LAFCO Commissioners & Alternate Commissioners ⁱ	1, 2, 3
LAFCO Analyst	1, 2, 3a, 3c
Consultants ⁱⁱ	1, 2, 3

ⁱ Board of Supervisors who are designated as governing board members of LAFCO report pursuant to Government Code section 87200. Alternate Commissioners for the Board of Supervisors members on the LAFCO governing board report pursuant to this code.

ⁱⁱ The disclosure by consultants is subject to the following limitation: The LAFCO Executive Officer may determine in writing that a particular consultant, including a consultant filling a position designated above is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements, if any. The Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.



San Luis Obispo Local Agency Formation Commission

COMMISSIONERS

Chair
VACANT
Special District Member

Vice-Chair
STEVE GREGORY
City Member

VACANT
County Member

ROBERT ENNS
Special District Member

DAVID WATSON
Public Member

JIMMY PAULDING
County Member

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ALTERNATES

DAWN ORTIZ-LEGG
County Member

ED EBY
Special District Member

CARLA WIXOM
City Member

MICHAEL DRAZE
Public Member

STAFF

ROB FITZROY
Executive Officer

IMELDA MARQUEZ-VAWTER
Analyst

MORGAN BING
Analyst

MELISSA MORRIS
Commission Clerk

HOLLY WHATLEY
Legal Counsel

TO: MEMBERS OF THE COMMISSION

FROM: IMELDA MARQUEZ-VAWTER, ANALYST

VIA: ROB FITZROY, EXECUTIVE OFFICER

DATE: JANUARY 16, 2024

SUBJECT: LAFCO FILE NO 2-R-23: SPHERE OF INFLUENCE AMENDMENT AND ANNEXATION NO. 1 TO CSA 23 (111 RESIDENTIAL LOTS IN TRACT 2586)

RECOMMENDATION

Action 1: Acting as the Responsible Agency pursuant to the California Environmental Quality Act (CEQA), find by motion, that the Certified Environmental Impact Report (EIR) and EIR Addendum, State Clearinghouse No. 2004111112, adopted by the County of San Luis Obispo, was reviewed, considered, and determined to be adequate for purposes specified in Section 15096 of the CEQA Guidelines and for use in considering approval of the proposed Sphere of Influence amendment and annexation.

Action 2: Approve, by resolution, the proposed Sphere of Influence Amendment and Annexation No. 1 to County Service Area 23, as contained in Attachment A, subject to conditions of approval, adopt Findings of Fact and a Statement of Overriding Findings for compliance with CEQA (Attachment A, Exhibit A) and waive protest proceedings pursuant to Government Code Section 56662(a).

PROJECT OVERVIEW

Proposal: The proposal consists of a Sphere of Influence (SOI) Amendment and Annexation into County Service Area (CSA) 23 of 111 residential lots (1.0 to 2.5 acres in size with one single-family home per lot) created by the three-phase Tract Map 2586 for water service. CSA 23 supplies the community of Santa Margarita with water service via two groundwater wells and an emergency water supply intertie with Atascadero Mutual Water Company. The proposal would add two new water supply wells to the CSA 23 system and the intertie with Tract 2586 would increase the water supply, fire flow pressure, available storage, and redundancy in CSA 23. At the request of the County and landowner (Santa Margarita Ranch, LLC), one application is being processed to amend the SOI and annex all three phases into CSA 23. The annexation boundary is proposed to be co-terminus with the lots

created by the tract map. This approach is being pursued because the need for service is associated with the single-family homes that will be built within each lot and not the remainder of Tract 2586 which will maintain surrounding agricultural land under the Agricultural Open Space Easement.

As a result of the proposal for the SOI amendment and annexation into CSA 23, additional infrastructure and capital improvements are necessary. The Plan for Services prepared and submitted by the County, dated March 5, 2024, further elaborates on the required improvements associated with each phase. All costs associated with the design, inspection, plan check, and review and construction inspection by CSA 23 staff will be paid for by the applicant per the terms and conditions of the Engineering Reimbursement Agreement dated May 28, 2020, and Annexation Agreement. The owner would fund a number of major water infrastructure improvements, which are detailed in the Plan for Services and annexation agreement included as Attachments E and G. A zone of benefit will be established for the tract and connection fees will be paid by the owners. CSA 23 intends to initiate proceedings for the formation of a new zone of benefit upon the issuance of the Certificate of Completion for annexation. The capital improvement charge will be implemented through a Proposition 218 protest process, which will take place at the same time as the formation of the zone of benefit.

The annexation map for Phase 1 has been deemed definite and certain by the County Surveyor and is included as Attachment A, Exhibit B. Phases 2 and 3 are subject to change due to the reconfiguration requirements associated with the County's approval of the three-phase Tract Map 2586; however, the County has included a general vicinity map of the remaining two phases (Included on page 4 of Attachment A, Exhibit B).

Conditions of approval are recommended and would require the applicant to submit the final annexation map and legal descriptions for the remaining phases to LAFCO at a later date. The annexation map, legal descriptions, and general vicinity map must be substantially similar to what is ultimately submitted to LAFCO post-approval (i.e. Vesting Tentative Tract 2586 Map) and will require verification from the County surveyor and Executive Officer.

To further describe the process for this annexation, all three phases (111 residential lots) would be conditionally annexed into CSA 23 upon Commission Approval however each phase would have separate effective dates commensurate with the submission of a Final Tract Map and Map and Legal Description to LAFCO and subject to the Conditions of Approval. Conditions of Approval can be found in the resolution included in Attachment A and on pages 9 and 10 of this report.

Project Applicant: Resolution of Application by the County of San Luis Obispo

Certificate of Filing: December 4, 2024

Acreage and General Location: The approximately 143-acre SOI and annexation area of non-contiguous land is located approximately 0.3 miles southeast of the community of Santa Margarita and will remain in the unincorporated area of San Luis Obispo County as seen in

Attachment D. Below is a description of each phase associated with the SOI Amendment and Annexation proposal:

Phase 1: 38 residential lots (approx. 52 acres)
Phase 2: 44 residential lots (approx. 54 acres)
Phase 3: 29 residential lots (approx. 36 acres)

Total: 111 residential lots

APN: The 111 lots described above are currently within a portion of APN 070-094-007, but the area will be subdivided, and APNs will be available following the phased Final Tract Map recordation.

Background: In December 2008, the San Luis Obispo County Board of Supervisors, as the land use authority, approved a Vesting Tentative Tract Map 2586, which included a three-phase major agricultural cluster consistent with Alternative 12 of the Final EIR (the Amended Project) and a Conditional Use Permit S303115U to subdivide a 3,778-acre portion of Santa Margarita Ranch. The subdivision would result in an agricultural cluster subdivision with 111 residential lots, 5 agricultural parcels, one 2.5-acre building envelope with a primary dwelling and ranch headquarters on an open space parcel, a ranch headquarters site at the Portuguese corrals, a remainder parcel, and would leave 3,633 acres in agricultural conservation easements. Development of the Agricultural Residential Cluster Subdivision would occur in three phases, as described above, each including an agricultural conservation easement area, as depicted in Figure 2-6 of the Final EIR, included in Attachment H. The Amended Project will preserve over 3,620 acres with permanent open space / agricultural conservation easement parcels.

The Conditions of Approval for the Tract required the Project to acquire water service either through annexation to CSA 23 or the creation of a mutual water company with an emergency intertie between the two systems. Initially, CSA 23 and Santa Margarita Ranch, LLC explored the establishment of a mutual water company instead of annexation. Subsequently, the Legislature tightened the requirements for the establishment of new water systems adjacent to existing systems with the intent to limit community water system sprawl. Given the close proximity between CSA 23 and Tract 2586, the formation of an independent mutual water company became infeasible.

With support from Santa Margarita Ranch, LLC, the County proceeded by submitting a request to LAFCO to begin the annexation proceedings. Only the 111 residential clustered lots (approx. 143 acres) are proposed for a SOI amendment and annexation into CSA 23. If approved by LAFCO, Santa Margarita Ranch, LLC would plan to construct the community water system, in order to serve domestic water to the proposed residences.

Timeline of Events: On December 23, 2008, the County Board of Supervisors upheld an appeal and reversed the decision of the Planning Commission, and Conditionally approved the application of Santa Margarita Ranch LLC. The approval included the certification of the EIR for a

Tentative Tract Map for Tract 2586 and Conditional Use Permit S030115U (State Clearinghouse No. 2004111112), approved the CEQA findings and Statement of Overriding Considerations, and approved the revised findings and conditions of approval for Tentative Tract Map (2586) and Conditional Use Permit (S030115U) reflecting the Amended Project (Alternative 12 of the Final EIR). By way of background, because the County BOS approved Alternative 12, the Amended Project, a reconfiguration of the Agricultural Residential Cluster Subdivision design was required to mitigate significant impacts identified in Section 4.0 of this EIR.

On December 9, 2014, the San Luis Obispo County Board of Supervisors approved the Addendum to the Final Environmental Impact Report for the Santa Margarita Ranch Agriculture Residential Cluster Subdivision Project, Project #S030115U.

On June 22, 2023, the County applied to LAFCO with a resolution of application for the Sphere of Influence Amendment and Annexation of the 111 residential parcels into CSA 23.

On July 21, 2023, staff provided the applicant with a 30-day review letter (Attachment L), placing the project on hold until the items detailed in the letter are addressed for LAFCO to continue processing the application.

On February 27, 2024, the applicant provided their initial response to the information requested by LAFCO, but some information requests were still pending.

On March 12, 2024, the County Board of Supervisors approved a \$0 exchange of property tax revenue to be transferred between the County and CSA 23.

On April 15, 2024, and August 2, 2024, staff reviewed additional information provided by the County and clarified that the application remained on hold due to a number of outstanding informational needs.

On December 4, 2024, the application met submission requirements and allowed staff to issue a Certificate of Filing and schedule the item for a hearing.

Public Notification: Notice was mailed to property owners and registered voters within 300 feet of APN 070-094-007, which is the larger parcel wherein the 111 lots are currently located. The mailing was sent out at least 21 days in advance of the hearing. In addition, an advertisement was placed in the Tribune on December 26, 2024, 21 days in advance of today's hearing. Notice has been sent to the applicants, the County, applicable agencies, and other interested parties.

ACTION 1 | ENVIRONMENTAL DETERMINATION

The County, as the Lead Agency under CEQA, prepared an EIR to disclose the environmental impacts of the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program. The County certified the EIR on December 23, 2008, State Clearinghouse Number 2004111112, included as Attachment H. Following certification of the EIR,

petitioners filed suit challenging these actions in the San Luis Obispo Superior Court. As a result of the lawsuit, on December 9, 2014, the San Luis Obispo County Board of Supervisors certified an Addendum to the Final EIR for the Santa Margarita Ranch Agriculture Residential Cluster Subdivision Project, Project #S030115U, included as Attachment I. LAFCO, acting as a Responsible Agency, will rely upon the certified EIR and Addendum for compliance with CEQA with respect to the SOI and annexation component of the project. Prior to taking action to adopt CEQA Findings of Fact and Overriding Considerations, the Commission must, by motion, find that the EIR, including the Addendum, adopted by the County of San Luis Obispo was reviewed, considered, and determined to be adequate for purposes specified in Section 15096 of the CEQA Guidelines and for use in considering approval of the proposed SOI and annexation. The staff has determined that the EIR, including the Addendum, is adequate for the proposed action before LAFCO. While LAFCO may rely upon the environmental documentation prepared by the County, LAFCO must adopt its own CEQA Findings of Fact and Overriding Considerations as found in Attachment A, Exhibit A.

In summary, the proposed project would result in ten significant and unavoidable (Class I) impacts related to the following issue areas:

- Agricultural Resources
 - Impacts to the on-site grazing unit and prime soils
 - Land-use conflicts
- Air Quality
 - Operational air pollutant emissions
 - Inconsistencies with the Clean Air Plan
- Biological Resources
 - Impacts to native oak woodland habitat
- Cultural Resources
 - Impact traditional Native American values
 - Impacts to prehistoric and historic archaeological sites
- Noise
 - Long-term traffic generated by the project would increase noise
- Transportation and Circulation
 - Adds traffic to locations with existing hazards and deficiencies
- Water and Wastewater
 - Increase groundwater use

In addition, the project would result in thirty-two significant but mitigable (Class II) impacts related to the following issue areas:

- | | |
|---------------------------------------|----------------------------------|
| • Air Quality | • Noise |
| • Biological Resources | • Public Safety |
| • Cultural Resources | • Public Services |
| • Drainage, Erosion and Sedimentation | • Transportation and Circulation |
| • Geologic Stability | • Visual Resources |
| • Land Use | • Water & Wastewater |

The impacts highlighted above require specific Findings and the adoption of a Statement of Overriding Consideration, found in Attachment A, Exhibit A. The Final EIR and Addendum, found in Attachment H and I, includes mitigation measures and associated findings adopted by the County Board of Supervisor Resolution No. 2008-455. These measures become a part of the project description and therefore become a part of the record of action upon which the environmental determination is based.

Alternatives: As required by Section 15126(d) of the State CEQA Guidelines, this EIR examined a range of reasonable alternatives to the proposed Agricultural Residential Cluster Subdivision and conceptual Future Development Program that could feasibly achieve similar objectives. The Final EIR analyzed a total of 14 alternatives, which included the CEQA-required “no project” alternative. On December 23, 2008, the County BOS selected Alternative 12 (Amended Project) as the Approved Project. The Amended Project, Alternative 12, contains the same development characteristics as 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. The County found that 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.

Recommendation: Acting as the Responsible Agency pursuant to the California Environmental Quality Act (CEQA), find by motion, that the Certified Environmental Impact Report (EIR) and EIR Addendum, State Clearinghouse No. 2004111112, adopted by the County of San Luis Obispo, was reviewed, considered, and determined to be adequate for purposes specified in Section 15096 of the CEQA Guidelines and for use in considering approval of the proposed Sphere of Influence amendment and annexation.

ACTION 2 | SPHERE OF INFLUENCE AMENDMENT & ANNEXATION

Sphere of Influence Amendment: The Cortese-Knox-Hertzberg (CKH) Act requires that a current MSR be used to analyze a Sphere of Influence Amendment. The MSR is a study of the District’s service capabilities and addresses seven factors described in Section 56430 of the CKH Act. LAFCO last adopted an SOI and MSR for CSA 23 in August 2017. In addition to relying on the CSA’s latest MSR, an updated brief analysis of the seven factors listed in 56430 (a) was provided in Attachment B. Prior to the annexation, the SOI must be amended to include the subject territory. The SOI is a plan for the probable physical boundaries of a local agency as determined by LAFCO per Government Code Section 56076. A SOI is generally considered a 20-year, long-range planning tool, and a mandatory step in the process. The SOI amendment is proposed concurrently with the annexation.

To amend the SOI, the CKH Act requires that five factors be considered, and determinations be made by LAFCO per gov code section 56425 (e). SOI determinations have been made and are included in Attachment B. In summary, the SOI amendment for CSA 23 is recommended to include the proposed annexation area. This is based on the information, application, studies, and documents provided and approved by the County, CSA 23, and contained or referenced in this Staff Report. CSA 23 has considered the impacts of this SOI amendment and annexation on its service capacities and determined that they are willing and able to provide the requested services.

Annexation: When processing a proposal, the Commission is required to consider all factors specified in Government Code Section 56668 (for any proposal) and 56668.3 (for district annexations). The factors in the aforementioned code sections and Commission policies, standards, and procedures allow the Commission to continue to exercise its powers in a manner that encourages and provides planned, well-ordered, and efficient urban development patterns with consideration of preserving open-space and agricultural lands. All Factors and applicable LAFCO policies were addressed within Attachment C. The analysis contained therein, as well as all information contained in the record to date and included in the attachments to this report were used to inform the recommendation for approval. In addition, it is recommended the Commission determine that any significant environmental impacts caused by the proposed annexation have been minimized to the extent feasible, and where not feasible, overridden by the significant economic, fiscal, social, and land-use benefits to be generated to the region for the reasons set forth in the CEQA Findings and Statement of Overriding Considerations (Attachment A, Exhibit A).

The proposal requests water service through annexation into CSA 23 for 111 residential lots (1.0 to 2.5 acres in size with one single-family home per lot). The lots will be created by the three-phase Tract Map 2586. The annexation boundary is proposed to be coterminous with the lots created by the tract map at the request of the County. Conditions of approval are recommended to ensure consistency between the annexation map and legal and the Final Tract Map 2586 for Phase 1. Conditions are also recommended to ensure that the annexation map and legal descriptions are submitted to LAFCO post-approval for the subsequent phases, which should be consistent with the Final Tract Map 2586 for Phases 2 and 3. The estimated time frame for Final Tract Map recordation and service delivery will be as follows:

Phase	# of Lots	Time Frame
Phase I	38 lots	2024-2027
Phase II	44 lots	2027-2032
Phase III	29 lots	2032-2034

As previously mentioned, CSA 23 supplies the community of Santa Margarita with water service via two groundwater wells and an emergency water supply intertie with Atascadero Mutual Water Company. The existing water system wells are adequate to supply CSA 23 with water but have been impeded by droughts in the past. The water system has been put on mandatory water

restrictions in the past but has never had to implement emergency interties. CSA 23 wells are located within or adjacent to the Atascadero Ground Water Basin. The total capacity/service units of the existing system is approximately 514 residential meters and 41 commercial meters with an average day demand at build-out of 210,500 gallons per day.

The total capacity/service units of the Tract 2586 system is approximately 120 residential meters and no commercial meters with an average day demand at build-out of 75,000 gallons per day. According to the Plan for Services, the projected water demand of CSA 23 at buildout (plus the 111 residential lots) would be an average day demand of 264,500 gallons. The proposal would add two new water supply wells to the CSA 23 system. Santa Margarita Ranch, LLC conducted a hydraulic analysis of the potential connection of Tract 2586 to CSA 23 subject to peer review by the County. The report identified that an intertie between CSA 23 and Tract 2586 would increase the water supply, fire flow pressure, available storage, and redundancy in CSA 23. In addition, CSA 23 would own and operate system improvements, which include Wells 5 and 6, a booster station, a water storage tank, and all appurtenances up to and including the water meter at each service connection, as shown on page 9 of Attachment N. With the addition of these system improvements, annexation is expected to provide potential benefits to all CSA 23 customers. CSA 23's existing capacity is an average day demand of 637,000 gallons and the capacity at buildout (plus the Tract 2586 System) would be 925,000 gallons per day. Please refer to Attachment C, factors (c) and (k) for more analysis, and Attachment E for the Plan for Services.

The County has concluded that CSA 23 is capable of providing the necessary water services in a timely manner to the affected territory while being able to serve all areas within its current boundaries and without lowering the level of service provided to areas currently being served.

Key Highlights are provided below:

- All costs associated with the design, inspection, plan check, review, and construction inspection by CSA 23 staff will be paid by the landowner per the terms and conditions of the Engineering Reimbursement Agreement dated May 28, 2020, and Annexation Agreement.
- The landowner would fund a number of major water infrastructure improvements, which are detailed in the Plan for Services and Annexation Agreement between Santa Margarita Ranch, LLC and CSA 23.
- The County Public Works Finance Department completed a financial analysis of Tract 2586 annexation into CSA 23, included on page 8 of Attachment N.
- Revenue was estimated conservatively using existing CSA 23 rates and will include a service charge to build reserves for the expected replacement of the bolted tank with a welded tank. The estimated revenue generated from the proposed 111 lots will adequately cover operations, maintenance, and capital improvement costs.
- The existing rate structure for water services in CSA 23 will be unaffected by the annexation of new territory.
- A zone of benefit will be established for the tract and connection fees will be paid by the owners. CSA 23 intends to initiate proceedings for the formation of a new zone of benefit upon the issuance of the Certificate of Completion for annexation. The capital

improvement charge will be implemented through a Proposition 218 protest process, which will take place at the same time as the formation of the zone of benefit.

Recommendation: Approve, by resolution, the proposed Sphere of Influence Amendment and Annexation No. 1 to County Service Area 23, as contained in Attachment A with the following conditions, adopt Findings of Fact and a Statement of Overriding Findings for compliance with CEQA (Attachment A, Exhibit A) and waive protest proceedings pursuant to Government Code Section 56662(a).

1. The Sphere of Influence Amendment is effective immediately but is conditioned on the County proceeding with each of the three-phase tract maps associated with Tract 2586.
2. Prior to filing the Certificate of Completion with the County Clerk-Recorder, the following must be submitted to LAFCO:
 - a. Submittal of Final Tract 2586 Map for Phase 1.
 - b. County Surveyor verification that Phase 1 annexation map & legal is consistent and identical with Final Tract 2586 Map for Phase 1.
3. The effective date for Phase 1 of the annexation would be the date that the Certificate of Completion is filed with the County Clerk-Recorder and subsequently the Phase 1 annexation map and legal description may be filed with the State Board of Equalization.
4. After filing the Certificate of Completion with the County Clerk-Recorder, and once the documents are made available, the following must be submitted to LAFCO prior to deeming Phase 2 of the annexation effective:
 - a. Submittal of Final Tract 2586 Map for Phase 2.
 - b. Final Phase 2 annexation map and legal description that is consistent with LAFCO mapping standards and that has been reviewed and stamped by the County Surveyor.
 - c. County Surveyor verification that Phase 2 annexation map & legal description are consistent and identical with Final Tract 2586 Map for Phase 2.
5. After filing the Certificate of Completion with the County Clerk-Recorder, and once the documents are made available, the following must be submitted to LAFCO prior to deeming Phase 3 of the annexation effective:
 - a. Submittal of Final Tract 2586 Map for Phase 3.
 - b. Final Phase 3 annexation map and legal description that is consistent with LAFCO mapping standards and that has been reviewed and stamped by the County Surveyor.
 - c. County Surveyor verification that Phase 3 annexation map & legal description are consistent and identical with Final Tract 2586 Map for Phase 3.
6. The effective date for Phase 2 of the annexation would be the date that the Executive Officer issues a letter to CSA 23, as the applicant, stating that service may commence and subsequently file the annexation map and legal description with the State Board of Equalization.
7. The effective date of the Phase 3 annexation would be the date that the Executive Officer issues a letter to CSA 23, as the applicant, stating that service may commence

- and subsequently file the annexation map and legal description with the State Board of Equalization.
8. The Landowner, Santa Margarita Ranch, LLC, and CSA 23 shall provide all the fees associated with filing with the State Board of Equalization (BOE). Due to the 3 phased approach, three separate checks will be required with the filing of each phase.
 9. The Landowner, Santa Margarita Ranch, LLC, and CSA 23 shall comply with all terms and conditions set forth in the Annexation Agreement dated June 6, 2023.
 10. For each phase of the annexation, the Landowner, Santa Margarita Ranch, LLC, shall pay all previously established CSA 23 fees and charges.
 11. Any substantial deviation from Phases 2 and 3 as approved by the Commission and shown in Exhibit B of Attachment A shall require the Executive Officer to not issue a letter to commence service and as a result would prohibit the respective phase from becoming effective. In this circumstance, a new annexation application would be required for the respective phase/phases and would need to be considered by the Commission at a public hearing.
 12. This condition applies to the extent allowed by law. The County and Santa Margarita Ranch, LLC shall defend, indemnify, hold harmless, and release the San Luis Obispo Local Agency Formation Commission (LAFCO), its officers, employees, attorneys, or agents from any claim, action or proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul, in whole or in part, LAFCO's action on the proposal or on the environmental documents submitted to or prepared by LAFCO in connection with the proposal. This indemnification obligation shall include, but not be limited to, damages, costs, expenses, attorneys' fees, and expert witness fees that may be asserted by any person or entity, including the Applicant, arising out of or in connection with the application. In the event of such indemnification, LAFCO expressly reserves the right to provide its own defense at the reasonable expense of the applicant.

Alternatives for Action: At the conclusion of its consideration, the Commission may approve the request, with or without amendment, wholly, partially, or conditionally, or disapprove the request. The Commission has discretion in light of the whole record to make its decision. The following alternative actions are available:

Alternative One:

Continue consideration to the next regular meeting for reasons determined by the Commission.

Alternative Two:

Disapprove the change of organization proposal with direction for staff to return to the next regular meeting with a conforming resolution for adoption.

If approved, following a 30-day reconsideration period provided under Government Code Section 56895, the SOI amendment and annexation will become effective on the date of execution of the

Certificate of Completion and effective from the dates specified in the terms and conditions of the Commission resolution pursuant to Government Code Sections 56020.5 and 57202 (b). The CKH Act, Government Code Section 57001, allows up to one year for a Certificate of Completion to be filed with the Clerk-Recorder, otherwise, the action is deemed abandoned. LAFCO may grant extensions based on a reasonable request by the applicant. The time frame for an extension is at LAFCO's discretion based on the circumstances of the proposal.

ATTACHMENTS

Most attachments are available via web links due to file size:

Attachment A: LAFCO Resolution Approving the Sphere of Influence Amendment and Annexation

Exhibit A: CEQA Findings and Statement of Overriding Considerations

Exhibit B: Annexation Map and Legal Description for Phase I

Attachment B: LAFCO MSR & SOI Review Factors-Government Code Section 56430 and 56425(e)

Attachment C: LAFCO Proposal Review Factors-Government Code Section 56668 and 56668.3

Attachment D: Vicinity Map

https://slo.lafco.ca.gov/files/56e2bb3e7/Attach+D_2-R-23.pdf

Attachment E: CSA 23 Plan for Services

https://slo.lafco.ca.gov/files/b7fa097e4/Attach+E_Plan+Service.pdf

Attachment F: Resolution of Application

https://slo.lafco.ca.gov/files/4689235a1/Attach+F_BOSNo..pdf

Attachment G: Annexation Agreement between CSA 23 and Santa Margarita Ranch, LLC

https://slo.lafco.ca.gov/files/69eec71d7/Attach+G_Anx+Agreement.pdf

Attachment H: Final Environmental Impact Report (SCH No. 2004111112)

https://slo.lafco.ca.gov/files/203accb68/Attach+H_FULL+FEIR.pdf

Attachment I: Addendum to the Final Environmental Impact Report (SCH No. 2004111112)

https://slo.lafco.ca.gov/files/2534d4077/Attach+I_FEIR+Addendum.pdf

Attachment J: County CEQA Statement of Overriding Considerations

https://slo.lafco.ca.gov/files/e244f969a/Attach+J_County+CEQA.pdf

Attachment K: CSA 23 Sphere of Influence Update and Municipal Service Review

<https://slo.lafco.ca.gov/files/8cc8845f1/CSA+23+Santa+Margarita.pdf>

Attachment L: LAFCO 30-Day Review Letter dated July 21, 2023

https://slo.lafco.ca.gov/files/43b22e789/Attach+L_30-Day+Review.pdf

Attachment M: LAFCO Review of Informational Response Letter dated April 15, 2024

https://slo.lafco.ca.gov/files/7bb246c4b/Attach+M_Info+2-R-23.pdf

Attachment N: CSA 23 Informational Response Letter Dated August 2, 2024

https://slo.lafco.ca.gov/files/bff4b50f6/Attach+N_Info+Response.pdf

Attachment O: Prime Ag Land Information, Soil Summary & Maps

https://slo.lafco.ca.gov/files/a64980d20/Attach+O_Soil.pdf

Attachment A

Resolution approving a Sphere of Influence Amendment
and Annexation No. 1 to County Service Area No. 23 (111
Residential Lots In Tract 2586) | LAFCO NO. 2-R-23

IN THE LOCAL AGENCY FORMATION COMMISSION
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

Thursday, January 16, 2025

RESOLUTION NO. 2025-XX

**RESOLUTION APPROVING A SPHERE OF INFLUENCE AMENDMENT AND ANNEXATION NO. 1
TO COUNTY SERVICE AREA NO. 23
(111 RESIDENTIAL LOTS IN TRACT 2586) | LAFCO NO. 2-R-23**

The following resolution is now offered and read:

RECITALS

WHEREAS, on June 22, 2023, the County of San Luis Obispo filed a resolution to initiate proceedings and an application with the San Luis Obispo County Local Agency Formation Commission, hereinafter referred to as “Commission”, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”); and

WHEREAS, the application before the Commission seeks approval of a sphere of influence amendment and a change of organization of approximately 143 acres of unincorporated territory in the County of San Luis Obispo involving annexation into the County Service Area No. 23 (CSA 23) of 111 residential clustered lots within Tract 2586 (LAFCO File No. 2-R-23); and

WHEREAS, the affected territory as proposed includes the 111 lots currently within a portion of a legal parcel identified by the County of San Luis Obispo’s Assessor’s Office as 070-094-007, but the area will be subdivided, and Assessor Parcel Numbers will be available following the three-phased Final Tract 2586 Map recordation; and

WHEREAS, the sphere of influence and annexation boundary is proposed to be co-terminus with the lots created by the three-phased Final Tract 2586 Map, and Phase I will include 38 residential lots (approximately 52 acres), Phase II will include 44 residential lots (approximately 54 acres), and Phase III will include 29 residential lots (approximately 36 acres); and

WHEREAS, on December 23, 2008, the San Luis Obispo County Board of Supervisors held a

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public hearing and approved (1) Resolution 2008-455, which upheld an appeal and reversed the decision of the Planning Commission and Conditionally approved the application of Santa Margarita Ranch LLC and the Findings and Conditions of Approval for a Tentative Tract/ Conditional Use Permit, Tract 2586, and (2) Conditional Use Permit S030115U, which certified Environmental Impact Report, including a statement of overriding considerations, and (3) Resolution 2008-455, which approved a three-phase Major Agricultural Cluster consistent with the Amended Project which included the 111 residential clustered lots (approx. 143-acres) that are proposed for a sphere of influence amendment and annexation into CSA 23; and

WHEREAS, on December 9, 2014, the San Luis Obispo County Board of Supervisors approved the Addendum to the Final Environmental Impact Report for the Santa Margarita Ranch Agriculture Residential Cluster Subdivision Project, Project #S030115U; and

WHEREAS, on March 12, 2024, the San Luis Obispo County Board of Supervisors approved a property tax agreement for a zero-property tax exchange to be transferred to CSA 23 pursuant to the Revenue and Taxation Code Section 99; and

WHEREAS, on December 4, 2024, the Executive Officer filed a Certificate of Filing deeming the application as acceptable for filing; and

WHEREAS, the Executive Officer has given the notices required by law and forwarded copies of his report to officers, persons, and public agencies prescribed by law; and

WHEREAS, the Executive Officer conducted an analysis of the proposal and prepared a report including staff's recommendations thereon, and presented staff's findings for Commission consideration; and

WHEREAS, the matter was set for public hearing at 9:00 a.m. on January 16, 2025, and the public hearing was duly conducted and determined and a decision was made on January 16, 2025; and

WHEREAS, at said hearing this Commission 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 the proposal and report; and

WHEREAS, the reasons for the proposed sphere of influence and annexation are as follows:

- 1) It will enable the applicant to receive water services from CSA 23 to meet the needs associated with the development of the 111 residential lots within Tract 2586. An intertie with Tract 2586 would add two new water supply wells to the CSA 23 system increasing water supply, fire flow pressure, available storage, and redundancy.

WHEREAS, the Commission determined that the environmental documentation prepared by the County of San Luis Obispo, including the certified Environmental Impact Report and Addendum to the Environmental Impact Report (State Clearinghouse Number 2004111112) meets the requirements of the California Environmental Quality Act (CEQA); and

WHEREAS, the Commission determined that the Environmental Findings, Mitigation Monitoring and Reporting Program, and Statement of Overriding Considerations adopted by the County of San Luis Obispo are appropriate and adequate and that none of the conditions in Section 15164 of the CEQA Guidelines are present to warrant preparation of a subsequent EIR. Acting as a Responsible Agency, LAFCO adopts its own Findings of Fact and statement of overriding consideration that meets the requirements of the CEQA as contained in Exhibit A hereto; and

WHEREAS, the Commission has considered all factors required to be considered by Government Code Sections 56430 and 56425 (e) and adopts as its written statements of determinations and record therein, the determinations set in the Executive Officer's Staff Report dated January 16, 2025, attachments and testimony, and said record and determinations being

incorporated by reference herein as though set forth in full; and

WHEREAS, the Commission has considered all factors required to be considered by Government Code Sections 56668, 56668.3, as well as adopted local policies and procedures and adopts as its written statements of determinations and record therein, the determinations set in the Executive Officer's Staff Report dated January 16, 2025, attachments and testimony, and said record and determinations being incorporated by reference herein as though set forth in full; and

WHEREAS, the Commission duly considered the proposal and found that the proposed sphere of influence amendment and annexation into CSA 23's service area should be approved.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Local Agency Formation Commission 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 as a Responsible Agency, this Commission reviewed, considered, and determined the certified Environmental Impact Report and Addendum (SCH No. 2004111112) to be adequate for the purposes specified in Section 15096 of the CEQA Guidelines and adopts its own Findings of Fact and statement of overriding consideration that meets the requirements of the CEQA as contained in Exhibit A hereto.
3. That the map and legal description for Phase 1 and the general vicinity map which includes tentative boundaries for the remaining phases approved by this Commission is attached hereto, marked as Exhibit B hereto.
4. That the Executive Officer of this Commission is authorized and directed to mail copies of this resolution in the manner provided by law.
5. That pursuant to Government Code Section 56662(d), the Commission waives protest proceedings and orders the annexation subject to requirements of CKH, because (a) the territory is uninhabited, (b) the proposal is accompanied by proof that the single owner of all land in the 111 residential lots has given his written consent to the proposal, and (c)

the CSA 23 has not submitted written opposition to a waiver of protest proceedings.

6. That the Sphere of Influence Amendment and Annexation No. 1, annexing the 111 residential lots within Tract 2586 into CSA 23, is hereby approved with the following conditions:

1. The Sphere of Influence Amendment is effective immediately but is conditioned on the County proceeding with each of the three-phase tract maps associated with Tract 2586.
2. Prior to filing the Certificate of Completion with the County Clerk-Recorder, the following must be submitted to LAFCO:
 - a. Submittal of Final Tract 2586 Map for Phase 1.
 - b. County Surveyor verification that Phase 1 annexation map & legal is consistent and identical with Final Tract 2586 Map for Phase 1.
3. The effective date for Phase 1 of the annexation would be the date that the Certificate of Completion is filed with the County Clerk-Recorder and subsequently the Phase 1 annexation map and legal description may be filed with the State Board of Equalization.
4. After filing the Certificate of Completion with the County Clerk-Recorder, and once the documents are made available, the following must be submitted to LAFCO prior to deeming Phase 2 of the annexation effective:
 - a. Submittal of Final Tract 2586 Map for Phase 2.
 - b. Final Phase 2 annexation map and legal description that is consistent with LAFCO mapping standards and that has been reviewed and stamped by the County Surveyor.
 - c. County Surveyor verification that Phase 2 annexation map & legal description are consistent and identical with Final Tract 2586 Map for Phase 2.
5. After filing the Certificate of Completion with the County Clerk-Recorder, and once the documents are made available, the following must be submitted to LAFCO prior to deeming Phase 3 of the annexation effective:
 - a. Submittal of Final Tract 2586 Map for Phase 3.
 - b. Final Phase 3 annexation map and legal description that is consistent with LAFCO mapping standards and that has been reviewed and stamped by the County Surveyor.
 - c. County Surveyor verification that Phase 3 annexation map & legal description are consistent and identical with Final Tract 2586 Map for Phase 3.
6. The effective date for Phase 2 of the annexation would be the date that the Executive Officer issues a letter to CSA 23, as the applicant, stating that service may commence

and subsequently file the annexation map and legal description with the State Board of Equalization.

7. The effective date of the Phase 3 annexation would be the date that the Executive Officer issues a letter to CSA 23, as the applicant, stating that service may commence and subsequently file the annexation map and legal description with the State Board of Equalization.
 8. The Landowner, Santa Margarita Ranch, LLC, and CSA 23 shall provide all the fees associated with filing with the State Board of Equalization (BOE). Due to the 3 phased approach, three separate checks will be required with the filing of each phase.
 9. The Landowner, Santa Margarita Ranch, LLC, and CSA 23 shall comply with all terms and conditions set forth in the Annexation Agreement dated June 6, 2023.
 10. For each phase of the annexation, the Landowner, Santa Margarita Ranch, LLC, shall pay all previously established CSA 23 fees and charges.
 11. Any substantial deviation from Phases 2 and 3 as approved by the Commission and shown in Exhibit B of Attachment A shall require the Executive Officer to not issue a letter to commence service and as a result would prohibit the respective phase from becoming effective. In this circumstance, a new annexation application would be required for the respective phase/phases and would need to be considered by the Commission at a public hearing.
 12. This condition applies to the extent allowed by law. The County and Santa Margarita Ranch, LLC shall defend, indemnify, hold harmless, and release the San Luis Obispo Local Agency Formation Commission (LAFCO), its officers, employees, attorneys, or agents from any claim, action or proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul, in whole or in part, LAFCO's action on the proposal or on the environmental documents submitted to or prepared by LAFCO in connection with the proposal. This indemnification obligation shall include, but not be limited to, damages, costs, expenses, attorneys' fees, and expert witness fees that may be asserted by any person or entity, including the Applicant, arising out of or in connection with the application. In the event of such indemnification, LAFCO expressly reserves the right to provide its own defense at the reasonable expense of the applicant.
7. Completion of the 30-day reconsideration period provided under Government Code Section 56895.
 8. The effective date shall be the date of execution of the Certificate of Completion and effective from the dates specified in the terms and conditions of the Commission resolution pursuant to Government Code §56020.5 and 57202 (b). The Certificate of

Completion must be recorded within one calendar year unless an extension is requested and approved by the Commission.

9. The Commission hereby directs staff to file a Notice of Determination within five working days of this Resolution in compliance with Tit. 14 California Code Regulations §15094.

Upon a motion of Commissioner _____, seconded by Commissioner _____, and on the following roll call vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby adopted.

Steve Gregory, Vice Chairperson Date
Local Agency Formation Commission

ATTEST:

Rob Fitzroy Date
LAFCO Executive Officer

APPROVED AS TO FORM AND LEGAL EFFECT:

Holly Whatley Date
LAFCO Legal Counsel

Exhibit A

CEQA FINDINGS AND STATEMENT OF OVERRIDING CONSIDERATIONS

Exhibit A

San Luis Obispo Local Agency Formation Commission

LAFCO No. 2-R-23

Sphere of Influence Amendment and Annexation No. 1 to County Service Area 23 (111 Residential lots within Tract 2586 - Santa Margarita Ranch)

CEQA FINDINGS AND STATEMENT OF OVERRIDING CONSIDERATIONS

Prepared by San Luis Obispo LAFCO

1. Consideration of the Environmental Impact Report

The Commission, as a Responsible Agency, has reviewed and considered the information in the Final Environmental Impact Report (EIR) for the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program; State Clearinghouse Number 2004111112, among other documents. It was concluded that the EIR is adequate for the purposes of the Commission's compliance with CEQA for the proposed action (pursuant to Public Resources Code Section 21000 et seq., and CA Code of Regulations Section 15000 et seq.). The Commission has reached its own conclusion on whether and how to approve the proposed Sphere of Influence (SOI) Amendment and Annexation No. 1 to County Service Area (CSA) 23.

As a Responsible Agency, the Commission must rely upon the EIR prepared for the project and concur with its conclusions relative to the action before the Commission. The action of the Commission would allow the CSA's SOI and service area boundaries to be amended to include a total of 111 residential parcels created by the 3-Phase Vesting Tentative Tract Map 2586. As such, the EIR was reviewed in this context to ensure the annexation would adequately address any potential environmental impacts. The Commission concluded that no substantial changes are proposed in the project which will require a major revision of the previously certified EIR, no substantial changes have occurred with respect to the circumstances under which the project is undertaken which will require a major revision of the previously certified EIR, and no new information of substantial importance has been identified which was not known at the time that the previous EIR was certified.

Mitigation measures are proposed to reduce potentially significant impacts to a less than significant level (Class II) as related to:

- Air Quality
 - Construction-related emissions
- Biological Resources
 - Impacts to Native Perennial Grassland
 - Impacts to wetlands, waters, & riparian areas
 - Impacts to Special-Status Plant Species
 - Impacts to Vernal Pool Fairy Shrimp & seasonal pools
 - Impacts to South/Central California Coast Steelhead and/or the loss of Steelhead Critical Habitat
 - Impacts to California red-legged frog & fragment available habitat
 - Impacts to populations & available habitat for wildlife in general, including special-status wildlife species
- Cultural Resources
 - Disruption to previously unidentified buried archeological deposits
 - Disruption to previously unidentified human remains
 - Indirect impacts to identified or unidentified archaeological and historical resources
 - Impact to fossil-bearing strata & could damage or destroy significant fossil materials
- Drainage, Erosion and Sedimentation
 - Increased peak stormwater discharges and volumes of runoff
 - Stormwater transport of pollutants, bacteria, & sediment into downstream facilities
- Geologic Stability

- Due to the presence of active & potentially active faults subject to strong ground shaking
- Potential to present soil-related hazards (expansive soils, erosive soils, settlement) to structures, utilities, and roadways
- Subject to moderate landslide potential
- Could be subject to high liquefaction hazards
- The surface materials allow for percolation of groundwater & may result in seepage into building foundations
- Land Use
 - Construction activity associated with the project would create temporary noise, air quality, and visual impacts
- Noise
 - Construction would generate nuisance noise levels at the nearest sensitive receptors
- Public Safety
 - Potential impact associated with failure of the water storage tanks
 - Potential impact associated with the use, transport, and/or storage of water tank treatment chemicals
 - Large-scale grading and excavation operations could expose construction workers & other individuals to valley fever
- Public Services
 - Impacts related to public safety at the site
 - Impacts on the County Fire Department
 - Impacts to the solid waste disposal services and capacity of the landfill
- Transportation and Circulation
 - Site access limitations
 - Impacts related to pedestrian movement
- Visual Resources
 - Alteration of scenic vistas
- Water & Wastewater
 - Improper disposal field design
 - Wastewater discharge systems can degrade groundwater quality

The San Luis Obispo County (County) adopted overriding considerations based on significant and unavoidable impacts (Class II) associated with:

- Agricultural Resources
 - Impacts to the on-site grazing unit and prime soils
 - Land-use conflicts
- Air Quality
 - Operational air pollutant emissions
 - Inconsistencies with the Clean Air Plan
- Biological Resources
 - Impacts to native oak woodland habitat
- Cultural Resources
 - Impact traditional Native American values
 - Impacts to prehistoric and historic archaeological sites
- Noise
 - Long-term traffic generated by the project would increase noise
- Transportation and Circulation

- Adds traffic to locations with existing hazards and deficiencies
- Water and Wastewater
 - Increase groundwater use

Overriding findings are proposed for impacts that were determined to be significant and unavoidable.

These findings and determinations constitute the independent findings and determinations by the Commission in all respects and are fully and completely supported by substantial evidence, both oral and written, in the entire record relating to the proposal before the Commission.

2. Record of Proceedings

Supporting documentation and other materials (including documents maintained in electronic format) that constitute the record of proceedings upon which this determination is based can be found online and in the custody of the Commission's Executive Officer at office address:

San Luis Obispo Local Agency Formation Commission
1042 Pacific Street, Suite A
San Luis Obispo, CA 93401

The record of proceedings for Commission decisions on the proposal includes, but is not limited to, the following documents:

- a) On December 23, 2008, the San Luis Obispo County Board of Supervisors upheld an appeal and reversed the decision of the Planning Commission, selected Alternative 12 of the Final EIR as the Approved Project, and Conditionally approved the application of Santa Margarita Ranch LLC adopting the following:
 - EIR for the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program (SCH # 200411112) was Certified
 - CEQA findings and Statement of Overriding Considerations
 - Revised findings and conditions of approval for Tentative Tract Map (2586) and Conditional Use Permit (S030115U) reflecting the Amended Project (Alternative 12)
- b) On December 9, 2014, the San Luis Obispo County Board of Supervisors approved the Addendum to the Final Environmental Impact Report for the Santa Margarita Ranch Agriculture Residential Cluster Subdivision Project, Project #S030115U.
 - Following certification of the EIR for the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project petitioners filed suit challenging these actions in the San Luis Obispo Superior Court. The trial court entered judgment in that action on June 18, 2013, and issued a Peremptory Writ of Mandate commanding the County to undertake certain tasks before tract map recordation, grading permit, or construction permit issuance. The judgment determined that the off-site air quality mitigation measure and associated fee was not appropriate for the project, and did not include substantial evidence as to its applicability for

use by this specific project. The Writ of Mandate requires the County, in relevant part, to “Develop a record based upon substantial evidence supporting the establishment of off-site air quality impact fee to mitigate the Project’s significant air quality impacts in compliance with CEQA,” and to “Recirculate the off-site air quality impact fee and the analysis of said fee and hold any hearings as may be required by law”.

c) On June 6, 2023, the San Luis Obispo County Board of Supervisors adopted the following:

Resolution 2023-140 Initiating proceedings to amend the Sphere of Influence and annex portions of Tract 2586 into County Service Area 23

- Exhibit A – Site Map
- Exhibit B – Application for Annexation
- Exhibit C – Annexation Agreement
- Exhibit D – Plan for Services

b) On June 22, 2023, the County submitted its Resolution of Application to LAFCO.

c) Public notices issued by the Commission associated with the proposal.

LAFCO prepared and distributed notices to the landowner/proponents, the County, affected agencies, and other interested parties as required under government code sections 56660 & 56661. All notices were sent out at least 21 days in advance of the hearing, consistent with Government Code section 56427. In addition, notice was placed in the Tribune on December 26, 2024, at least 21 days in advance of the hearing per Government Code section 56153.

Although the findings below identify specific pages within the record in support of various conclusions, the Commission incorporates by reference and adopts as its own, the reasoning set forth in the EIR and related documents, and thus relies on that reasoning, even where not specifically mentioned or cited below, in reaching the conclusions herein.

3. Significant Impacts Identified in the EIR

The County certified the EIR for the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program, which evaluated environmental impacts associated with future development on the annexation site. Other than approving the SOI and annexation into CSA 23, changes and alterations to avoid or substantially lessen the significant environmental effects as identified in the EIR are within the responsibility and jurisdiction of the County and not the Commission.

The Commission’s jurisdiction to impose conditions on the Project is limited under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) and CEQA Guidelines sections 15050 (Lead Agency Concept) and 15096 (Process for a Responsible Agency). As a responsible agency, the Commission has responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the Project that it decides to carry out, finance, or approve. (CEQA Guidelines, section 15096(g)(1)).

The Commission hereby makes the following findings regarding the significant effects of the project, pursuant to Public Resources Code section 21081, and section 15091 of the CEQA Guidelines. The

discussion below does not attempt to describe the full analysis of each environmental impact contained in the EIR. Instead, the discussion provides a summary of each potentially significant impact, describes the applicable mitigation measures identified in the Final EIR and the Final EIR Addendum as adopted by the County, and states the Commission's findings on the significance of each impact after imposition of the adopted mitigation measures. A full explanation of these environmental findings and conclusions can be found in Final EIR, and these findings hereby incorporate by reference the discussion and analysis in those documents supporting the Final EIR's determinations regarding mitigation measures and the Project's impacts and mitigation measures designed to address those impacts.

In order for LAFCO to consider the proposed SOI and annexation, a Statement of Findings is provided for the following impacts identified in the EIR as significant and unavoidable. LAFCO, as a Responsible Agency, has prepared the following Findings as required per CEQA Guidelines section 15096 (h). None of the conditions in Section 15164 of the CEQA Guidelines are present to warrant the preparation of a subsequent EIR.

Please note that the significant and unavoidable impacts described below represent the impacts to the project as it was originally proposed. In December 2008, the County BOS approved Alternative 12 of the Final EIR, often referred to as the "Amended Project". This alternative involves a reconfiguration of the Agricultural Residential Cluster Subdivision design to mitigate significant impacts identified in Section 4.0 of this EIR, particularly related to prime soils, visual prominence, oak trees, and archaeologically sensitive areas. The impacts described below, for the project as it was originally proposed, represent a worst-case scenario and with the approved Amended Project, impacts would be reduced as it is described in pages 6-83 through 6-102 of the Final EIR.

The EIR also identified several less-than-significant impacts (Class III), which the Commission has reviewed and considered and concurs with the conclusions of those respective impact analyses. The findings below, as required by CEQA Guidelines Section 15091, are associated with significant impacts, which include significant impacts that are mitigable and significant impacts that are not mitigable.

CLASS I. Significant Unavoidable Impacts that cannot be fully Mitigated

Impact AG-1: The proposed Agricultural Residential Cluster Subdivision would permanently compromise the sustainability of a 676.7-acre grazing unit and would convert 21.2 acres containing prime soils to non-agricultural uses. Impacts related to agricultural conversion would be Class I, significant and unavoidable.

- a. Mitigation Measures: No feasible measures are available that would mitigate impacts to the on-site grazing unit and prime soils located on the Agricultural Residential Cluster Subdivision site without substantial redesign of the proposed Agricultural Residential Cluster Subdivision.
- b. Finding: The Commission finds that changes or alterations have not been incorporated into 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 5.

- c. Supportive Evidence: Please refer to pages 4.1-15 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.

Impact AG-2: The proposed Agricultural Residential Cluster Subdivision would create conflicts between proposed urban uses and existing and future agricultural uses. Potential land use conflicts are a Class I, significant and unavoidable, impact.

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts related to conflicts between proposed urban and existing and future agricultural uses:

- **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.

Plan Requirements and Timing. The disclosure shall be provided by the property transferor to prospective homeowners upon the transfer of real property on the Agricultural Residential Cluster Subdivision site. Updated disclosure notifications shall be provided to existing and prospective homeowners on the Agricultural Residential Cluster Subdivision site as necessary if agricultural maintenance practices change. **Monitoring.** Planning and Building staff shall review the disclosure statement prior to project occupancy.

- **AG-2 (b) Agricultural Buffers.** The applicant shall maintain buffered lot locations as approved by the Agricultural Commissioner. Additionally, a building limit line shall be established for habitable structures on Lots 1, 99, and 100.

Plan Requirements and Timing. This provision shall be noted on the applicant's site plan. **Monitoring.** Planning and Building staff shall approve a site plan that conforms to this requirement.

- **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).

Plan Requirements and Timing. Planning and Building shall review individual site plans for the retention of oak trees located between Agricultural Residential Cluster Subdivision lots and vineyards. **Monitoring.** Planning and Building staff shall monitor for conformance with this requirement.

- **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.

Plan Requirements and Timing. Planning and Building shall review tract maps for inclusion of no-climb fencing as applicable. **Monitoring.** Planning and Building shall review tract maps prior to the issuance of grading permits and inspect units prior to occupancy clearance for each phase.

- b. Finding: The Commission finds that changes or alterations have been required in, or incorporated into 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 5.
- 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.

Impact AQ-1: The proposed Agricultural Residential Cluster Subdivision 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.

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts related to operational air pollutant emissions:
 - The San Luis Obispo County APCD CEQA Air Quality Handbook (April 2003) requires that all projects generating 25 or more pounds per day of any individual pollutant implement standard site design and energy efficiency measures, as well as all feasible discretionary site design and energy efficiency mitigation measures. Standard and discretionary measures are described in greater detail below. In addition, in certain cases, further mitigation measures are required for projects generating 25 or more pounds per day, including off-site measures, which are designed to offset emissions from large projects that cannot be fully mitigated with on-site measures. Standard site-design measures include: linking cul-de-sacs and dead-end streets to encourage pedestrian and bicycle travel; providing traffic calming modifications to project roads, such as narrower streets, speed platforms, bulb-outs, and intersection

modifications designed to reduce vehicle speeds; easements or land dedications for bikeways and pedestrian walkways; and, providing continuous sidewalks separated from the roadway by landscaping and on-street parking. These measures apply primarily to urban residential development and would not be applicable to the Agricultural Residential Cluster Subdivision. Similarly, not all discretionary site-design measures would be feasible due to the rural location of the Agricultural Residential Cluster Subdivision, including providing transit turnouts and pedestrian signalization and signage. Due to the infeasibility of standard and discretionary site-design measures, as well as the remote nature and size of the Agricultural Residential Cluster Subdivision, off-site mitigation would be required. It should be noted, however, that several Agricultural Residential Cluster Subdivision measures in Section 4.12, Transportation and Circulation, improve pedestrian and bicyclist infrastructure. These measures include Agricultural Residential Cluster Subdivision measures T-1(a) (SR 58 South of J Street), T-1(e) (Estrada Avenue/H Street Warning Beacon), T-4(a) (El Camino Real/Encina Avenue In-Pavement Flashing Lights) and T-4(b) (Pedestrian Pathway). Although these measures would not reduce the transportation-related air quality impacts to a less than significant level, they would partially reduce vehicle trips in the vicinity. The following mitigation measures are required, which incorporate all applicable and feasible standard and discretionary measures, as well as off-site measures in accordance with APCD guidance:

- **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:
 1. 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;
 2. Using high-efficiency gas or solar water heaters;
 3. Using built-in energy-efficient appliances;
 4. Installing double-paned windows;
 5. Installing door sweeps and weather stripping if more efficient doors and windows are not available;
 6. Installing low-energy interior lighting;
 7. Using low-energy street lights (i.e. sodium); and
 8. Installing high efficiency or gas space heating.

Plan Requirements and Timing. The applicant shall incorporate the listed provisions into development plans or shall submit proof of infeasibility prior to the issuance of grading permits. **Monitoring.** Planning and Building shall site inspect to ensure development is in accordance with approved plans prior to occupancy clearance.

- **ARCS 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.

Plan Requirements and Timing. The applicant shall incorporate the listed provision into development plans. **Monitoring.** Planning and Building shall conduct a site inspection to ensure development is in accordance with approved plans prior to occupancy clearance. Planning and Building staff shall verify installation in accordance with approved building plans.

- **ARCS 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.

Plan Requirements and Timing. The applicant shall incorporate the listed provision into development plans. **Monitoring.** Planning and Building shall conduct a site inspection to ensure development is in accordance with approved plans prior to occupancy clearance. Planning and Building staff shall verify installation in accordance with approved building plans.

- **ARCS AQ-1(d) Telecommuting.** 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.

Plan Requirements and Timing. The applicant shall incorporate the listed provision into development plans. **Monitoring.** Planning and Building shall conduct a site inspection to ensure development is in accordance with approved plans prior to occupancy clearance. Planning and Building staff shall verify installation in accordance with approved building plans.

- **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:
 1. All EPA-certified phase II wood-burning devices;
 2. Catalytic wood-burning devices that 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;
 3. Non-catalytic wood-burning devices that 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;
 4. Pellet-fueled wood heaters; and
 5. Dedicated gas-fired fireplaces.

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

Plan Requirements and Timing. Wood-burning devices shall be shown on development plans submitted to Planning and Building for review and approval prior to issuance of building

permits, as applicable. **Monitoring.** Planning and Building shall review site plans for compliance prior to issuance of building permits. The county inspector shall inspect the site for installation of APCD-approved wood-burning devices prior to occupancy of the structures.

- **ARCS AQ-1(f) Off-Site Mitigation.** Prior to the issuance of grading permits, the applicant shall work with APCD to define and implement off-site emission reduction measures to reduce emissions to below Tier 2 levels. In accordance with APCD methodology, the excess emissions shall be multiplied by the cost-effectiveness of mitigation as defined in the State's current Carl Moyer Incentive Program Guidelines to determine the annual off-site mitigation amount. This amount shall then be extrapolated over the life of the project to determine total off-site mitigation. Off-site emission reduction measures may include, but would not be limited to:
 1. Developing or improving park-and-ride lots;
 2. Retrofitting existing homes in the project area with APCD-approved wood combustion devices;
 3. Retrofitting existing homes in the project area with energy-efficient devices;
 4. Constructing satellite worksites;
 5. Funding a program to buy and scrap older, higher emission passenger and heavy-duty vehicles;
 6. Replacing/re-powering transit buses;
 7. Replacing/re-powering heavy-duty diesel school vehicles (i.e. bus, passenger or maintenance vehicles);
 8. Funding an electric lawn and garden equipment exchange program;
 9. Retrofitting or re-powering heavy-duty construction equipment, or on-road vehicles;
 10. Re-powering marine vessels;
 11. Re-powering or contributing to funding clean diesel locomotive main or auxiliary engines;
 12. Installing bicycle racks on transit buses;
 13. Purchasing particulate filters or oxidation catalysts for local school buses, transit buses, or construction fleets;
 14. Installing or contributing to funding alternative fueling infrastructure (i.e. fueling stations for CNG, LPG, conductive and inductive electric vehicle charging, etc.);
 15. Funding expansion of existing transit services;
 16. Funding public transit bus shelters;
 17. Subsidizing vanpool programs;
 18. Subsidizing transportation alternative incentive programs;
 19. Contributing to the funding of new bike lanes;
 20. Installing bicycle storage facilities; and

21. Providing assistance in the implementation of projects that are identified in City or County Bicycle Master Plans.

Plan Requirements and Timing. The applicant shall coordinate with APCD and implement off-site emissions reduction measures prior to the issuance of grading permits. **Monitoring.** Planning and Building shall verify compliance prior to the issuance of grading permits.

EIR Addendum Conclusion on Mitigation Measure AQ-1 (F). Based on the additional evidence and analysis included in the Addendum to the EIR adopted on December 9, 2014, Mitigation Measure AQ-1(f) would still mitigate the project's impacts to a level of insignificance and does not need to change. The required off-site emission reductions are achieved by securing funding to pay for equally off-setting emission reduction projects. The Carl Moyer Program cost-effectiveness value is a proven measure of costs for emission reductions. Based on the current cost-effectiveness value, the off-site mitigation fee for the subdivision project if the project is permitted for operation in 2016 would be \$162,280. Payment of \$162,280 would effectively mitigate the air quality impacts of the Santa Margarita Ranch Project. As shown in Table 2, if project implementation is delayed beyond 2016, the applicable Carl Moyer fee shall be applied at that time, multiplied by the exceedance for that year, and the life of the project to determine the appropriate fee, using the methodologies contained herein, which would maximize the effectiveness of the mitigation fee. The operational year shall be determined based on the year in which the final occupancy clearance is issued. Payment shall be due to the APCD at that time. (Please refer to pages 6 – 10 of the Santa Margarita Ranch Project EIR Addendum).

- b. Finding: The Commission finds that changes or alterations have been required in, or incorporated into 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 5.
- 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.

Impact AQ-4:

The Agricultural Residential Cluster Subdivision would exceed the population growth assumptions of the 2001 Clean Air Plan (CAP). In addition, due to the distance of the site from services, Agricultural Residential Cluster Subdivision implementation would result in a substantial increase in vehicle miles traveled. Therefore, the Agricultural Residential Cluster Subdivision is inconsistent with the CAP. This is a Class I, significant and unavoidable impact.

- a. Mitigation Measures: No feasible measures are available to reduce the population generation associated with the Agricultural Residential Cluster Subdivision without substantially redesigning the proposed subdivision. In addition, no measures are available to substantially reduce the vehicle miles traveled associated with the Agricultural Residential Cluster Subdivision, due to the distance between the project and community services.

- b. Finding: The Commission finds that changes or alterations are not available to be incorporated into 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 5.
- 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.

Impact B-3:

The proposed Agricultural Residential Cluster Subdivision would result in the removal of and/or impacts to an estimated 200 to 400 blue oak, coast live oak, and valley oak trees as well as the conversion of 60.1 acres 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 Measures: The following mitigation measures are required to reduce potential impacts:

Individual oak trees are considered to be a special-status biological resource by the County of San Luis Obispo and mitigation measures are required. The following measures are designed to reduce development-related impacts to oak trees. Agricultural Residential Cluster Subdivision measure B-9(c) (Pre-Construction Bird Survey) contains requirements for avoiding impacts to potential nesting raptors or other migratory birds.

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 that 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 on 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 soil. If any roots must be removed or exposed, they shall be cleanly cut and not left exposed above the 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 techniques.

Plan Requirements and Timing. The Oak Tree Inventory, Avoidance, and Protection Plan shall be prepared by a county-approved arborist. Prior to approval of Grading Permits, the applicant shall submit a copy of the Plan to Planning and Building for review and approval. **Monitoring.** Planning and Building staff or a county-approved arborist or botanist shall approve the Oak Tree Inventory, Avoidance, and Protection Plan.

ARCS 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 feet in diameter and two 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 approval 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 is 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 been 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 post-planting 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 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 the 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 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 on-site and be managed by a third party.

Plan Requirements and Timing. The oak tree replacement plan shall be prepared by a County approved arborist and reviewed by Planning and Building prior to the issuance of grading permits. This report shall also identify the final number of replacement trees utilizing the County’s replacement ratio identified above. Prior to the issuance of grading permits, the applicant shall file a receipt of evidence of posting a performance security that is acceptable to the County. Prior to occupancy clearance, trees shall be planted, fenced, and appropriately irrigated. The conservation easement shall be established and/or contribution to the Oak Woodlands Conservation Fund shall be paid prior to

issuance of grading permits. **Monitoring.** Planning and Building staff shall verify that the oak tree replacement plan and conservation easements and/or contribution to the Oak Woodlands Conservation Fund meet County mitigation ratios and other requirements. Planning and Building shall conduct site inspections throughout all phases of development to ensure compliance with the plan and evaluate all oak tree replacement measures. Release of performance security requires Planning and Building staff approval.

- b. Finding: The Commission finds that changes or alterations have been required in, or can be incorporated into the Amended Project which avoids 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 5.
- 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.

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 proposed Agricultural Residential Cluster Subdivision is located in one of the character-defining areas of the district. Development of the proposed residential cluster 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 Agricultural Residential Cluster Subdivision would adversely impact traditional Native American values. This is considered a Class I, significant and unavoidable, impact.

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:

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.

Plan Requirements and Timing. The location of all developments shall be reviewed and approved by Planning and Building prior to issuance of grading permits. **Monitoring:** Planning and Building shall check plans prior to issuance of grading permits and shall spot-check in the field.

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.

Plan Requirements and Timing. Design specifications shall be reviewed and approved by Planning and Building, in consultation with a qualified historian, prior to issuance of grading permits.

Monitoring: Planning and Building shall check plans prior to issuance of grading permits and shall spot-check in the field.

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.

Plan Requirements and Timing. Building locations shall be reviewed and approved by Planning and Building prior to issuance of grading permits. **Monitoring:** Planning and Building shall check plans prior to issuance of grading permits and shall spot-check in the field.

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 the 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.

Plan Requirements and Timing. Transportation plans, design specifications, naming conventions, and signage shall be reviewed and approved by Planning and Building prior to issuance of grading permits. This condition shall be in effect throughout the Agricultural Residential Cluster Subdivision construction. **Monitoring:** Planning and Building shall check plans prior to issuance of grading permits and shall spot-check in the field.

ARCS CR-1(e) Nomination to the National Register of Historic Places. The Santa Margarita Ranch Rural Historic District shall be nominated to the National Register of Historic Places. At a minimum, the NRHP nomination shall include the following elements:

- documentation of all extant historical buildings and structures in the ranch headquarters area to the level of the Historic American Building Survey (HABS), particularly including measured drawings and large format photographs of the interior and exterior of the main asistencia building, ranch house, Wells Fargo building, and associated structures and features;

- reconstruction of the asistencia layout and the placement of buildings, structures, walls, and other features utilizing historical photographs, artwork, and other documentary evidence; and
- preparation of an ethnographic history of the ranch.

Plan Requirements and Timing. The National Register nomination shall be prepared and submitted to the California Office of Historic Preservation prior to the issuance of grading permits. **Monitoring:** Planning and Building shall ensure that the applicant retains a qualified professional to prepare a thorough National Register nomination prior to the issuance of grading permits.

- b. Finding: The Commission finds that changes or alterations have been required in, or can be incorporated into the Amended Project which avoids or substantially lessens 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 5.
- c. Supportive Evidence: Please refer to pages 4.4-15 through 4.4-21 and page 6-99 of the Final EJR.

Impact CR-2: **Thirty-two prehistoric and historical archaeological sites and six isolates are located within or immediately adjacent to the Agricultural Residential Cluster Subdivision 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 Measures: The following mitigation measures are required to reduce potential impacts:

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.

Plan Requirements and Timing. Site boundaries and exclusion zones shall be included on plans for all buildings, structures, utilities, roads, and other elements of the development. Planning and Building shall review these plans prior to issuance of grading permits. **Monitoring.** Planning and Building shall be responsible for ensuring that all structures and utilities avoid cultural resources. Planning and Building staff shall inspect the project site during construction to ensure exclusion zones remain in place. If avoidance is not possible, Planning and Building shall ensure that Agricultural Residential Cluster Subdivision measure CR-2(b) (mitigative data recovery excavation) is applied.

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 the 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.

Plan Requirements and Timing: As applicable, the data recovery program shall be completed and the final reports shall be submitted to Planning and Building prior to issuance of a grading permit. Recommendations contained therein shall be implemented throughout all ground disturbance activities. **Monitoring:** Planning and Building shall review and approve the required report prior to issuance of a grading permit. Building inspectors shall make site inspections to ensure the implementation of approved plans.

- b. Finding: The Commission finds that changes or alterations have been required in, or can be incorporated into the Amended Project which avoids or substantially lessens 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 5.
- c. Supportive Evidence: Please refer to pages 4.4-21 through 4.4-23 and page 6-99 of the Final EIR.

Impact N-2: Long-term traffic generated by the Agricultural Residential Cluster Subdivision 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 Measures: Although structural measures such as solid berms (e.g., sound walls), solid core doors, and/or double-paned windows could reduce noise levels at existing receptors in the Santa Margarita Ranch vicinity, the implementation of structural measures 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. Finding: The Commission finds that changes or alterations are not available to be incorporated into the Amended Project to 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 5.
- c. Supportive Evidence: Please refer to pages 4.8-11 through 4.8-12 and page 6-105 of the Final EIR.

Impact T-1: Development of the Agricultural Residential Cluster Subdivision 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 Agricultural Residential Cluster Subdivision will add traffic to locations with existing hazards and deficiencies. Implementation of the 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 Measures: The following mitigation measures are required to reduce potential impacts:

ARCS T-1(a) SR 58 South of J Street. To mitigate the project's impacts to the two 90-degree curves on SR 58 near J Street, the following improvements are required:

1. Widen both sides of SR 58 (from El Camino Real to the Agricultural Residential Cluster Subdivision eastern site access) to provide four-foot shoulders and/or bike lanes in accordance with County standards.
2. 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.

Plan Requirements and Timing. Improvements shall be installed prior to occupancy clearance. The applicant shall construct and implement the alternate improvements under a Caltrans encroachment permit or Project Study Report. **Monitoring.** Caltrans and the County of San Luis Obispo shall site inspect to ensure installation of improvements prior to occupancy clearance.

ARCS T-1(b) U.S. 101 Northbound Off-Ramp to SR 58. The applicant shall lengthen the deceleration length from 140 feet to 250 feet from the US 101 mainline to the northbound off-ramp to mitigate the Agricultural Residential Cluster Subdivision's impact to the ramp junction.

In addition, the applicant shall reconstruct the area where the northbound U.S. 101 off-ramp merges with eastbound SR 58 to provide 400 feet of merging distance to meet Caltrans' current design standards. Since the park-and-ride facility is located adjacent to the northbound off-ramp, 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. A field assessment indicates that the merge area could be lengthened by physically separating the park and ride lot from the roadway, which would improve the existing condition and reduce the impact.

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.

Plan Requirements and Timing. Improvements shall be installed prior to occupancy clearance. The applicant shall construct and implement the improvements under a Caltrans encroachment permit. **Monitoring.** Caltrans and the County of San Luis Obispo shall site inspect to ensure installation of improvements prior to occupancy clearance.

ARCS T-1(c) U.S. 101 Southbound Off-Ramp to SR 58. The project applicant shall extend the deceleration length from 250 to 550 feet for the southbound off-ramp to provide acceptable freeway ramp diverge operations under Cumulative Plus Agricultural Residential Cluster Subdivision conditions.

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.

Plan Requirements and Timing. Improvements shall be installed prior to occupancy clearance. The applicant shall construct and implement the improvements under a Caltrans encroachment permit. **Monitoring.** Caltrans and the County of San Luis Obispo shall site inspect to ensure installation improvements prior to occupancy clearance.

ARCS T-1(d) El Camino Real/Estrada Avenue Redesign. With the addition of Agricultural Residential Cluster Subdivision traffic, the project applicant shall construct the following improvements:

1. Widen Estrada Avenue, between El Camino Real and the railroad tracks, to provide a dedicated northbound right-turn lane.
2. Widen El Camino Real to provide a separate left-turn lane for westbound El Camino Real traffic to turn onto southbound Estrada Avenue.
3. Reduce the superelevation of the El Camino Real curve at Estrada Avenue
4. Prior to implementation of Future Development Program measure T-1(d), traffic signal installation and rail pre-emption, advance limit lines for northbound Estrada traffic shall be provided immediately south of the rail tracks, and a Manual on Uniform Traffic Control Devices (2003 Edition) R8-10 sign which states "Stop Here When Flashing" shall be provided to minimize the potential for vehicles to stop directly on the railroad tracks.

According to San Luis Obispo County Public Works staff, the extension of an existing culvert is required as part of this improvement. The applicant shall secure any regulatory permits for the necessary construction of intersection improvements to meet Caltrans standards.

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.

Plan Requirements and Timing. Improvement plans for the El Camino Real/Estrada Avenue intersection shall be submitted for review by Planning and Building prior to approval of Land Use Permits. The improvements shall be constructed prior to occupancy clearance. The applicant shall implement the improvements under a Caltrans encroachment permit. **Monitoring.** Caltrans and the County of San Luis Obispo shall site inspect to ensure installation of improvements prior to occupancy clearance.

ARCS 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.

The Santa Margarita Design Plan, adopted on October 9, 2001, recommended the following long-term improvements to Estrada Avenue between H Street and I Street:

- Improve sight distance by eliminating the hill/crest
- Add curbs and textured crossings at Estrada Avenue/H Street
- Provide bike lanes on Estrada Avenue

These improvements represent alternative mitigation measures for this intersection. However, eliminating the crest would require extensive earthwork and roadbed reconstruction. Depending on the final design of the long-term improvements, the flashing beacons could be integrated into the plan.

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.

Plan Requirements and Timing. The pedestrian-activated warning beacons shall be installed prior to occupancy clearance. The applicant shall fund and install the required advance warning beacons on Estrada Avenue under a Caltrans encroachment permit prior to occupancy clearance.

Monitoring. Caltrans and the County of San Luis Obispo shall site inspect to ensure installation of the pedestrian-activated warning beacons prior to occupancy clearance.

- b. Finding: The Commission finds that changes or alterations have been required in, or can be incorporated into the Amended Project which avoids or substantially lessens 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 5.
- c. Supportive Evidence: Please refer to pages 4.12-16 through 4.12-30 and pages 6-106 of the Final EIR.

Impact VR-1¹:

The clustering of the proposed Agricultural Residential Cluster Subdivision units and preservation of open space and agricultural lands would partially maintain the rural character of the site. However, the proposed development has the potential to alter the aesthetic character of the Agricultural Residential Cluster Subdivision vicinity through the alteration of scenic vistas, the introduction of new light and glare generators into the area, and the changing of the area's character from a rural to rural-residential condition. This is Class I, significant and unavoidable, impact to the aesthetic character of the area.

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS VR-1(a) Prohibition of Structural Silhouetting.** Proposed lots located on on-site ridgelines shall be relocated, building heights shall be limited, and vegetative screening shall be provided such that the residential units do not silhouette against the sky when viewed from off-site viewpoints. If structural setbacks are implemented, structures shall be setback as follows: units on Lots 50 through 54 shall be setback to the west from the top of the bluff a sufficient vertical distance to preclude silhouetting of units on the top of on-site bluffs. This could also require the relocation of Lots 47 and 55.

¹ On December 23, 2008, SLO County Board of Supervisor selected and approved Alternative 12, the "Amended Project", and as such Impact VR-1 was reduced to a Class II impact.

Plan Requirements and Timing. The relocated, height-reduced, and vegetation-screened units shall be shown on plans submitted to Planning and Building for review and approval prior to land use permit approval for tract improvements. Prior to the issuance of building permits, individual lot owners shall submit topographical cross-section figures that demonstrate that proposed units 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.

- **ARCS 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 developments 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 and 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 and shall be designed to screen and blend the proposed development 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 and biodegradable materials shall be used.

Roofing and Feature Color and Material. Development plans shall include earthtone 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. To avoid the visual prominence of structures located at Lots 1 through 4, 6 through 11, 14, 30, 52, 90, 92 through 95, 97 through 99, 101, 104 through 106, and 112, no structure shall exceed a height of 22 feet, except for ancillary features such as antennas or other elements determined to be compatible by Planning and Building.

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 that create a textured effect.

Plan Requirements and Timing. Draft Design Guidelines shall be submitted to Planning and Building for review and approval prior to final map recordation. Guidelines shall be recorded with the final map for the tract. A copy of the Guidelines shall be submitted with grading, building, and landscaping plans prior to land use permit approval for individual lot development. Guidelines shall be included in Covenants, Conditions, and Restrictions (CC&Rs), and monitored by a Homeowners Association (or similar entity) with oversight by the County Planning and Building. **Monitoring.** Planning and Building shall review the Guidelines prior to final recordation. For both tract and individual house projects, Planning and Building shall ensure construction according to plan.

- **ARCS 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. For additional oak tree impact mitigation, refer to Section 4.3, Biological Resources.

Plan Requirements and Timing. Planning and Building shall review tract improvement and individual site plans for avoidance of oak tree removal. **Monitoring.** Planning and Building shall review plans prior to final recordation and ensure compliance with oak tree replacement standards.

- **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 (earth tones 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 the 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.

- **ARCS 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 Agricultural Residential Cluster Subdivision boundaries.

Plan Requirements and Timing. The applicant shall submit lighting plans to Planning and Building for review and approval prior to issuance of building permits. Lighting plans 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 all lighting plans prior to issuance of building permits.

- **ARCS 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.

Plan Requirements and Timing. The applicant shall submit the tract lighting plan subject to the review and approval of Planning and Building prior to the issuance of building permits. Individual lot developers shall submit lot lighting plans subject to the review and approval of Planning and Building prior to approval of building permits. Lighting plans 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 site inspect prior to occupancy clearance for each phase.

- **ARCS 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.

Plan Requirements and Timing. This requirement shall be noted on the final building plans. Debris clearance shall occur prior to occupancy clearance for each phase. **Monitoring.** Planning and Building shall site inspect prior to occupancy clearance for each phase.

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

Plan Requirements and Timing. Future applicants shall submit grading plans to Planning and Building for review and approval prior to the issuance of grading permits. Grading plans 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 grading plans prior to the issuance of grading permits and inspect units prior to occupancy clearance for each phase.

- **ARCS 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.

Plan Requirements and Timing. The applicant shall submit plans depicting new road and utility placement and design, subject to the review and approval of Planning and Building. Plans 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 plans prior to final recordation.

- b. **Impact VR-1:** The **Amended Project** has the potential to alter the aesthetic character of the Santa Margarita Ranch vicinity through the alteration of scenic vistas, the introduction of new light and glare generators into 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.

- Mitigation:

1. **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.
2. **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 developments 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 and 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 and 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 that create a textured effect.

3. **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.
4. **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.
5. **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.

6. **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.
7. **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.
8. **VR-1 (h) Grading.** Grading should preserve hillsides and natural topography to the maximum extent feasible. Grading transitions should be gentle rather than abrupt.
9. **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.

- c. Finding: The Commission finds that 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. This impact was originally identified as a Class I impact under the proposed Agricultural Residential Cluster Subdivision but after the County's December 23, 2008, approval of Alternative 12, the "Amended Project" the impacts were reduced to Class II impact.
- d. Supportive Evidence: Please refer to pages 4.13-4 through 4.13-19 and page 6-106 of the Final EIR.

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 an overdraft of the aquifer system. Groundwater use associated with the Agricultural Residential Cluster Subdivision is a Class I, significant and unavoidable, impact.

a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:

- **ARCS 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 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.

- **ARCS 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 substantial water savings. This may include the installation of high-efficiency washing machines and ultra-low flush toilets 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;
- Limiting total residential irrigated landscape areas to 1,500 square feet and limiting turf (lawn) areas to no more than 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.

- **ARCS W-1(c) Imported Water Supply.** The applicant shall acquire an 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 the 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.

- b. Finding: The Commission finds that changes or alterations have been required in, or can be incorporated into the Amended Project which avoids or substantially lessens 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 5.
- c. Supportive Evidence: Please refer to pages 4.14-5 through 4.14-13 and pages 6-106 of the Final EIR.

CLASS II. Significant but Mitigable Impacts

Impact AQ-2: **The Agricultural Residential Cluster Subdivision will generate construction-related emissions as the site develops. These emissions would exceed PM10 significance thresholds. Construction-related emissions are Class II, *significant but mitigable.***

- a. Mitigation Measures: Portable equipment 50 horsepower or greater will require California statewide portable equipment registration (issued by the California Air Resources Board) or an APCD permit. In addition, the following mitigation measures are recommended to minimize emissions and to reduce the amount of dust that drifts onto adjacent properties. These measures would apply to both tract grading and development of individual lots:

- **ARCS 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, and 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.

Plan Requirements and Timing. The applicant shall provide the grading amounts and schedule to the APCD Planning Division at least 3 months prior to the start of construction, at which time the APCD will define the appropriate level of BACT for the Agricultural Residential Cluster Subdivision. The application of all BACT features shall occur prior to Agricultural Residential Cluster Subdivision construction. These measures shall be shown on all grading and construction plans prior to the issuance of construction permits. Compliance with these measures shall be included as bid specifications submitted to contractors. **Monitoring.** The applicant shall provide the APCD with proof that the above-listed measures, as well as those required by the APCD upon review of grading plans, have been implemented prior to the start of the Agricultural Residential Cluster Subdivision's construction activity. The grading inspector shall perform periodic site inspections.

- **ARCS AQ-2(b) Dust Control.** The following measures shall be implemented to reduce PM emissions during Agricultural Residential Cluster Subdivision 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 the 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 the top of the load and the top of the 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 in development plans.

Plan Requirements and Timing. Conditions shall be adhered to throughout all grading and construction periods for all project components. Prior to the issuance of grading permits, the applicant shall include, as a note on a separate informational sheet to be recorded with any map, the aforementioned dust control requirements. All requirements shall be shown on grading and building plans. **Monitoring.** Planning and Building inspectors shall perform periodic spot checks during grading and construction. APCD inspectors shall respond to nuisance complaints.

- **ARCS 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.

Plan Requirements and Timing. Conditions shall be adhered to throughout all grading and construction periods for all project components. **Monitoring.** Planning and Building

inspectors shall perform periodic spot checks during grading and construction. APCD inspectors shall respond to nuisance complaints.

- **ARCS 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 the transport of dust off-site. Their duties shall include holiday and weekend periods when work may not be in progress.

Plan Requirements and Timing. The name and telephone number of such persons shall be provided to the APCD prior to land use clearance for map recordation and finished grading of the area. The dust monitor shall be designated prior to approval of a Land Use Permit. **Monitoring.** Planning and Building shall contact the designated monitor as necessary to ensure compliance with dust control measures.

- **ARCS AQ-2(e) Active Grading Areas.** Prior to the 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 quarterly threshold). The Dust Control Monitor shall verify in the field during tract improvements that the Construction Management Plan is being followed.

Plan Requirements and Timing. Conditions shall be adhered to throughout all grading and construction periods for all project components. **Monitoring.** Planning and Building inspectors shall perform periodic spot checks during grading and construction.

- **ARCS AQ-2(f) Naturally Occurring Asbestos.** Prior to grading on the Agricultural Residential Cluster Subdivision 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. Offsite geologic evaluation of adjacent property;
 - c. Evaluation of existing geological maps and studies of the site and surrounding area;
 - d. Development of geologic maps of the site and vicinity;
 - e. 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

- f. 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;
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 that 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 permissible 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.

Plan Requirements and Timing. Prior to grading activities, a geologic evaluation shall be conducted by a registered geologist in all areas of disturbance. If naturally occurring asbestos is not present, the applicant shall file an exemption request with the APCD. If naturally occurring asbestos is found, the applicant shall comply with the State ARB's Asbestos Air Toxic Control Measure (ATCM) for Construction, Grading, Quarrying, and Surface Mining Operations. **Monitoring.** The APCD shall ensure compliance with applicable requirements.

- b. Finding: The Commission finds that 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.

Impact B-2: The proposed Agricultural Residential Cluster Subdivision would result in direct impacts to Native Perennial Grassland, which is a rare plant community and includes Valley Needlegrass Grassland, which is a CDFG Plant Community of Special Concern. This would be a Class II, significant but mitigable impact.

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS B-2(a) Native Perennial Grassland Restoration Plan.** The applicant shall contract with a qualified biologist to develop a Native Perennial Grassland Restoration Plan. 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 69 acres (2:1 ratio) with at least 10% 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 such as between Lots 88 and 108 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 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 agriculture residential cluster subdivision project area, the restored area should include at least 69 acres (2:1 ratio) with at least 10% 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.

Plan Requirements and Timing. The Native Perennial Grassland Restoration Plan shall be prepared by a county-approved biologist/botanist. Prior to the issuance of Grading Permits, the applicant shall submit a copy of the Plan to Planning and Building for review and approval. **Monitoring.** Planning and Building staff, in consultation with a county-assigned biologist/botanist, shall verify that the open space mitigation and monitoring plan for the Native Perennial Grassland habitat is adequate. A monitor approved and hired by the County at the applicant's expense shall be required to monitor all phases of the mitigation plan.

- b. Finding: The Commission finds that 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.

Impact B-4: **The proposed Agricultural Residential Cluster Subdivision would impact wetlands 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 Measures: The following mitigation would reduce impacts related to state and federal jurisdictional wetlands, ephemeral drainages (other waters), and riparian habitats to a less than significant level. In addition, these habitat types support special-status wildlife species, namely California red-legged frog (CRLF) and South/Central California Coast Steelhead. Agricultural Residential Cluster Subdivision measures B 6(a) (VPFS Presence/Absence Determination), B-6(b) (Mitigation for VPFS), B-7(a) (South/Central California Coast Steelhead (Steelhead) Mitigation, Minimization, and Protection Plan), B-8(a) (California Red-legged Frog Avoidance, Minimization, and Mitigation Measures) and B-9(b) (Southwestern Pond Turtle Avoidance, Capture, and Relocation) would reduce impacts to special-status species that may use the on-site wetland, seasonal pool, and riparian habitat types to a less than significant level. It should be noted that the grading and erosion control plan required to be prepared by the applicant [refer to Agricultural Residential Cluster Subdivision measure G-2(b) (Grading and Erosion Control Plan) in

Section 4.6, *Geologic Stability*] includes measures, such as installation of silt fences, straw bales and sandbags, and buffers for temporary construction equipment storage and washing areas, that specifically protect wetland, other waters, and riparian resources, during and following construction.

- **ARCS B-4(a) Wetland and Riparian Protection.** Implementation of the following measures are required to mitigate the loss of riparian/wetland habitat:
 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, Yerba Buena, and Tostada Creeks, 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. 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 the 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 riparian habitats are not fully avoided, the following shall be implemented to mitigate impacts.
 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 the 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 the 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 Item 8 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. 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 proposed Agricultural Residential Cluster Subdivision 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 the commencement of grading, the applicant shall file a performance security with the County to complete restoration and maintain plantings for a five (5) year period.

Plan Requirements and Timing. Prior to issuance of Grading Permits, the applicant shall submit the habitat mitigation and monitoring plan and a copy of the ACOE permit, RWQCB 401 water quality certification, and CDFG Streambed Alteration Agreement or written confirmation that a permit is not required to Planning and Building for review and approval. **Monitoring.** Planning and Building shall conduct site inspections throughout all phases of development to ensure compliance with all habitat restoration measures. Planning and Building shall receive and review all required wetland permits from the ACOE, RWQCB, and CDFG.

A qualified biologist/wetland scientist knowledgeable about wetland permit requirements and approved by Planning and Building shall monitor all grading activities within 100 feet of Trout Creek and 50 feet of Tostada Creek or the appropriate setback as required by the USFWS, wetlands, and ephemeral drainages under jurisdictional Waters of the U.S. to ensure compliance with permit conditions. The monitor shall have the authority to stop all work immediately that is considered to be in violation of one or more permit conditions, at the sole discretion of the monitor. The monitor shall prepare inspection reports and submit them to Planning and Building on a weekly basis unless more frequent submittals are considered necessary.

The erosion and sediment control structures and facilities shall be monitored throughout project construction by the wetland monitor and by Planning and Building. Planning and Building and construction personnel shall perform site inspections throughout the construction phase.

Planning and Building staff shall: 1) check plans prior to the approval of Grading Permits; 2) inspect the site throughout the construction period to ensure compliance with all applicable permits; 3) inspect mitigation areas for permit compliance; 4) ensure bank stabilization structures are constructed according to the plan.

Planning and Building shall site inspect prior to occupancy clearance to verify the installation of grease basins/traps and once each year to monitor maintenance.

- a. Finding: The Commission finds that 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.
- b. Supportive Evidence: Please refer to pages 4.3-52 through 4.3-57 and pages 6-94 through 6-99 of the Final EIR.

Impact B-5: The proposed Agricultural Residential Cluster Subdivision 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 Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS 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 the commencement of ground disturbance. The survey for San Luis Obispo mariposa lily shall be required only on potential impact areas (i.e., Lots 2 through 19, Lots 43 through 49, Lots 51 through 66, and the portion of Roads A and B) containing San Luis Obispo mariposa lily that is delineated on Figure 4.3-2. The applicant shall submit to the County an updated San Luis Obispo mariposa lily population survey report of the Agricultural Residential Cluster Subdivision site conducted by a county-approved botanist.

The San Luis Obispo County morning glory has not previously been observed in the Agricultural Residential Subdivision 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 the areas proposed for construction. The

follow-up will ensure a current and accurate assessment of the number of individuals within the Agricultural Residential Cluster Subdivision site that will be impacted by development. The updated survey shall quantify the total number of individuals within each lot and road segment proposed for development. 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.

Plan Requirements and Timing. The applicant shall submit to the County an updated survey report consistent with the survey criteria described above. The survey shall be conducted by a county-approved botanist during April through June when plants are in bloom and evident. The applicant shall submit written proof that the CDFG has been contacted and supplied with the most recent survey results. The results of the follow-up survey shall be incorporated into the preparation of the mitigation and monitoring plan for the development. **Monitoring.** The County shall verify that the survey has been conducted by a county-approved botanist. The County shall also verify that the CDFG has been notified and any of their comments or concerns are included in the special-status plant species mitigation and monitoring plan.

- **ARCS B-5(b) San Luis Obispo Mariposa Lily and San Luis Obispo County Morning Glory 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 Agricultural Residential Cluster Subdivision site and describe a collection and restoration plan to mitigate for impacted areas. The mitigation and monitoring plan shall at a minimum 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 proposed 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 Agricultural Residential Cluster Subdivision 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 the 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' habitats impacted by the development of the Agricultural Residential Cluster Subdivision. Mitigation for the San Luis Obispo morning glory may also occur in the mitigation area designated for the Valley Needlegrass Grassland as this is the preferred habitat for this species [please refer to Agricultural Residential Cluster Subdivision measure B-2(a)].

Plan Requirements and Timing. The applicant shall submit to the County Environmental and Resource Management Division and CDFG the San Luis Obispo mariposa lily and San Luis Obispo County morning glory mitigation and monitoring plan for their review prior to issuance of grading permits. Seed and/or bulbs shall be collected in the appropriate season immediately prior to the start of grading activities. The mitigation and monitoring efforts shall be continued for a period of five years to ensure that success criteria are met, and annual reports evaluating the success of the program shall be submitted to the County. **Monitoring.** The County Environmental and Resource Management Division and CDFG shall incorporate any recommendations from their review into the final mitigation and monitoring program. The County shall review the annual monitoring reports and verify that the monitoring program has been conducted appropriately by a County-approved botanist.

- **ARCS B-5(c) Protective Fencing.** A qualified biologist shall oversee the installation of temporary fencing around the 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.

Plan Requirements and Timing. Fencing shall be installed prior to the start of grading activities. **Monitoring.** Planning and Building shall site inspect during construction for compliance.

- b. Finding: The Commission finds that 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.

Impact B-6: **The proposed Agricultural Residential Cluster Subdivision could result in a direct take of the federally threatened Vernal Pool Fairy Shrimp through grading activities for the proposed development and sediment runoff into seasonal pools. This potential impact is Class II, Significant but mitigable.**

- a. Mitigation Measures: The following mitigation measures are required to conclusively determine the presence or absence of VPFS within the on-site seasonal pools and reduce impacts to VPFS to a less than significant level, if present:

- **ARCS B-6(a) VPFS 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 Agricultural Residential Cluster Subdivision site. The wet season survey shall include surveys of SP 1, 2, 3, 4, 5, 6, and 7 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 SP 1, 2, 3, 4, 5, 6, or 7, then Agricultural Residential Cluster Subdivision measure B-6(b) would be required.

Plan Requirements and Timing. The applicant shall hire a USFWS-permitted biologist to conduct a dry season survey and prepare a final report of findings. A copy of the biologist's federal permit shall be submitted to Planning and Building before the surveys are initiated. Survey results shall be submitted to the USFWS and Planning and Building prior to issuance of Grading Permits. **Monitoring.** Planning and Building shall verify the completion of the surveys and coordination with USFWS prior to approval of Grading Permits.

- **ARCS B-6(b) Mitigation for VPFS.** This measure shall only apply if VPFS are identified during USFWS protocol surveys.

The applicant shall implement measures that minimize the Agricultural Residential Cluster Subdivision's 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 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 Agricultural Residential Cluster Subdivision 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 will be added to the recreated vernal pool/wetlands in December or January, after sufficient pooling has occurred.

Plan Requirements and Timing. Prior to approval of Grading Permits for the Agricultural Residential Cluster Subdivision, the applicant shall coordinate with USFWS, and the ACOE if necessary. The applicant shall present written confirmation from USFWS that the project complies with the applicable requirements of FESA. During construction, the biologist shall submit a report to the County detailing the results of the monitoring. **Monitoring.** Planning and Building staff shall verify that the Agricultural Residential Cluster Subdivision development plan is in compliance with the federal Endangered Species Act. Planning and Building shall review monitoring reports and site inspections during construction for compliance.

- b. Finding: The Commission finds that 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.

Impact B-7:

The proposed Agricultural Residential Cluster Subdivision 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 proposed development, and sedimentation of occupied creeks. This potential impact is Class II, significant but mitigable.

- d. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS 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. The plan shall include, but not be limited to the following:

- A 200-foot permanent buffer from the top of the bank of Trout and Tostada Creeks and a 50-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 minimize impacts to riparian habitats that are critical for Steelhead, and reduce the amount of sediment and pollutant runoff that would enter these waterways. Roadways, grading, landscaping, structures, and other types of disturbance shall be prohibited within these buffer areas, with the exception of 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: 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 the construction site. Erosion control measures shall be implemented to prevent runoff into Trout and Tostada Creeks, ephemeral drainages, and wetlands. Silt fencing, straw bales, and/or sandbags 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 of.
- 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 an 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.

Plan Requirements and Timing. Prior to the issuance of Grading Permits, the Steelhead Protection Plan shall be prepared by a qualified biologist and submitted to NMFS and Planning and Building for review. The plan shall be implemented prior to the issuance of grading

permits. **Monitoring.** Planning and Building shall review plans in consultation with NMFS, and site inspect during construction for compliance.

- e. Finding: The Commission finds that 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.
- f. Supportive Evidence: Please refer to pages 4.3-66 through 4.3-70 and pages 6-94 through 6-99 of the Final EIR.

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

- g. Mitigation Measures: If feasible, the applicant should avoid known CRLF breeding sites and potential movement corridors. The proposed project design would not avoid impacts to CRLF and its habitat. If avoidance cannot be achieved, the following mitigation measure is required to reduce direct and indirect impacts on the CRLF:
 - **ARCS B-8(a) California Red-legged Frog Avoidance, Minimization, and Mitigation Measures.** Subject to concurrence by and coordination with the USFWS, required measures shall include the following:
 - a. 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.
 - b. A USFWS-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 USFWS-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 the relocation of this species.
 - c. 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 feet 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 a suitable habitat, and work shall not commence until it has left.

- d. Before any construction activities begin on the Agricultural Residential Cluster Subdivision, a USFWS-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.
- e. A USFWS-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 the training outlined above and in the identification of CRLF. The monitor and the USFWS-approved biologist shall have the authority to halt any action that might result in impacts that exceed the levels anticipated by USFWS during the 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.
- f. 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.
- g. 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.
- h. A USFWS-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.
- i. Agricultural Residential Cluster Subdivision 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: the 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.
- j. Stream contours shall be returned to their original condition at the end of project activities unless consultation with USFWS has determined that it is not beneficial to the species or feasible.
- k. 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.

- l. A 200-foot permanent buffer (from the edge of the high water line for ponds, or from the top of the bank on either side of creeks) shall be established and maintained in perpetuity around water bodies with confirmed occurrences of CRLF. This includes the lengths of Trout, Tostada, and Yerba Buena Creeks; an upstream pool in Taco Creek; and any stock ponds that may contain CRLF. 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 creeks. 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 minimize impacts to riparian and emergent wetland habitats that are critical for upland habitat use by CRLF, and reduce the amount of sediment and pollutant runoff that would enter these waterways. Roadways, grading, landscaping, structures, and other types of disturbance shall be prohibited within these buffer areas. Road crossings of these streams are allowable (if permitted by the appropriate agencies) following the measures listed above. Permanent buffer areas shall be demarcated with a type of fencing that would prohibit vehicular and livestock access, and discourage use by humans, but allow access by wildlife. An example of fencing that could meet these requirements is welded pipe fence such as the type that exists at the entrance of the Agricultural Residential Cluster Subdivision.
- m. 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 the area temporarily impacted). However, agency permitting for impacts to riparian and/or wetland resources may require a higher ratio. Additional details required for the riparian restoration plan are contained within measure B-4(a).
- n. Restrictions on the use of pesticides near water bodies with confirmed occurrences of CRLF.

Plan Requirements and Timing. Prior to approval of Grading Permits for the Agricultural Residential Cluster Subdivision, the applicant shall coordinate with USFWS, and the ACOE if necessary. The applicant shall present written confirmation from USFWS that the project complies with the applicable requirements of the FESA. During construction, the biologist shall submit a report to the County detailing the results of the monitoring. **Monitoring.** Planning and Building shall confirm compliance with the FESA, review monitoring reports, and inspect the site during construction for compliance.

- h. Finding: The Commission finds that 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.
- i. Supportive Evidence: Please refer to pages 4.3-70 through 4.3-77 and pages 6-94 through 6-99 of the Final EIR.

Impact B-9:

The proposed Agricultural Residential Cluster Subdivision 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 Measures: The following mitigation measures are required to reduce potential impacts:

- **ARCS 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 Agricultural Residential Cluster Subdivision site for the 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 for 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 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.

Plan Requirements and Timing: The applicant shall hire a county-approved biologist and submit survey results prior to the issuance of Grading Permits. Prior to the issuance of grading permits, the biologist shall submit a report to the County detailing the results of the monitoring and if applicable, relocation efforts. **Monitoring:** Planning and Building shall review the survey report and site inspect during construction for compliance.

- **ARCS 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 Agricultural Residential Cluster Subdivision site with ponded water as well as onsite 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. Agricultural Residential Cluster Subdivision 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 habitats used for breeding and foraging by the southwestern pond turtle. B-6(b) will provide protection to seasonal pool/wetland habitats 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 riparian and seasonal pool/wetland habitats that are occupied by the federally-threatened CRLF and that may also be used by the SWPT.

Plan Requirements and Timing: The applicant shall hire a County approved biologist and submit survey results prior to the issuance of Grading Permits. Prior to the issuance of grading permits, the biologist shall submit a report to the County detailing the results of the monitoring and if applicable, relocation efforts. **Monitoring:** Planning and Building shall review the survey report and site inspect during construction for compliance.

- **ARCS B-9(c) Pre-Construction Bird Survey. 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, 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 that 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.

Plan Requirements and Timing. Required surveys shall be completed by a qualified biologist prior to the issuance of grading permits. If required, buffers shall be observed during construction. **Monitoring.** Planning and Building shall site inspect during construction of the development for compliance.

- **ARCS 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 from 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 area proposed for development. 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.
- If American badger dens are found, the qualified biologist shall establish and clearly mark an appropriate buffer zone to protect the den. No grading or construction activities shall occur within the buffer zone until the biologist can safely close the badger den and has removed the buffer zone markings.

Plan Requirements and Timing: The applicant shall hire a County approved biologist and submit survey results prior to the issuance of Grading Permits. Prior to the issuance of grading permits, the biologist shall submit a report to the County detailing the results of the monitoring and if applicable, relocation efforts. **Monitoring:** Planning and Building shall review the survey report and site inspect during construction for compliance.

- **ARCS B-9(e) Native Landscaping.** All landscaped plants for the 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.

Plan Requirements and Timing. Prior to the issuance of Grading Permits, the applicant shall submit a landscaping plan for approval by Planning and Building. **Monitoring.** Planning and Building shall check plans for compliance and shall site inspect six months after completion of the development for compliance.

- **ARCS 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.

Plan Requirements and Timing. Prior to the issuance of Grading Permits, the applicant shall draft a notice which includes the above information, to be recorded with the final map, subject to approval by Planning and Building. **Monitoring.** Planning and Building shall check plans for compliance.

- **ARCS 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.

Plan Requirements and Timing. Prior to the issuance of Grading Permits, the applicant shall submit a lighting plan for approval by Planning and Building. **Monitoring.** Planning and Building shall review all lighting plans prior to issuance of building permits and shall site inspect one year after completion of tract development for compliance.

- **ARCS 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.

Plan Requirements and Timing. Prior to final map clearance, the applicant shall submit the above changes in plans for approval by Planning and Building. **Monitoring.** Planning and Building shall check plans for compliance and shall site inspect one year after completion of the development for compliance.

- b. Finding: The Commission finds that 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.

Impact CR-3: Construction of the Agricultural Residential Cluster Subdivision could disturb previously unidentified buried archeological deposits. This is considered a Class II, significant but mitigable impact.

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS 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 Agricultural Residential Cluster Subdivision 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 isolated 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 Agricultural Residential Cluster Subdivision measures CR-2(a) or CR-2(b) above.

Plan Requirements and Timing: As applicable, isolate testing shall be completed and the final report shall be submitted to Planning and Building prior to issuance of a grading permit. Recommendations contained therein shall be implemented throughout all ground disturbance activities. **Monitoring:** Planning and Building shall review and approve the required report prior to issuance of a grading permit. Building inspectors shall make site inspections to ensure the implementation of approved plans.

- **ARCS 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.

At the commencement of Agricultural Residential Cluster Subdivision 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.

Plan Requirements and Timing. This condition shall be in effect throughout the Agricultural Residential Cluster Subdivision construction. **Monitoring:** Planning and Building shall check plans prior to approval of grading permits and shall spot-check in the field.

- b. Finding: The Commission finds that 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.

Impact CR-4: **There is the potential that Agricultural Residential Cluster Subdivision construction will disturb previously unidentified human remains. This is considered a Class II, *significant but mitigable* impact.**

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS 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:
 - a. 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:
 - The County Coroner is contacted to determine that no investigation of the cause of death is required, and
 - 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.

- b. 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.

Plan Requirements and Timing. This condition shall be in effect throughout the Agricultural Residential Cluster Subdivision construction. **Monitoring:** Planning and Building shall check plans prior to approval of grading permits and shall spot-check in the field.

- b. Finding: The Commission finds that 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.

Impact CR-5: Implementation of the Agricultural Residential Cluster Subdivision could result in indirect impacts to identified or unidentified archaeological and historical resources. This is considered a Class II, significant but mitigable impact.

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS 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 a 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.

Plan Requirements and Timing. The required brochure shall be prepared and distributed prior to occupancy clearance. **Monitoring:** Planning and Building shall ensure that homebuyers and occupants acknowledge receipt of information on such prohibitions, and shall periodically check to ensure their effectiveness.

- **ARCS 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 Agricultural Residential Cluster Subdivision, 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 resource sites on other lands within the Agricultural Residential Cluster Subdivision area and shall retain a qualified archaeologist to inspect and report to the County Environmental Coordinator on the condition of those sites annually.

Plan Requirements and Timing. Condition assessments shall occur annually, preferably in the fall before the first rains, when surface visibility is at its best. A report shall be filed with Building and Planning within one month following completion of the field assessments.

Monitoring: Planning and Building shall review condition assessments and ensure that recommendations regarding site degradation are implemented.

- b. Finding: The Commission finds that 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 pages 6-99 of the Final EIR.

Impact CR-6: Agricultural Residential Cluster Subdivision facilities and infrastructure could impact fossil-bearing strata and could damage or destroy significant fossil materials. This is considered a Class II, *significant but mitigable* impact.

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS CR-6(a) Preparation of a Paleontological Resource Monitoring Plan.** Prior to the issuance of grading permits, the applicant shall retain a qualified accredited paleontologist 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 cataloging and curating the collection (see Agricultural Residential Cluster Subdivision measure P-1(b and c) below). The monitoring plan shall include provisions for collecting a representative sample of invertebrates from the identified site at the Agricultural Residential Cluster Subdivision site 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.

Plan Requirements and Timing: The monitoring plan shall be prepared by a qualified paleontologist and reviewed and approved by the County prior to the issuance of grading permits. **Monitoring:** Planning and Building staff shall review the monitoring plan and ensure its implementation in the field.

- **ARCS CR-6(b) Paleontological Monitoring.** A qualified paleontological monitor shall observe any initial excavation, grading, or other ground disturbance that 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 should be monitored. The areas covered by late Quaternary strata should 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.

Plan Requirements and Timing: Monitoring shall occur throughout initial ground-disturbing activities. **Monitoring:** Planning and Building staff shall ensure paleontological monitoring in the field.

- **ARCS 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 Agricultural Residential Cluster Subdivision 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”) should 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; and 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 should 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.

Plan Requirements and Timing. This condition shall be in effect throughout the Agricultural Residential Cluster Subdivision construction. **Monitoring:** Planning and Building shall check plans prior to approval of grading permits and shall spot-check in the field.

- b. Finding: The Commission finds that 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 pages 6-99 of the Final EIR.

Impact D-2: The Agricultural Residential Cluster Subdivision would introduce paved and roofed areas and thus has the potential to result in increased peak stormwater discharges and volumes of runoff. Impacts are Class II, significant but mitigable.

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS 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 sandbags 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 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. [refer to Agricultural Residential Cluster Subdivision measure B-4(a) (Wetland and Riparian Protection) in Section 4.3, *Biological Resources*].
 - 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 the 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-erodible 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 the 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 soil engineer prior to issuance of grading permits for grading, and to ensure that erosion is controlled and mitigation measures are properly implemented.
- **ARCS D-2(a) Yerba Buena Drainage System.** The proposed detention structure for the portion of the Agricultural Residential Cluster Subdivision site draining to YerbaBuena 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.

Plan Requirements and Timing. The Drainage Study and plans for the storm drain and detention system shall be designed, approved, and constructed as part of the tract improvement plans. The drainage system will be reviewed for compliance with Public Works Department Public Improvement Standards for detention basins. Installation shall be ensured through a bond or performance security provided by the applicant and shall be completed and accepted by the County prior to the issuance of building permits. An entity, comprised of homeowners, shall be formed to maintain storm drain systems for the life of the Agricultural Residential Cluster Subdivision. This entity shall also determine and specify long-term maintenance requirements. **Monitoring.** Public Works or Planning and Building shall site inspect to ensure installation of the drainage system prior to issuance of occupancy clearance.

- **ARCS D-2(b) Trout Creek Drainage System.** Prior to approval of a Land Use Permit, the applicant shall design a detention structure for the portion of the Agricultural Residential Cluster Subdivision 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.

Plan Requirements and Timing. The Drainage Study and plans for the storm drain and detention system shall be **designed**, approved, and constructed as part of the tract improvement plans. The drainage system will be reviewed for compliance with Public Works Department Public Improvement Standards for detention basins. Installation shall be ensured through a bond or performance security provided by the applicant and shall be completed and accepted by the County prior to the issuance of building permits. An entity, comprised of homeowners, shall be formed to maintain storm drain systems for the life of the Agricultural Residential Cluster Subdivision. This entity shall also determine and specify long-term maintenance requirements. **Monitoring.** Public Works or Planning and Building shall site inspect to ensure installation of the drainage system prior to issuance of occupancy clearance.

- **ARCS 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 stormwater runoff where it is generated to reduce downstream impacts. The following LID practices shall be implemented, as feasible, to re-establish pre-development runoff. 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 stormwater 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 and 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 predevelopment conditions.

Plan Requirements and Timing. Prior to the issuance of building permits, individual lot owners shall submit design plans containing applicable LID design technologies, subject to the review of the Public Works Department. **Monitoring.** Public Works shall review building plans prior to the issuance of building permits and inspect units prior to occupancy clearance.

- b. Finding: The Commission finds that 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.

Impact D-4: **Due to the intensification of uses proposed on the Agricultural Residential Cluster Subdivision site, there is the potential for stormwater transport of pollutants, bacteria, and sediment into downstream facilities. Impacts are Class II, significant but mitigable.**

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:

- b. The following measure is recommended in addition to Agricultural Residential Cluster Subdivision measures D-2(a) (Yerba Buena Drainage System), D-2(b) (Trout Creek Drainage System), D-2(c) (LID-Integrated Management Practices) and G-2(b) (Grading and Erosion Control Plan) (in Section 4.6, Geologic Stability), which would ensure permanent sedimentation/detention basins are installed and control erosion, thereby enabling sediment to settle out of site runoff.

- **ARCS D-4(a) Pollutant Removal Techniques.** In addition to LID-integrated management practices required by Agricultural Residential Cluster Subdivision measure D-2(c), the

applicant shall integrate into the Agricultural Residential Cluster Subdivision 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, and biodegradable materials shall be used.

Plan Requirements and Timing. The applicant shall submit a drainage plan that graphically illustrates the location and design of pollutant-removal systems. Design plans shall be submitted to Planning and Building, Public Works, and Environmental Health Services for review and approval prior to issuance of grading permits. **Monitoring.** Planning and Building and Public Works shall ensure installation prior to construction of any structures.

- c. Finding: The Commission finds that 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.
- d. Supportive Evidence: Please refer to pages 4.5-9 through 4.5-10 and pages 6-99 through 6-100 of the Final EIR.

Impact G-1:

Due to the presence of active and potentially active faults in the vicinity of the proposed Agricultural Residential Cluster Subdivision, 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 Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS G-1(a) UBC Compliance.** Above-ground structures shall be designed and built according to the latest UBC Seismic Zone 4 standards.

Plan Requirements and Timing. Final project plans submitted to Planning and Building shall have a note printed on the plans which specify UBC Seismic Zone 4 standards for all above-ground structures. Building plans submitted in an application for a Building Permit shall include documentation that these standards are met. Final project plans shall be submitted that include the required design specifications prior to approval of the Land Use Permit. Building plans that meet UBC Zone 4 standards shall be provided to the Building Division prior to the issuance of Building Permits. **Monitoring.** Prior to the issuance of grading permits, Planning and Building staff shall review project plans and verify that the UBC Seismic Zone 4 requirements are printed on the plans. Building Division staff shall verify that UBC standards are met prior to issuance of Building Permits. Building inspectors shall conduct site inspections to ensure that construction occurs consistent with approved plans.

- b. Finding: The Commission finds that 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.

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

a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:

- **ARCS G-2(a) Soils/Foundation Report.** Upon implementation of the proposed Agricultural Residential Cluster Subdivision, 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 proposed 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 prewetting and long-term moisture control program within the active zone.
2. Removal and recompaction of loose soils.
3. Removal of the highly expansive material and replacement with non-expansive compacted import fill material.
4. The use of a specifically designed drilled pier and grade beam system incorporating a structural concrete slab on grade supported approximately 6 inches above the expansive soils.
5. Chemical treatment with hydrated lime to reduce the expansion characteristics of the soils.
6. Where necessary, construction on transitional lots shall include over-excavation to expose firm sub-grade, use of post-tension slabs in future structures, or another geologically acceptable method.

Plan Requirements and Timing. The required report shall be provided along with any future building plans and shall evaluate soil engineering properties and provide foundation design recommendations. Any future project applicant shall notify the Building Department prior to the commencement of grading. The soils/foundation report shall be provided to the Planning and Building Department for review and approval prior to issuance of Building Permits. **Monitoring.** Engineering staff shall review and approve the required report (and the foundation design) prior to issuance of a Building Permit. Building inspectors shall make site inspections to ensure the implementation of approved plans. Grading inspectors shall monitor the technical aspects of any grading activities.

- **ARCS 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 sandbags 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 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. [refer to Agricultural Residential Cluster Subdivision measure B-4(a) (Wetland and Riparian Protection) in Section 4.3, Biological Resources].
 - 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 the 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-erodible 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 the 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 soil engineer prior to issuance of grading permits, and to ensure that erosion is controlled and mitigation measures are properly implemented.

Plan Requirements and Timing. The grading and erosion control plan shall be submitted for review and approval to Planning and Building prior to the issuance of grading permits for tract improvements. This condition shall be noted on grading plans. The applicant shall notify Planning and Building prior to the commencement of grading. Components of the grading and

erosion control plan shall be implemented throughout all grading activities. Components of the grading and erosion plans shall be implemented prior to the issuance of grading permits. **Monitoring.** Building inspectors shall make site inspections to ensure the implementation of approved plans. Grading inspectors shall monitor the technical aspects of the grading activities.

- b. Finding: The Commission finds that 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 4.6-24 through 4.6-27 and page 6-100 of the Final EIR.

Impact G-3:

The Agricultural Residential Cluster Subdivision 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 Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS G-3(a) Agricultural Residential Cluster Subdivision Lot Geotechnical Investigations and Practices.** Each Agricultural Residential Cluster Subdivision 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 the slope.

In accordance with the applicable building codes, Agricultural Residential Cluster Subdivision 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). 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 Agricultural Residential Cluster Subdivision 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.
- c) All applicable recommendations of final geologic and geotechnical investigations prepared for the Agricultural Residential Cluster Subdivision 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.

Plan Requirements and Timing. Preliminary geologic and geotechnical reports shall be submitted for review and approval by Planning and Building prior to approval of building permits. During construction, a County geologist shall review and field verify preliminary geologic and geotechnical reports. Final geologic and geotechnical reports shall be submitted for review and approval by Planning and Building prior to issuance of grading permits. Grading and building plans shall be submitted for review and approval by Planning and Building prior to the issuance of grading and building permits. **Monitoring.** Building inspectors shall site inspect during grading and prior to occupancy clearance to ensure compliance with approved plans.

- b. **Finding:** The Commission finds that 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 pages 6-100 of the Final EIR.

Impact G-4: Seismic activity could produce sufficient ground shaking which may result in liquefaction of soils near onsite streams. Agricultural Residential Cluster Subdivision lots located in these areas could be subject to high liquefaction hazards. This is a Class II, significant but mitigable, impact.

- a. **Mitigation Measures:** The following mitigation measures are required to reduce potential impacts:
 - **ARCS 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 the 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 Agricultural Residential Cluster Subdivision measure G-1(a) (UBC Compliance)].

Plan Requirements and Timing. The applicant shall notify Planning and Building of specific methods to reduce liquefaction potential, as recommended by a qualified engineering geologist, prior to the commencement of grading. Measures to reduce liquefaction shall be implemented prior to issuance of Building Permits. **Monitoring.** Planning and Building staff shall review and approve the required report prior to issuance of the Building Permit. Building inspectors shall make site inspections to ensure the implementation of approved plans. Grading inspectors shall monitor the technical aspects of the grading activities.

- b. **Finding:** The Commission finds that 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 4.6-30 and pages 6-100 of the Final EIR.

Impact G-5: The surface materials in the central portion of the Agricultural Residential Cluster Subdivision site allow for the percolation of groundwater and may result

in seepage into building foundations. This is a Class II, *significant but mitigable*, impact.

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:

- **ARCS G-5(a) Subdrains**. An engineering geologist or a soil engineer shall observe construction activities to review the potential for subsurface water on Lots 17, 24 through 26, 29, 30, 40, 58, 68, 72 through 84, 88, 91 through 97, and 101 through 115. As determined necessary by a qualified engineer, subdrains shall be installed within foundations, soft soils, or roadways, to alleviate ponding of water.

Plan Requirements and Timing. An engineering geologist or soil engineer shall review subsurface water during construction and report to Planning and Building. Subdrains shall be installed as necessary prior to occupancy clearance. **Monitoring**. During and following construction, Planning and Building staff shall review the installation of subdrains and surface water on proposed lots.

- b. Finding: The Commission finds that 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 4.6-31 and pages 6-100 of the Final EIR.

Impact LU-1: Construction activity associated with the Agricultural Residential Cluster Subdivision would create temporary noise, air quality, and visual impacts due to the use of construction equipment and the 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 Measures: No mitigation measures are required beyond those identified in Sections 4.8, Noise, 4.2, Air Quality, and 4.13, Visual Resources.
- b. Finding: The Commission finds that 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 pages 6-100 of the Final EIR.

Impact N-1: Construction of the Agricultural Residential Cluster Subdivision 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 Measures: The following mitigation measures are required to reduce potential impacts:
- **ARCS N-1(a) Construction Hours**. Hours of construction noise that 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.

Plan Requirements and Timing. Signs stating these restrictions shall be provided by the developer and posted on-site. Signs shall be placed prior to the beginning of and throughout

grading and construction activities. Violations may result in suspension of permits. **Monitoring.** Planning and Building staff shall spot-check and respond to complaints.

- **ARCS N-1(b) Construction Noise Attenuation.** For all construction activity on the Agricultural Residential Cluster Subdivision 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 notifying adjacent residents in advance of construction work.

Plan Requirements and Timing. Noise attenuation techniques shall be submitted to the Planning and Building Department for review and approval. **Monitoring.** Planning and Building staff shall perform site inspections to ensure compliance.

- **ARCS 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.

Plan Requirements and Timing. An equipment area with appropriate acoustical shielding shall be designated on building and grading plans. Equipment and shielding shall remain in the designated location throughout construction activities. **Monitoring.** Planning and Building staff shall perform site inspections to ensure compliance.

- b. Finding: The Commission finds that 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 pages 6-105 of the Final EIR.

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 the failure of the water storage tanks is Class II, significant but mitigable.**

- a. Mitigation Measures: 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.

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 the development of the water tank can occur.

- b. Finding: The Commission finds that 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 pages 6-105 of the Final EIR.

Impact S-4: **The Agricultural Residential Cluster Subdivision 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 Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS 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 with the 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.

Plan Requirements and Timing. This measure shall be completed prior to the issuance of a Phase II occupancy permit. **Monitoring.** County of San Luis Obispo Fire Department shall site inspect prior to issuance of occupancy permits. The Fire Department shall site-inspect annually to ensure compliance with required measures.

- b. Finding: The Commission finds that 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 pages 6-105 of the Final EIR.

Impact S-6: **Large-scale grading and excavation operations during Agricultural Residential Cluster Subdivision development could expose construction workers and other individuals to valley fever. Impacts are Class II, *significant but mitigable*.**

- a. Mitigation Measures: Agricultural Residential Cluster Subdivision 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.

- **ARCS AQ-2(b) Dust Control.** The following measures shall be implemented to reduce PM10 emissions during Agricultural Residential Cluster Subdivision 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 the 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 the top of load and the top of the 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 in development plans.

- **ARCS 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 the transport of dust off-site. Their duties shall include holiday and weekend periods when work may not be in progress.
- **ARCS AQ-2(e) Active Grading Areas.** Prior to the 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 PM10 quarterly threshold). The Dust Control Monitor shall verify in the field during tract improvements that the Construction Management Plan is being followed.

- b. Finding: The Commission finds that 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 pages 6-105 of the Final EIR.

Impact PS-2: The Agricultural Residential Cluster Subdivision 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 Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS 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.

Plan Requirements and Timing. The applicant shall submit revised site plans depicting defensible space features to the County Sheriff’s Department for review. These features shall be installed prior to occupancy clearance. **Monitoring.** The Sheriff’s Department shall ensure compliance prior to occupancy clearance.

- b. Finding: The Commission finds that 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.

Impact PS-3: The Agricultural Residential Cluster Subdivision would increase the number of residents served by the CDF/County Fire Department and is located within a high-fire hazard area. The Agricultural Residential Cluster Subdivision may substantially affect the personnel, equipment, or organization of the Fire Department which could impede emergency access to the proposed residences. This would be a Class II, *significant but mitigable*, impact.

- a. Mitigation Measures: The CDF/San Luis Obispo County Fire Department estimates that the Agricultural Residential Cluster Subdivision would represent an incremental contribution to the need for an additional fire station in the vicinity of the community of Santa Margarita. Construction of an additional fire station involves land acquisition, building construction, and furnishings, as well as being equipped with a new engine and other required vehicles. An additional two professional firefighters would also be required to staff this facility at all times in order to maintain the County’s service standard (Robert Lewin, Fire Marshall, Personal Communication, June 29, 2006).

In accordance with CDF/San Luis Obispo County Fire Department recommendations, the following mitigation measures are required:

- **ARCS PS-3(a) Fire Station.** The applicant shall provide for the construction of a new CDF/San Luis Obispo County Fire Station to be located near the Agricultural Residential Cluster Subdivision site either through the dedication of land or through the payment of in-lieu fees, as determined in consultation with the Public Works Department and CDF/San Luis Obispo County Fire Department.

Plan Requirements and Timing. Prior to the issuance of occupancy permits for the Agricultural Residential Cluster Subdivision development, the applicant shall dedicate land to be used for the future construction of a CDF/San Luis Obispo County Fire Station or shall pay in lieu fees to fund such construction, in consultation with the County Public Works Department and

CDF/San Luis Obispo County Fire Department. **Monitoring.** Public Works and the Fire Department shall review the offer for dedication or payment of in-lieu fees prior to the issuance of occupancy permits.

- **ARCS 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:
 - Agricultural Residential Cluster Subdivision roads must be an all-weather surface at least 20 feet in width, unobstructed by parking. Cul-de-sacs and turnouts must be up to Fire Department standards. As the on-site roads are proposed to be a private system, there must be ongoing, legally binding provisions in effect to maintain the roads to Fire Department approval.
 - Road grades on all roads shall not exceed 16%, per the Uniform Fire Code.
 - House numbers and street signs shall be lighted to County standards so that emergency vehicles including police and ambulances can locate residences in the event of any emergency.
 - All fire apparatus access roads and driveways shall be designed and maintained to support the imposed loads of 20 tons at 25 mph and shall be provided with a surface so as to provide all-weather driving capabilities and maintain 90% compaction.

Plan Requirements and Timing. Prior to the issuance of grading permits, the applicant shall submit revised plans subject to the review and approval by CDF/County Fire Department which illustrate the roadways and site access, and the placement of fire hydrants throughout the site. Primary access shall be installed during initial grading, and hydrants shall be installed prior to occupancy clearance. **Monitoring.** The Fire Department shall ensure compliance prior to occupancy clearance.

- **ARCS PS-3(c) Fire/Vegetation Management Plan.** The applicant shall prepare and submit a Fire/Vegetation Management Plan to the Fire Department that will meet the following requirements:
 - The plan must set forth requirements to assure ongoing protection of all structures and roads, both prior to and after lot sales.

- The plan shall require 100 feet of clearance from chaparral brush to structures throughout the development and 30 feet of clearance from grasslands to structures throughout the development.
- Vegetation within the first 30 feet of all structures must be strictly irrigated and controlled, with specific shrub species eliminated. No conifer (except Monterey pine, single specimen), eucalyptus, juniper, cypress, pampas grass, acacia, or palm trees shall be allowed within the 100-foot zone. Coastal live oak (*Quercus* sp.), California sycamore, Toyon, and shrubs/trees approved by the County Fire Department will be acceptable within the 100-foot zone as well as the 30-foot zone.
- The plan shall outline vegetation management standards within the 30-foot buffer zone, such as:
 - Grasses and groundcovers shall be maintained at no more than 18 inches in height on slopes that require erosion control measures. Grasses shall be mowed elsewhere.
 - Trees must be limbed up to one-third of their height to a maximum of 10 feet.
 - Flammable native shrubs shall not be planted or allowed to grow in continuous masses. Small clusters will be allowed as long as the minimum space between clusters is observed.
- The Fire/Vegetation Management Plan must clearly state exactly what management practices must be accomplished, the date of annual compliance, and the responsibility for the cost of compliance.
- The plan must also include a Wildland Emergency Response checklist (approved by the County Fire Department) to be made available to all residents.

Plan Requirements and Timing. A Fire/Vegetation Management Plan shall be submitted to the Fire Department and Public Works Department for review and approval prior to the issuance of grading permits. **Monitoring.** The Fire Department shall inspect to verify landscaping is in compliance with the plan and shall monitor landscape maintenance annually.

- **ARCS PS-3(d) Structural Safeguards.** Upon implementation of the Agricultural Residential Cluster Subdivision, individual property developers shall provide the following structural safeguards:
 - **Class A Roofs.** All Agricultural Residential Cluster Subdivision 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 downspouts. 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 firewalls, with exterior walls being more than 2 inches thick, and must not contain vinyl or plastic window frames, rain gutters, or downspouts.

Plan Requirements and Timing. Where appropriate, all of the structural safeguards described above shall be graphically depicted on grading and building plans submitted prior to land use permit approval. Measures shall be installed prior to occupancy. Monitoring. Fire Department inspectors shall inspect the site prior to issuance of the occupancy permit for each phase and annually to ensure compliance.

- b. Finding: The Commission finds that 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.

Impact PS-5: **The proposed Agricultural Residential Cluster Subdivision would generate approximately 112 tons of solid waste per year. The solid waste disposal services and the landfill that would serve the Agricultural Residential Cluster Subdivision have adequate capacity to accommodate the waste generated by the Agricultural Residential Cluster Subdivision. However, the Agricultural Residential Cluster Subdivision 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 Measures: The following mitigation measures are required to reduce potential impacts:
- **ARCS PS-5(a) Construction Solid Waste Minimization.** During the construction phases of the Agricultural Residential Cluster Subdivision, 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 the 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.

Plan Requirements and Timing. The applicant shall submit a Construction Solid Waste Minimization Plan to the Planning Department and Public Works Department for review and approval prior to issuance of the Land Use Permit. **Monitoring.** The Planning Department shall site inspect as required under the monitoring plan.

- **ARCS 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% waste stream diversion. The applicants 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%;
 - 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 number 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 the program submitted to the Public Works Department.

Plan Requirements and Timing. The recycling plan shall be submitted by the applicant for review and approval to the Planning and Building Department and Public Works Department prior to final occupancy. **Monitoring.** Planning and Building shall review the recycling plan prior to the issuance of building permits and inspect units prior to occupancy clearance.

- b. Finding: The Commission finds that 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.

Impact T-2: **The internal roadway system proposed for the Agricultural Residential Cluster Subdivision homes would provide adequate circulation. However, site access to the Agricultural Residential Cluster Subdivision could result in an inadequate stopping sight distance. Class II, *significant but mitigable*, impacts would result.**

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS T-2(a) West Driveway Relocation.** The proposed 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 the recommended guidelines as stated in the Caltrans Highway Design Manual.

Plan Requirements and Timing. The relocated driveway and driveway design shall be shown on plans submitted to Planning and Building for review and approval prior to land use permit approval for tract improvements. **Monitoring.** Caltrans and County Public Works shall review plans prior to the issuance of building permits and inspect prior to occupancy clearance.

- b. Finding: The Commission finds that 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 pages 6-106 of the Final EIR.

Impact T-4: **The addition of traffic generated by the Agricultural Residential Cluster Subdivision 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.**

- a. Mitigation Measures: Implementation of Agricultural Residential Cluster Subdivision mitigation measure T-1(a), which requires widening of West Pozo Road (SR 58) along the Agricultural Residential Cluster Subdivision site's frontage to accommodate County-planned Class II bicycle lanes or shoulders, would reduce potential automobile-bicycle conflict impacts to a less than significant level. The following mitigation measures are required to reduce potential automobile-pedestrian conflicts:

- **ARCS 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 on 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.

Plan Requirements and Timing. The pedestrian in-pavement flashing lights shall be installed prior to occupancy clearance. The applicant shall fund and install the required pedestrian pavement flashing lights on El Camino Real under a Caltrans encroachment permit prior to occupancy clearance. **Monitoring.** Caltrans and County Public Works shall inspect this location to ensure the installation of the pedestrian warning beacons prior to occupancy clearance.

- **ARCS T-4(b) Pedestrian Pathway.** The gate to the proposed pedestrian pathway between the subdivision and community shall be removed from site plans, and be open for public use. No-climb fencing shall be installed for the length of the trail. An entity, comprised of homeowners, shall be formed to maintain the pathway. The trail shall also permit bicycle transportation.

Plan Requirements and Timing. Prior to the issuance of grading permits, revised site plans depicting the removal of the gate and dedication of the pedestrian trail between the subdivision and community shall be submitted to and reviewed by Planning and Building. **Monitoring.** Planning and Building shall site inspect during construction to ensure compliance with approved plans.

- b. Finding: The Commission finds that 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 pages 6-106 of the Final EIR.

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.

- a. Mitigation Measures: The following mitigation measures are required to reduce potential impacts:
 - **ARCS 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 proposed Agricultural Residential Cluster Subdivision), and recommend 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 upgradient 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 the Planning and Public Works Departments and to the RWQCB for review and approval. Groundwater monitoring results shall be submitted to the 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. 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. 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. A Public Works review is required for monitoring well installation, and a Planning Department review is required for the 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.

- **ARCS 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 proposed 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 proposed residential unit and lot, in accordance with County standards.

Plan Requirements and Timing. The applicant shall submit septic tank and leach field site plans to Planning and Building with a Development Permit Application. **Monitoring.** County Environmental Health and Building Department staff shall review plans prior to issuance of a development permit.

- b. **Finding:** The Commission finds that 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.

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.

- a. **Mitigation Measures:** The following mitigation measures are required to reduce potential impacts:
 - **ARCS W-3(a) Water Softeners.** Agricultural Residential Cluster Subdivision residents shall be prohibited from installing water softeners that 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. The county inspector shall inspect the site for installation of self-regenerating water softeners prior to occupancy of the structures.

- **ARCS 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 the 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 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.

- b. **Finding:** The Commission finds that 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.

4. Findings Regarding Alternatives Analyzed in the EIR

CEQA requires that the discussion focus on alternatives to the project or its location that are capable of avoiding or substantially lessening any significant effects of the Project. Only locations that would avoid or substantially lessen any of the significant effects of the Project need to be considered for inclusion in the EIR (CEQA Guidelines Section 15126.6[f][2][A]).

An evaluation of an alternative to the Project location is appropriate for a site-specific development project. In the case of the 111 residential lots within Tract 2586, the County of SLO, as the lead agency, considered fourteen alternatives including the required no-project alternative. The fourteen alternatives were considered and alternative 12, the “Amended Project” was selected by the County and approved as is further discussed below. Please note that Alternatives 8, 9, 10, and 11 pertain to the Future Development Project which was not a part of the December 23, 2008, County Approved project. Therefore Alternatives 8, 9, 10, and 11 were omitted from this section.

Since LAFCO will be relying on this EIR for the purpose of the SOI amendment and annexation, LAFCO will address the alternatives that were required to be examined for the proposed Agricultural Residential Cluster Subdivision and conceptual Future Development Program which lead to the approval of the Tentative Tract Map (2586) and Conditional Use Permit (S030115U). Of these, based on the evaluation of alternatives in the FEIR, the No Project Alternative would be the environmentally superior alternative because it would minimize the project’s adverse impacts to the environment.

However, State CEQA Guidelines Section 15126.6(e)(2) states that if the No Project Alternative is also the environmentally superior alternative, the EIR should then identify an environmentally superior alternative among the other alternatives. As summarized on pages 6-119 through 6-125 of the FEIR, among the other development alternatives, Alternative 14 (Reduced Project Alternative) is environmentally superior overall, while Alternatives 12 (Amended Project), 7 (Tighter Cluster Alternative), 3 (Revised Cluster Design), and 13 (Santa Margarita Town Expansion) are all superior to the proposed Agricultural Residential Cluster Subdivision in certain respects.

Pursuant to CEQA, the SLO County Board of Supervisors Members considered the following alternatives to the Proposed Project as described in the FEIR, which would reduce or avoid project-specific and cumulative impacts, and rejected them as infeasible as follows:

- Alternative 1: No Project/No Development
- Alternative 2: No Project/Existing Zoning
- Alternative 3: Revised Cluster Design
- Alternative 4: Revised Cluster Location 1
- Alternative 5: Revised Cluster Location 2
- Alternative 6: Revised Cluster Location 3

- Alternative 7: Tighter Cluster Alternative
- Alternative 8: Alternative Future Development Program Scenario 1
- Alternative 9: Alternative Future Development Program Scenario 2
- Alternative 10: Alternative Future Development Program Scenario 3
- Alternative 11: Alternative Location for Livestock Sales
- Alternative 12: Amended Project ²
- Alternative 13: Santa Margarita Town Expansion
- Alternative 14: Reduced Project

The Amended Project (Alternative 12) is an alternative to the Agricultural Residential Cluster Subdivision that was analyzed in the Final EIR and was approved by the County. 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 discusses a variety of alternatives that are specifically rejected:

Alternative 1: No Project/No Development (FEIR p. 6-3 through 6-4)

Subdivision 15126.6(e) of the CEQA Guidelines requires a “no project” alternative to be evaluated in an EIR to allow decision-makers to compare the impacts of approving a proposed project with the impacts of not approving that project. CEQA Guidelines subdivision 15126.6(e)(3) describes the two general types of no

project alternative: (1) when the project is the revision of an existing land use or regulatory plan, policy, or ongoing operation, the no project alternative would be the continuation of that plan; and (2) when the project is not a land use/regulatory plan, such as a specific development on an identifiable property, the no project alternative is the circumstance under which that project is not processed (i.e., no development occurs). The No Project Alternative represents assumes no development would happen either onsite or offsite and no physical impacts would occur.

Description: This alternative assumes that the proposed Agricultural Residential Cluster Subdivision and Future Development Program are not constructed and that no new development would occur on the Ranch property. The property would continue to support existing land uses, including an equestrian center, private narrow gauge railroad, vineyard(s), private 3,400-foot airstrip, farmland, eight-acre cattle feedlot, agricultural roads, trails, agricultural support residences along with agricultural accessory structures, historic structures, water wells, and various aboveground and underground utilities.

Overall, impacts would be less than for the proposed Agricultural Residential Cluster Subdivision and Future Development Program, because no new development is anticipated.

² On December 23, 2008, the San Luis Obispo County Board of Supervisors selected and approved alternative 12 of the FEIR, the “Amended Project”.

Lead Agency Finding: The County as a Lead Agency found this alternative is inconsistent with the General Plan, Salinas River Area Plan Standards, and 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.

LAFCO Finding: As a Responsible Agency, the Commission lacks authority to select alternatives not selected by the lead agency. The Commission nevertheless concurs with the Lead Agency's findings that the "No Project Alternative" is infeasible. For further discussion on the Project Alternative details and ability to achieve project objectives or feasibility please refer to the Final EIR and the County's Findings of Fact and Statement of Overriding Considerations.

Alternative 2: No Project/Existing Zoning (FEIR p. 6-4 through 6-11)

Description: This alternative assumes that the proposed Agricultural Residential Cluster Subdivision and conceptual Future Development Program are not constructed and that the Ranch property would be developed in accordance with the existing zoning and General Plan designations for the site. The Ranch property is currently zoned and designated as Rural Residential (RR) and Agriculture (AG) under the General Plan. The RR designation applies to the already-developed Santa Margarita Farms Subdivision (Tract 1), located at the northern end of the Ranch. The remainder of the Ranch property is designated AG and consists of 28 parcels. According to Chapter 22.30.480(A) of the San Luis Obispo County Code, up to two residential units are allowable on each agricultural parcel. Therefore, this alternative assumes a buildout of 56 residential units located throughout the Ranch property. Due to the configuration of existing parcels on the Ranch, the majority of the residences (48 units, or approximately 86% of buildout) would be located along the eastern, southern, and southwestern portions of the property. Four residences would be located in the northeastern quadrant of the Ranch (north of SR 58 and east of El Camino Real) and two residences would be located north of the community of Santa Margarita. The remaining two residences would be located in the central portion of the Ranch property, near the proposed Agricultural Residential Cluster Subdivision site. It is assumed that each unit would install an individual well for water service, an on-site septic system for sewer service, and access roads as necessary.

In addition to 56 residential units, several non-residential land uses may be allowed on AG-designated land. This alternative assumes a buildout that includes those non-residential land uses envisioned under the Future Development Program which would be an allowable or permitted use pursuant to Chapter 22.06.030 of the San Luis Obispo County Code. This would include one Bed and Breakfast located on the Ranch headquarters parcel and nine wineries located throughout the property. The Bed & Breakfast would be limited to three units and 3,000 square feet (rather than 12 units and 12,000 square feet as envisioned) and the wineries would exclude the envisioned retail component (including galleries and gift shops).

It should be noted that, due to the existing zoning and General Plan designations for the site, this alternative would not preclude future proposed development under the County's agricultural cluster subdivision ordinance (Chapter 22.22.152). Consequently, an Agricultural Residential Cluster Subdivision

such as that proposed would not conflict with the existing General Plan designations for the site and could eventually be constructed, even if a No Project/Existing Zoning Alternative were implemented at this time. Similarly, this alternative would not preclude future non-residential uses pursuant to Chapter 22.06.030 of the San Luis Obispo County Code which may not be envisioned under the Future Development Program. This could include industry, manufacturing, and processing uses; recreation, education, and public assembly uses; retail trade uses; and/or service uses (refer to Table 2-2 in Chapter 22.06.030).

Lead Agency Finding: The County as Lead Agency found 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 with 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 ongoing cattle operations on the project site.

This alternative proposes a traditional pattern of development according to existing lot lines that is environmentally inferior to an agricultural cluster subdivision which permanently preserves open space and agriculturally viable operations.

LAFCO Finding: As a Responsible Agency, the Commission lacks authority to select alternatives not selected by the lead agency. The Commission nevertheless concurs with the Lead Agency's findings that "Alternative 2" is infeasible. For further discussion on the Project Alternative details and ability to achieve project objectives or feasibility please refer to the Final EIR and the County's Findings of Fact and Statement of Overriding Considerations.

Alternative 3: Revised Cluster Design (FEIR p. 6-11 through 6-18)

Description: This alternative analyzes an alternate site plan for the proposed Agricultural Residential Cluster Subdivision. The overall development potential of this alternative would be the same as for the proposed Agricultural Residential Cluster Subdivision. However, this alternative would reconfigure the 112 lots so as to reduce the overall project footprint. Under this alternative, Lots 1 and 43 through 115 would be relocated north of the proposed East Driveway, within the currently proposed Phase 1 development area (refer to Figure 6-1). All proposed roadways south of East Driveway would be eliminated, although the water tanks would remain as proposed. The permanent agricultural conservation easements (ACE) would remain southwest of the community of Santa Margarita, as proposed. Access would be provided via one existing driveway and one new driveway from West Pozo Road, as proposed. However, internal circulation would be redesigned to accommodate more compact clustering. Water service would be provided by the Santa Margarita Mutual Water Company and sewer would be provided by individual septic systems, similar to the proposed Agricultural Residential Cluster Subdivision.

Although the amount of site disturbance would be similar to the proposed Agricultural Residential Cluster Subdivision, the overall project footprint would be reduced by approximately 47%. Since the general configuration and clustering of the individual lots would be altered, this alternative would require County approval for redesign elements.

Lead Agency Finding: The County as Lead Agency found this alternative involves a reconfiguration of the agricultural residential cluster subdivision design but does not achieve the project applicant goal would not maintain the rural character of the development due to site design, and would more closely resemble a traditional subdivision.

LAFCO Finding: As a Responsible Agency, the Commission lacks authority to select alternatives not selected by the lead agency. The Commission nevertheless concurs with the Lead Agency's findings that "Alternative 3" is infeasible. For further discussion on the Project Alternative details and ability to achieve project objectives or feasibility please refer to the Final EIR and the County's Findings of Fact and Statement of Overriding Considerations.

Alternative 4: Revised Cluster Location 1 (FEIR p. 6-18 through 6-27)

Description: 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 (refer to Figure 6-2 in the FIER). Lots would be rearranged in a generally east-west trending configuration.

The permanent agricultural conservation easements (ACE) would be relocated north of the community of Santa Margarita and west and east of El Camino Real in order to remain contiguous with the cluster. Access to the alternative site would be provided via extensions of existing roadways, including Yerba Buena Avenue, in the northern portion of the community of Santa Margarita. Water service would be provided by the Santa Margarita Mutual Water Company and sewer would be provided by individual septic systems, similar to the proposed Agricultural Residential Cluster Subdivision. Water tanks would be relocated from the southern portion of the Agricultural Residential Cluster Subdivision to a hilltop within Revised Cluster Location 1. Figure 6-2 in the FEIR illustrates this alternate location.

Lead Agency Finding: 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 with 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 Nacimiento Fault Zone and in areas of high landslide potential. (See FEIR, Figure 6-2.)

LAFCO Finding: As a Responsible Agency, the Commission lacks authority to select alternatives not selected by the lead agency. The Commission nevertheless concurs with the Lead Agency's findings that "Alternative 4" is infeasible. For further discussion on the Project Alternative details and ability to achieve project objectives or feasibility please refer to the Final EIR and the County's Findings of Fact and Statement of Overriding Considerations.

Alternative 5: Revised Cluster Location 2 (FEIR p. 6-27 through 6-35)

Description: This alternative assumes that the proposed Agricultural Residential Cluster Subdivision is relocated south of and immediately adjacent to the community of Santa Margarita, continuing the existing community grid pattern (refer to Figure 6-3). Lots would be rearranged in a generally east-west trending configuration.

The permanent agricultural conservation easements (ACE) would remain southwest of the community of Santa Margarita, as proposed. Access to the alternative site would be provided via extensions of existing roadways, including Encina Avenue and Margarita Avenue, in the southern portion of the community of Santa Margarita. Water service would be provided by the Santa Margarita Mutual Water Company and sewer would be provided by individual septic systems, similar to the proposed Agricultural Residential Cluster Subdivision. Figure 6-3 illustrates this alternate location.

Lead Agency Finding: 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's 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 ground shaking, soil-related hazards, and landslide potential when compared to the Applicant's Amended project (FEIR, 6-35). This alternative would result in greater visibility of the residential uses of residential properties. (FEIR, 6-37).

LAFCO Finding: As a Responsible Agency, the Commission lacks authority to select alternatives not selected by the lead agency. The Commission nevertheless concurs with the Lead Agency's findings that "Alternative 5" is infeasible. For further discussion on the Project Alternative details and ability to achieve project objectives or feasibility please refer to the Final EIR and the County's Findings of Fact and Statement of Overriding Considerations.

Alternative 6: Revised Cluster Location 3 (FEIR p. 6-36 through 6-43)

Description: This alternative assumes that the proposed Agricultural Residential Cluster Subdivision is relocated south of El Camino Real and west of the community of Santa Margarita (refer to Figure 6-4). Under the proposed Agricultural Residential Cluster Subdivision and Future Development Program, this area is envisioned for the future development of a residential village, private golf course, guest ranch, lodge, restaurant, and winery. Lots would be arranged in a generally north-south trending configuration.

The permanent agricultural conservation easements (ACE) would remain southwest of the community of Santa Margarita, as proposed. Access to the alternative site would be provided via extensions of existing roadways, including Wilhelmina Avenue, in the southwestern portion of the community of Santa Margarita. Water service would be provided by the Santa Margarita Mutual Water Company and sewer would be provided by individual septic systems, similar to the proposed Agricultural Residential Cluster Subdivision. Water tanks would be relocated from the southern portion of the Agricultural Residential Cluster Subdivision to a hilltop within the revised cluster location 3. Figure 6-4 illustrates this alternate location.

Lead Agency Finding: 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).

LAFCO Finding: As a Responsible Agency, the Commission lacks authority to select alternatives not selected by the lead agency. The Commission nevertheless concurs with the Lead Agency's findings that "Alternative 6" is infeasible. For further discussion on the Project Alternative details and ability to achieve project objectives or feasibility please refer to the Final EIR and the County's Findings of Fact and Statement of Overriding Considerations.

Alternative 7: Tighter Cluster Alternative (FEIR p. 6-43 through 6-50)

Description: This alternative analyzes an alternate site plan for the proposed Agricultural Residential Cluster Subdivision. The overall development potential of this alternative would be the same as for the proposed Agricultural Residential Cluster Subdivision. However, this alternative would reconfigure the 111 clustered lots so as to reduce the overall project footprint. Under this alternative, all Lots (excluding one ranch headquarters unit located on Parcel 42) would be clustered in the remainder parcel, north of the proposed Agricultural Residential Cluster Subdivision and south of the community of Santa Margarita, and in the northernmost portion of the Agricultural Residential Cluster Subdivision site (refer to Figure 6-5). All lots would be one acre in size and would be located adjacent to one another so as to minimize the overall project footprint. Access would be provided via one existing driveway and one new driveway from West Pozo Road, as proposed. However, internal circulation would be redesigned to accommodate tighter clustering (refer to Figure 6-5). The permanent agricultural conservation easements (ACE) would remain southwest of the community of Santa Margarita, as proposed. Water service would be provided by the Santa Margarita Mutual Water Company and sewer would be provided by individual septic systems, similar to the proposed Agricultural Residential Cluster Subdivision.

Although the amount of site disturbance would be similar to the proposed Agricultural Residential Cluster Subdivision, the overall project footprint would be reduced by approximately 78%. Since the general configuration and clustering of the individual lots would be altered, this alternative would require County approval for redesign elements.

Lead Agency Finding: 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 the 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 greatly impact the rural character of the area (FIER 6-52). The tighter cluster would result in a 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).

LAFCO Finding: As a Responsible Agency, the Commission lacks authority to select alternatives not selected by the lead agency. The Commission nevertheless concurs with the Lead Agency's findings that "Alternative 7" is infeasible. For further discussion on the Project Alternative details and ability to achieve project objectives or feasibility please refer to the Final EIR and the County's Findings of Fact and Statement of Overriding Considerations.

Alternative 12: Amended Project | *Approved Project* (FEIR p. 6-82 through 6-102)

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 the 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 that 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 onsite and used for the Alternative 12 residences.

After further clarification, the County and the applicant have confirmed that the 80 AFY allocation of untreated Nacimiento water will be delivered to SMR Mutual Water Company for agricultural uses on the ranch and not for the 111 Residential Cluster Subdivision Lots. Tract 2586 COA #13 requires the 1:1 imported water source supply to be verified prior to the recordation of the Phase II and III Final Map. In other words, for every AFY of residential water used (for phases I-III) the same amount of AFY of water will be imported from Nacimiento instead of pumped from SMR WMC wells for ranch ag operation usage.

Part of Tract 2586 COA #13 requires data to be provided to Public Works/Planning to verify the amount of net consumptive water use of the Tract homes (provided by CSA23 to SMR Mutual Water Co) does not exceed the amount of Nacimiento Water that has been allocated to SMR Mutual (or 80 AFY).

Refer to Figure 6-10 in the FEIR for a site plan of Alternative 12 in comparison to the proposed Agricultural Residential Cluster Subdivision and the CEQA Compliance and Mitigation Requirements Memorandum prepared by Kirk Consulting Memorandum dated April 30, 2024.

Lead Agency Finding: Amended Project. This alternative contains the same development characteristics as 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.

LAFCO Finding: As a Responsible Agency, the Commission lacks authority to select alternatives not selected by the lead agency. The Commission nevertheless concurs with the Lead Agency's findings that "Alternative 12" is feasible. Alternative 12, the Amended Project, was approved by the County Board of Supervisors on December 23, 2008. For further discussion on the Project Alternative details and ability to achieve project objectives or feasibility please refer to the Final EIR and the County's Findings of Fact and Statement of Overriding Considerations.

Alternative 13: Santa Margarita Town Expansion (FEIR p. 6-102 through 6-111)

Description: Similar to Alternative 6 (Revised Cluster Location 3), this alternative assumes that the proposed Agricultural Residential Cluster Subdivision is relocated south of El Camino Real and west of the community of Santa Margarita. However, this alternative would arrange lots in a reversed L-shape extending from the southwest corner of the community of Santa Margarita (refer to Figure 6-15). Alternative 13 would serve as an extension of the existing community. The location and configuration of this alternative use Smart Growth Principles of compact urban development and preservation of rural land and agricultural resources. In addition, although the same number of lots would be included as the proposed Agricultural Residential Cluster Subdivision (i.e., 112 lots), 22 of the lots would be designated for affordable housing.

This alternative would place approximately 2,500 acres in an agricultural conservation or open space easement. This alternative would additionally include a 5-acre community park, located in the northern portion of the alternative site adjacent to the community of Santa Margarita, as well as a trail connecting the community of Santa Margarita to the Los Padres National Forest.

Access to the alternative site would be provided via an extension of Wilhelmina Avenue. Water service would be provided by a connection to the Nacimiento Water Project and sewer service would be provided through connections to a new wastewater treatment plant. Connection to the Nacimiento waterline would occur 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 Santa Margarita Town Expansion Alternative residences. The wastewater treatment plant would be constructed with sufficient capacity to serve the project and be designed to expand to serve the community of Santa Margarita in the future. The exact capacity, features, and location of the treatment plant would be determined in consultation with the County and Regional Water Quality Control Board. Water tanks would be relocated from the southern portion of the Agricultural Residential Cluster Subdivision to a hilltop within the alternative location.

Lead Agency Finding: 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 Applicant's 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.

LAFCO Finding: As a Responsible Agency, the Commission lacks authority to select alternatives not selected by the lead agency. The Commission nevertheless concurs with the Lead Agency's findings that "Alternative 13" is infeasible. For further discussion on the Project Alternative details and ability to achieve project objectives or feasibility please refer to the Final EIR and the County's Findings of Fact and Statement of Overriding Considerations.

Alternative 14: Reduced Project (FEIR p. 6-111 through 6-119)

Description: This alternative would cluster 40 lots (including 39 residential lots and one open space lot) in the northernmost portion of the Agricultural Residential Cluster Subdivision site, in the currently proposed Phase One location. This alternative would slightly reorganize the currently proposed Phase One configuration to achieve a higher-density, more compact cluster and further minimize the overall project footprint (refer to Figure 6-16).

Access would be provided via one existing driveway and one new driveway from West Pozo Road, as proposed. Internal circulation would be similar to the proposed Agricultural Residential Cluster Subdivision Phase One. Roads south of this area would be eliminated. The permanent agricultural conservation easements (ACE) would remain southwest of the community of Santa Margarita, as proposed. However, the amount of land preserved in ACEs would be reduced to approximately 800 acres. 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 El Camino Real just west of the community of Santa Margarita. Water tanks would remain as proposed. The untreated Nacimiento water would be treated on-site and used for the Reduced Project Alternative.

The amount of site disturbance would be reduced by approximately 64-65%, and the overall project area would be reduced by 75%, compared to the proposed Agricultural Residential Cluster Subdivision. Further

development of the Ranch property, including other portions of the proposed Agricultural Residential Cluster Subdivision site, would require preparation of a Specific Plan and additional environmental review.

Lead Agency Finding: 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 Applicant's 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.

LAFCO Finding: As a Responsible Agency, the Commission lacks authority to select alternatives not selected by the lead agency. The Commission nevertheless concurs with the Lead Agency's findings that "Alternative 14" is infeasible. For further discussion on the Project Alternative details and ability to achieve project objectives or feasibility please refer to the Final EIR and the County's Findings of Fact and Statement of Overriding Considerations.

5. Process as Responsible Agency, Findings, and Statement of Overriding Considerations, (CEQA Guidelines Section 15096 (g)(1), 15091, 15093, and 15096 (h))

As a Responsible Agency under CEQA, LAFCO has discretionary authority over the County's request for the SOI amendment and annexation. Under CEQA, Responsible Agencies are required to independently review and approve the CEQA document previously prepared by the Lead Agency to comply with environmental review requirements. As such, in light of the County's request, LAFCO reviewed and considered the County's Final EIR prepared and adopted by the San Luis Obispo County Board of Supervisors for the Tentative Tract Map (2586) and Conditional Use Permit (S030115U) reflecting the approved Amended Project (Alternative 12).

The County, acting as the Lead Agency, adopted a Statement of Overriding Considerations for its adopted Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program Environmental Impact Report (EIR SCH# 2004111112).

The Commission has made a reasonable and good-faith effort to evaluate any alternatives or mitigation measures that would eliminate or substantially mitigate the environmental impacts. The Commission has reviewed the actions by the County Board of Supervisors to eliminate or substantially mitigate the environmental impacts, particularly the County's various mitigation measures in the Final EIR, Tract Map (2586), and Conditional Use Permit Findings and goals and policies identified in the General Plan.

For the reasons set forth below, the Commission determines that any significant environmental impacts caused by the proposed SOI Amendment and Annexation have been minimized to the extent feasible, and where not feasible, have been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits to be generated to the County. This Statement of Overriding Considerations justifies finding the unavoidable adverse environmental impacts from the Proposal as acceptable.

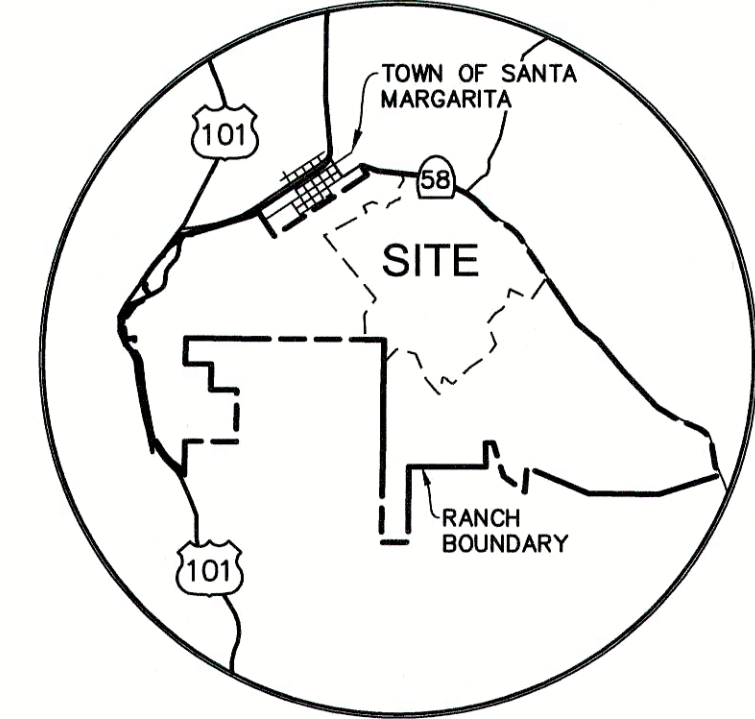
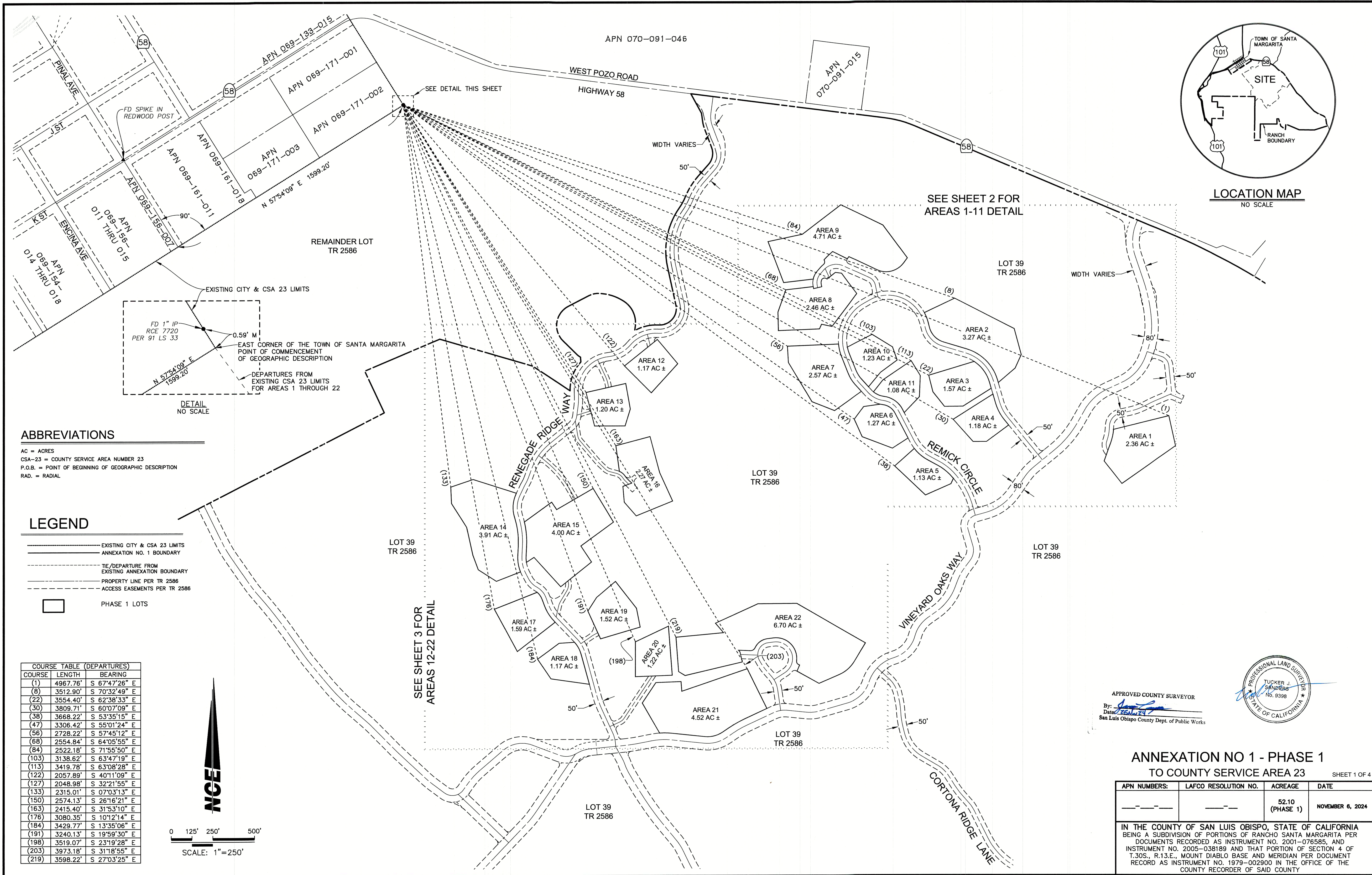
The Commission finds that any one of the benefits set forth below is sufficient to warrant approval of the Proposal and justify the unavoidable adverse environmental impacts from the County's implementation of the proposed SOI amendment and annexation. This determination is based on the findings herein and

the evidence in the record. Having balanced the unavoidable adverse environmental impacts against each of the benefits, the Commission hereby adopts this Statement of Overriding Considerations, for the following reasons in accordance with CEQA Section 21081(b) and State CEQA Guideline Section 15093.

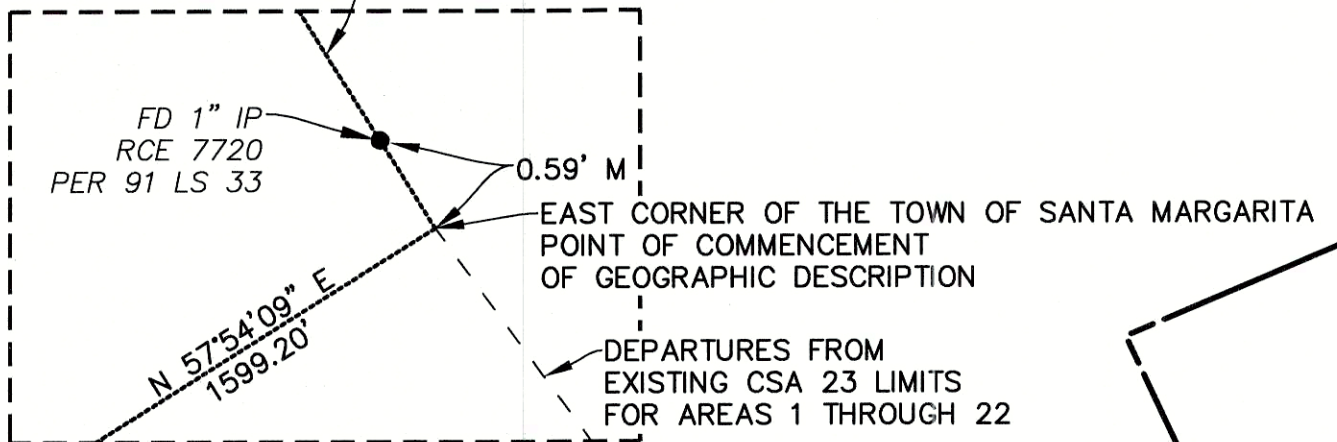
1. CSA 23 has demonstrated its ability to efficiently extend government services into the proposed annexation area consisting of 111 residential lots. CSA 23's capability and through the annexation agreement between the County and Santa Margarita Ranch, LLC, Plan for Services, and supplemental information incorporated into the record. The Plan for Services identifies the level and range of water services to be provided to the affected territory. The plan provides an overview of the water supply & demand, improvements required, the entity responsible for financing/construction of the necessary improvements, and the approximate timeframe for service delivery of each of the three phases. The March 5, 2024, Plan for Services II, concluded that CSA 23 is capable of providing the necessary water services in a timely manner to the affected territory while being able to serve all areas within its current boundaries and without lowering the level of service provided to areas currently being served by CSA 23.
2. The annexation of the 111 residential lots would allow an intertie between CSA 23 and Tract 2586, add a booster station, a water storage tank, and all appurtenances needed to connect to the existing water system including the water meter at each service connection. In addition, as stated in the County's August 2, 2024, memo response to LAFCO, two new water supply wells (wells 15b and 15c) would be added to the CSA 23 system. These wells produce 100gpm and 85gpm respectively with a combined total of 185 gallons per minute or 11,100 gallons per hour. This volume could replenish both CSA 23 and the annexation area's Equalization storage within 8 hours. The pumps would be used to fill the project tank which then can be pumped to CSA 23. Additional wells increase water supply resilience and reliability, additional storage, and redundancy. Both new wells meet the requirements for public water supply and are consistent with the Water Supply analysis in the EIR (Sect 4.14).
3. The Amended Project will preserve over 3,620 acres on five separate parcels with permanent open space / agricultural conservation easements (ACEs) parcels.
4. 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.
5. 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 woodland.
6. The Amended Project will result in the preservation/protection of 31 acres of wetlands, 30 miles of waterways, and other important biological habitats.
7. The permanent open space / agricultural conservation easements (ACEs) parcels will preserve identified and unidentified archeological sites.
8. 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.
 - a. The project will increase contributions to County property taxes.
 - b. The project will indirectly provide for a number of jobs relating to the construction of and maintaining approximately 111 new homes and related improvements.
 - c. The project will increase the countywide available housing stock by 111 units.

Exhibit B

MAP AND LEGAL DESCRIPTION



LOCATION MAP
NO SCALE



DETAIL
NO SCALE

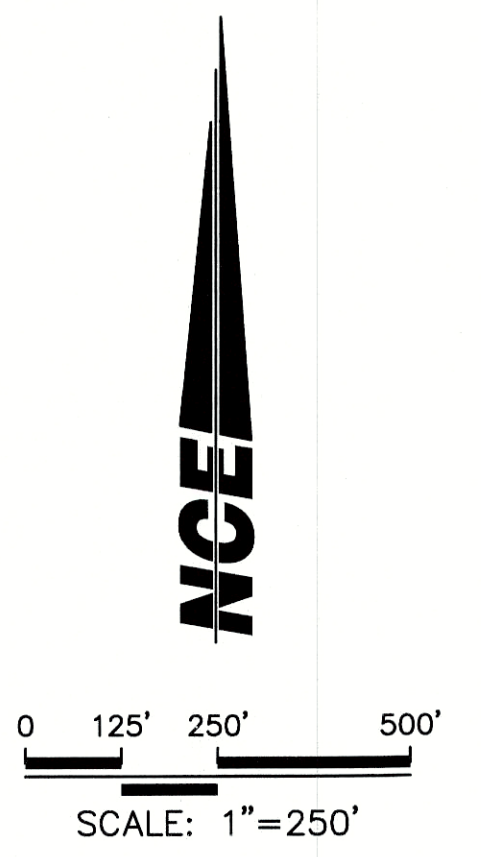
ABBREVIATIONS

- AC = ACRES
- CSA-23 = COUNTY SERVICE AREA NUMBER 23
- P.O.B. = POINT OF BEGINNING OF GEOGRAPHIC DESCRIPTION
- RAD. = RADIAL

LEGEND

- EXISTING CITY & CSA 23 LIMITS
- ANNEXATION NO. 1 BOUNDARY
- - - TIE/DEPARTURE FROM EXISTING ANNEXATION BOUNDARY
- PROPERTY LINE PER TR 2586
- ACCESS EASEMENTS PER TR 2586
- PHASE 1 LOTS

COURSE	LENGTH	BEARING
(1)	4967.76'	S 67°47'26" E
(8)	3512.90'	S 70°32'49" E
(22)	3554.40'	S 62°38'33" E
(30)	3809.71'	S 60°07'09" E
(38)	3668.22'	S 53°35'15" E
(47)	3306.42'	S 55°01'24" E
(56)	2728.22'	S 57°45'12" E
(68)	2554.84'	S 64°05'55" E
(84)	2522.18'	S 71°55'50" E
(103)	3138.62'	S 63°47'19" E
(113)	3419.78'	S 63°08'28" E
(122)	2057.89'	S 40°11'09" E
(127)	2048.98'	S 32°21'55" E
(133)	2315.01'	S 07°03'13" E
(150)	2574.13'	S 26°16'21" E
(163)	2415.40'	S 31°53'10" E
(176)	3080.35'	S 10°12'14" E
(184)	3429.77'	S 13°35'06" E
(191)	3240.13'	S 19°59'30" E
(198)	3519.07'	S 23°19'28" E
(203)	3973.18'	S 31°18'55" E
(219)	3598.22'	S 27°03'25" E



APPROVED COUNTY SURVEYOR
By: *[Signature]*
Date: 11/21/24
San Luis Obispo County Dept. of Public Works



**ANNEXATION NO 1 - PHASE 1
TO COUNTY SERVICE AREA 23**

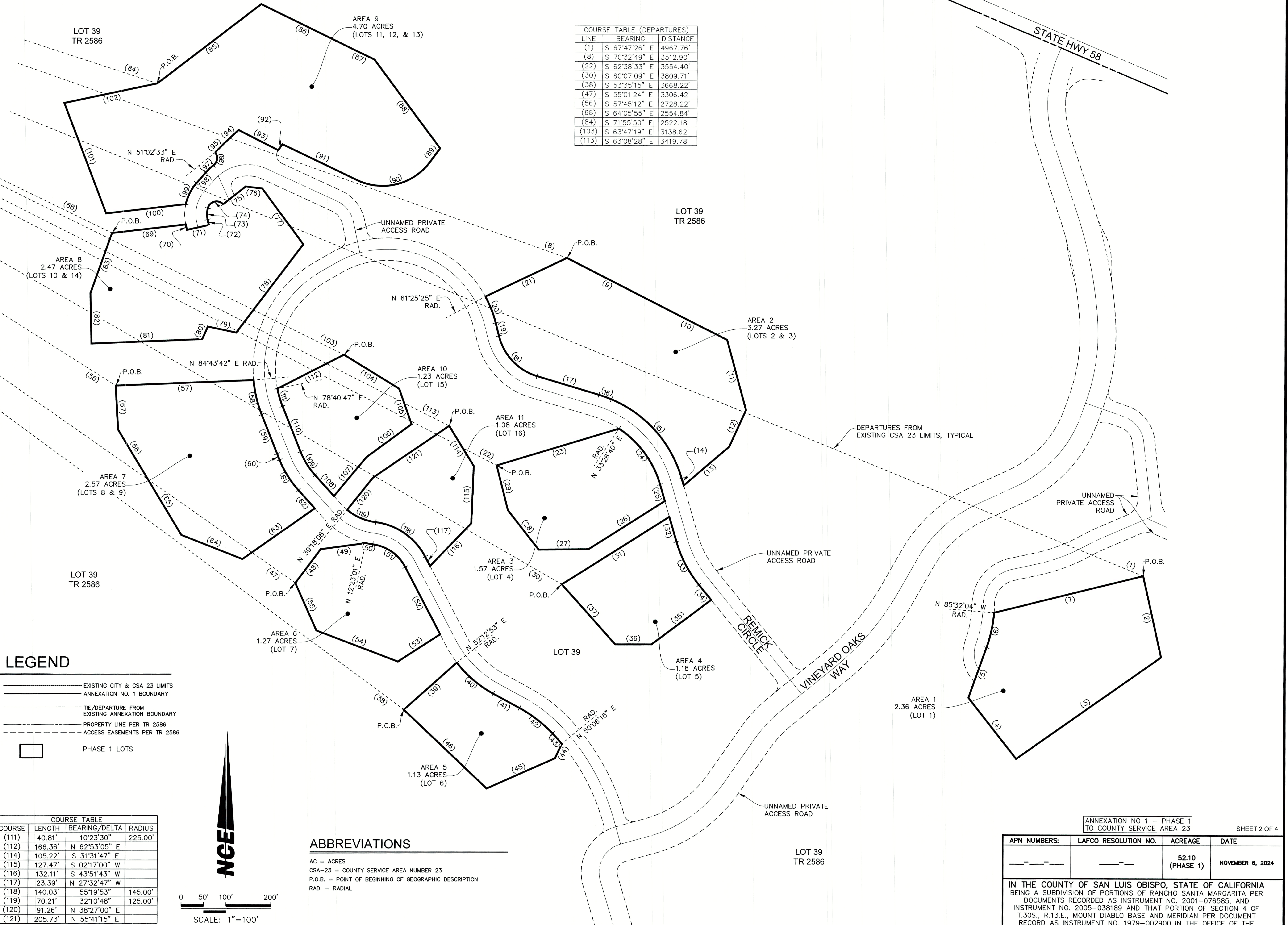
SHEET 1 OF 4

APN NUMBERS:	LAFCO RESOLUTION NO.	ACREAGE	DATE
---	---	52.10 (PHASE 1)	NOVEMBER 6, 2024

IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA BEING A SUBDIVISION OF PORTIONS OF RANCHO SANTA MARGARITA PER DOCUMENTS RECORDED AS INSTRUMENT NO. 2001-076585, AND INSTRUMENT NO. 2005-038189 AND THAT PORTION OF SECTION 4 OF T.30S., R.13.E., MOUNT DIABLO BASE AND MERIDIAN PER DOCUMENT RECORD AS INSTRUMENT NO. 1979-002900 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

COURSE	LENGTH	BEARING/Delta	RADIUS
(2)	185.00'	S 12°35'16" E	
(3)	394.06'	S 54°53'08" W	
(4)	172.71'	N 38°09'50" W	
(5)	118.56'	N 19°41'04" E	
(6)	79.69'	15°13'08" E	300.00'
(7)	342.18'	N 76°07'06" E	
(9)	214.91'	S 62°53'15" E	
(10)	186.87'	S 62°53'15" E	
(11)	162.01'	S 15°12'05" E	
(12)	89.95'	S 24°28'30" W	
(13)	132.83'	S 49°28'47" W	
(14)	16.81'	N 16°14'43" W	
(15)	244.37'	50°54'51" E	275.00'
(16)	29.65'	6°10'39" E	275.00'
(17)	144.16'	N 73°20'14" W	
(18)	129.29'	59°15'47" E	125.00'
(19)	29.83'	N 14°04'27" W	
(20)	63.28'	14°30'08" E	250.00'
(21)	201.28'	N 64°32'01" E	
(23)	284.94'	N 73°06'20" E	
(24)	158.30'	40°18'37" E	225.00'
(25)	38.24'	S 16°14'43" E	
(26)	201.01'	S 57°44'39" W	
(27)	110.92'	S 89°24'02" W	
(28)	111.54'	N 38°16'06" W	
(29)	102.76'	N 14°17'23" W	
(31)	282.78'	N 57°44'39" E	
(32)	57.69'	S 16°14'43" E	
(33)	109.55'	22°49'25" E	275.00'
(34)	43.54'	S 39°04'08" E	
(35)	165.68'	S 53°26'04" W	
(36)	80.70'	S 89°53'28" W	
(37)	179.16'	N 41°49'15" W	
(39)	157.69'	N 48°17'06" E	
(40)	107.71'	23°44'06" E	260.00'
(41)	66.56'	S 61°31'13" E	
(42)	93.50'	17°51'24" E	300.00'
(43)	31.24'	3°46'05" E	475.00'
(44)	35.56'	S 25°00'31" W	
(45)	166.79'	S 66°06'34" W	
(46)	255.09'	N 46°28'27" W	
(48)	93.82'	N 36°53'32" E	
(49)	101.21'	N 82°14'45" E	
(50)	16.07'	5°15'40" E	175.00'
(51)	91.74'	55°19'53" E	95.00'
(52)	169.08'	S 27°32'47" E	
(53)	111.88'	S 57°09'59" W	
(54)	194.30'	N 69°14'47" W	
(55)	116.19'	N 24°04'00" W	
(57)	307.43'	N 87°40'16" E	
(58)	78.91'	16°26'25" E	275.00'
(59)	94.20'	S 21°42'44" E	
(60)	14.92'	S 21°42'44" E	
(61)	79.88'	20°20'27" E	225.00'
(62)	54.88'	S 42°03'10" E	
(63)	196.79'	S 54°52'08" W	
(64)	146.50'	N 68°34'32" W	
(65)	164.60'	N 31°03'05" W	
(66)	110.09'	N 31°03'05" W	
(67)	98.13'	N 03°16'39" W	
(69)	165.46'	N 83°18'00" E	
(70)	12.46'	S 12°39'27" E	
(71)	50.00'	N 77°20'33" E	
(72)	12.46'	N 12°39'27" W	
(73)	25.72'	26°47'23" E	55.00'
(74)	42.92'	122°57'18" E	20.00'
(75)	64.01'	N 51°33'28" E	
(76)	37.46'	S 83°09'08" E	
(77)	154.37'	S 36°21'50" E	
(78)	246.88'	S 37°09'06" W	
(79)	64.48'	N 78°05'26" W	
(80)	30.70'	S 24°06'40" W	
(81)	247.16'	S 87°40'16" W	
(82)	112.50'	N 01°15'03" W	
(83)	141.85'	N 19°41'23" E	
(85)	291.36'	N 52°32'24" E	
(86)	216.68'	S 63°59'57" E	
(87)	64.45'	S 63°59'57" E	
(88)	246.52'	S 36°36'00" E	
(89)	38.86'	S 36°30'43" W	
(90)	179.24'	78°59'54" E	130.00'
(91)	186.04'	N 64°29'23" W	
(92)	16.02'	S 34°33'39" W	
(93)	99.14'	N 63°17'18" W	
(94)	41.84'	S 47°26'53" W	
(95)	30.35'	S 44°28'19" W	
(96)	31.80'	91°06'44" E	20.00'
(97)	23.99'	10°59'45" E	125.00'
(98)	31.71'	S 41°09'31" W	
(99)	52.97'	28°54'23" E	105.00'
(100)	178.59'	S 83°18'00" W	
(101)	263.54'	N 20°53'05" W	
(102)	211.32'	N 78°03'29" E	
(104)	144.65'	S 58°27'27" E	
(105)	84.09'	S 19°21'10" E	
(106)	123.99'	S 53°48'15" W	
(107)	113.37'	S 39°41'47" W	
(108)	62.92'	N 42°03'10" W	
(109)	62.13'	20°20'27" E	175.00'
(110)	109.12'	N 21°42'44" W	

LINE	BEARING	DISTANCE
(1)	S 67°47'26" E	4967.76'
(8)	S 70°32'49" E	3512.90'
(22)	S 62°38'33" E	3554.40'
(30)	S 60°07'09" E	3809.71'
(38)	S 53°35'15" E	3668.22'
(47)	S 55°01'24" E	3306.42'
(56)	S 57°45'12" E	2728.22'
(68)	S 64°05'55" E	2554.84'
(84)	S 71°55'50" E	2522.18'
(103)	S 63°47'19" E	3138.62'
(113)	S 63°08'28" E	3419.78'



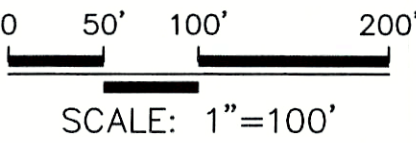
LEGEND

- EXISTING CITY & CSA 23 LIMITS
- ANNEXATION NO. 1 BOUNDARY
- TIE/DEPARTURE FROM EXISTING ANNEXATION BOUNDARY
- PROPERTY LINE PER TR 2586
- ACCESS EASEMENTS PER TR 2586
- PHASE 1 LOTS

COURSE	LENGTH	BEARING/Delta	RADIUS
(111)	40.81'	10°23'30" E	225.00'
(112)	166.36'	N 62°53'05" E	
(114)	105.22'	S 31°31'47" E	
(115)	127.47'	S 02°17'00" W	
(116)	132.11'	S 43°51'43" W	
(117)	23.39'	N 27°32'47" W	
(118)	140.03'	55°19'53" E	145.00'
(119)	70.21'	32°10'48" E	125.00'
(120)	91.26'	N 38°27'00" E	
(121)	205.73'	N 55°41'15" E	

ABBREVIATIONS

- AC = ACRES
- CSA-23 = COUNTY SERVICE AREA NUMBER 23
- P.O.B. = POINT OF BEGINNING OF GEOGRAPHIC DESCRIPTION
- RAD. = RADIAL



ANNEXATION NO 1 - PHASE 1 TO COUNTY SERVICE AREA 23			
APN NUMBERS:	LAFCO RESOLUTION NO.	ACREAGE	DATE
---	---	52.10 (PHASE 1)	NOVEMBER 6, 2024

IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA BEING A SUBDIVISION OF PORTIONS OF RANCHO SANTA MARGARITA PER DOCUMENTS RECORDED AS INSTRUMENT NO. 2001-076585, AND INSTRUMENT NO. 2005-038189 AND THAT PORTION OF SECTION 4 OF T.30S., R.13E., MOUNT DIABLO BASE AND MERIDIAN PER DOCUMENT RECORDED AS INSTRUMENT NO. 1979-002900 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

COURSE TABLE			
COURSE	LENGTH	BEARING/Delta	RADIUS
(123)	253.06'	N 51°11'34" E	
(124)	190.78'	S 40°00'26" E	
(125)	235.64'	S 42°23'01" W	
(126)	228.11'	N 44°53'43" W	
(128)	244.25'	N 77°24'59" E	
(129)	155.06'	S 10°13'33" E	
(130)	106.26'	S 17°14'33" W	
(131)	183.20'	N 90°00'00" W	
(132)	207.29'	N 14°18'07" W	
(134)	141.10'	N 71°12'14" E	
(135)	273.17'	S 72°15'27" E	
(136)	3.89'	S 25°02'48" W	
(137)	108.00'	31°44'00"	195.00'
(138)	32.21'	9°27'52"	195.00'
(139)	20.76'	S 16°09'04" E	
(140)	116.88'	14°05'55"	475.00'
(141)	40.49'	4°53'02"	475.00'
(142)	61.25'	S 02°49'53" W	
(143)	97.93'	24°56'15"	225.00'
(144)	155.58'	S 68°46'58" W	
(145)	129.07'	N 57°22'29" W	
(146)	93.15'	N 20°27'06" W	
(147)	171.87'	N 12°33'36" W	
(148)	169.27'	N 32°22'46" W	
(149)	99.43'	N 02°29'57" W	
(151)	236.22'	S 31°04'05" E	
(152)	242.28'	S 53°52'50" W	
(153)	115.56'	S 33°40'49" E	
(154)	237.47'	S 51°22'01" W	
(155)	238.44'	N 42°08'10" W	
(156)	54.65'	S 56°37'38" W	
(157)	36.38'	11°54'42"	175.00'
(158)	61.25'	N 02°49'53" E	
(159)	146.37'	15°58'27"	525.00'
(160)	201.88'	N 54°05'06" E	
(161)	53.87'	S 33°40'49" E	
(162)	253.36'	N 60°03'04" E	
(164)	212.46'	N 75°01'54" E	
(165)	228.05'	S 14°53'04" E	
(166)	185.50'	S 24°32'39" E	
(167)	235.83'	S 67°56'25" W	
(168)	109.01'	N 41°07'44" W	
(169)	95.71'	N 04°57'48" W	
(170)	57.04'	N 70°10'32" E	
(171)	22.20'	6°58'09"	182.50'
(172)	22.18'	N 43°53'33" W	
(173)	10.30'	12°25'41"	47.50'
(174)	49.93'	34°40'22"	82.50'
(175)	155.92'	N 07°45'02" W	
(177)	276.34'	N 68°33'30" E	
(178)	50.16'	30°15'07"	95.00'
(179)	44.61'	S 20°27'47" E	
(180)	111.57'	23°14'41"	275.00'
(181)	6.88'	S 43°42'28" E	
(182)	287.46'	S 52°13'55" W	
(183)	290.85'	N 28°19'57" W	
(185)	159.96'	N 53°42'23" E	
(186)	92.96'	N 86°27'56" E	
(187)	81.96'	26°49'59"	175.00'
(188)	187.59'	S 15°28'51" E	
(189)	233.43'	N 81°53'32" W	
(190)	142.98'	N 33°59'28" W	
(192)	97.08'	N 32°13'46" E	
(193)	148.62'	N 49°29'51" E	
(194)	204.98'	S 37°56'20" E	
(195)	116.70'	S 11°05'25" E	
(196)	248.11'	S 73°34'54" W	
(197)	184.49'	N 24°19'05" W	
(199)	219.19'	N 64°41'12" E	
(200)	295.66'	S 04°25'08" E	
(201)	221.07'	S 87°57'22" W	
(202)	208.95'	N 00°00'00" E	
(204)	266.58'	S 26°24'43" E	
(205)	150.56'	S 65°00'38" W	640.00'
(206)	74.18'	6°38'26"	640.00'
(207)	26.11'	2°20'16"	640.00'
(208)	52.02'	S 56°01'55" W	
(209)	111.17'	39°48'38"	160.00'
(210)	119.76'	N 84°09'27" W	
(211)	80.34'	N 84°09'27" W	
(212)	73.45'	9°33'52"	440.00'
(213)	208.93'	N 30°02'18" W	
(214)	147.72'	N 33°42'15" E	
(215)	151.36'	N 87°57'22" E	
(216)	58.23'	S 04°25'08" E	
(217)	196.41'	N 71°07'58" E	
(218)	219.13'	N 71°07'58" E	
(220)	287.45'	N 84°41'33" E	
(221)	75.29'	N 40°20'56" W	
(222)	281.08'	N 65°25'10" E	
(223)	234.15'	N 89°37'03" E	
(224)	142.15'	S 59°46'09" E	
(225)	140.69'	S 59°46'09" E	
(226)	193.21'	S 59°46'09" E	
(227)	125.37'	S 30°49'56" W	
(228)	125.16'	35°51'16"	200.00'
(229)	132.77'	S 66°41'12" W	
(230)	151.10'	N 60°52'59" W	
(231)	40.00'	N 23°09'48" E	
(232)	6.72'	N 66°50'12" W	

COURSE TABLE (DEPARTURES)		
LINE	BEARING	DISTANCE
(56)	S 57°45'12" E	2728.22'
(122)	S 40°11'09" E	2057.89'
(127)	S 32°21'55" E	2048.98'
(133)	S 07°03'13" E	2315.01'
(150)	S 26°16'21" E	2574.13'
(163)	S 31°53'10" E	2415.40'
(176)	S 10°12'14" E	3080.35'
(184)	S 13°35'06" E	3429.77'
(191)	S 19°59'30" E	3240.13'
(198)	S 23°19'28" E	3519.07'
(203)	S 31°18'55" E	3973.18'
(219)	S 27°03'25" E	3598.22'

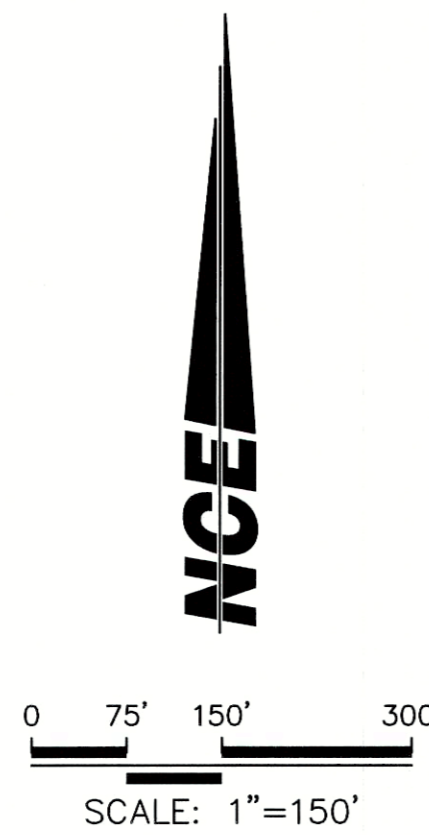
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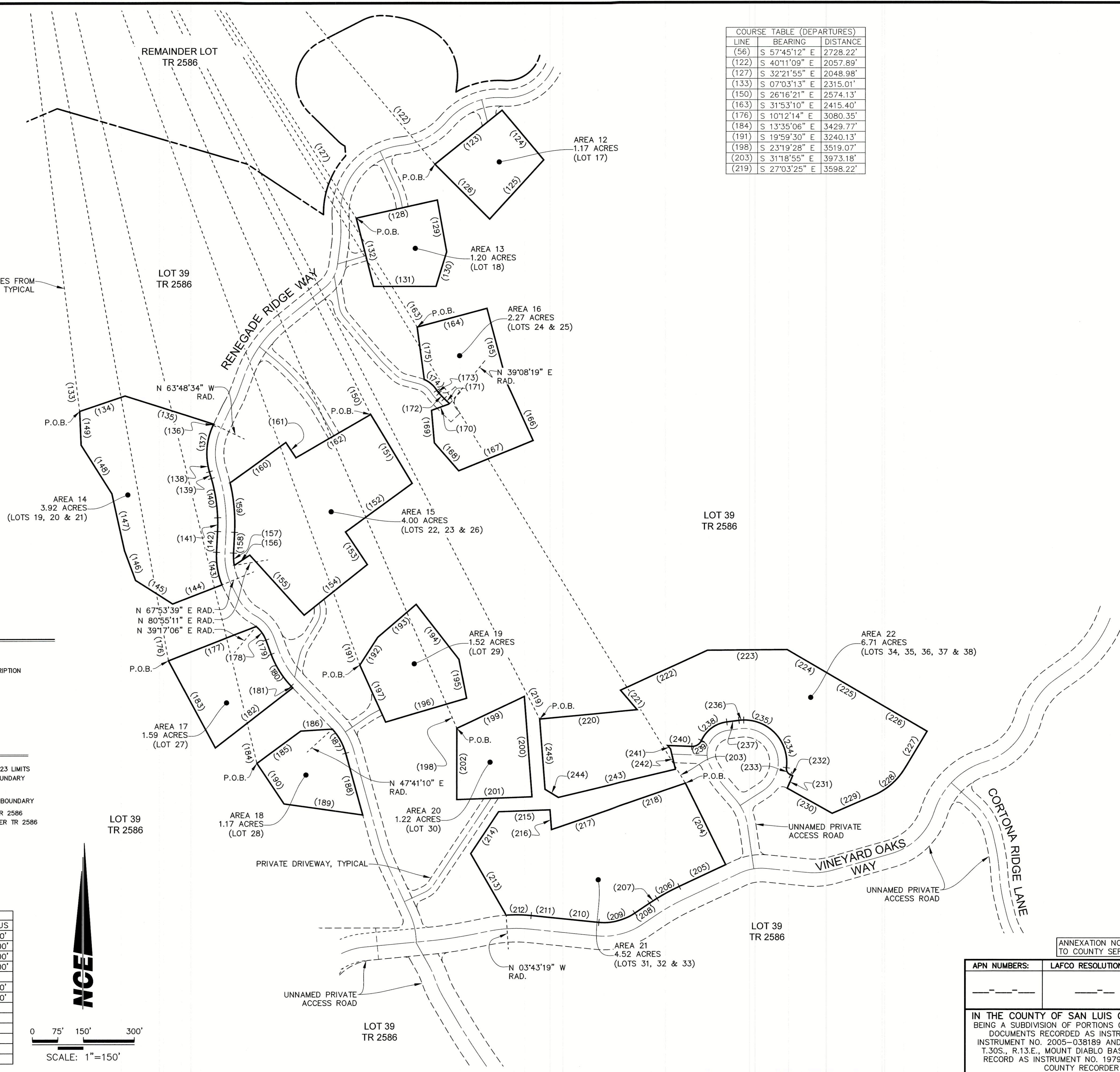
LEGEND

- EXISTING CITY & CSA 23 LIMITS
- ANNEXATION NO. 1 BOUNDARY
- TIE/DEPARTURE FROM EXISTING ANNEXATION BOUNDARY
- PROPERTY LINE PER TR 2586
- ACCESS EASEMENTS PER TR 2586
- PHASE 1 LOTS

COURSE TABLE			
COURSE	LENGTH	BEARING/Delta	RADIUS
(233)	25.83'	73°59'12"	20.00'
(234)	115.53'	52°57'13"	125.00'
(235)	98.01'	44°55'24"	125.00'
(236)	14.36'	6°35'00"	125.00'
(237)	35.87'	S 82°41'22" W	
(238)	96.20'	58°01'17"	95.00'
(239)	35.35'	67°30'20"	30.00'
(240)	71.21'	N 87°49'35" W	
(241)	13.57'	S 40°20'56" E	
(242)	61.27'	S 13°14'36" E	
(243)	353.36'	S 76°45'24" W	
(244)	45.57'	N 58°42'13" W	
(245)	207.01'	N 04°25'08" W	



DEPARTURES FROM EXISTING CSA 23 LIMITS, TYPICAL

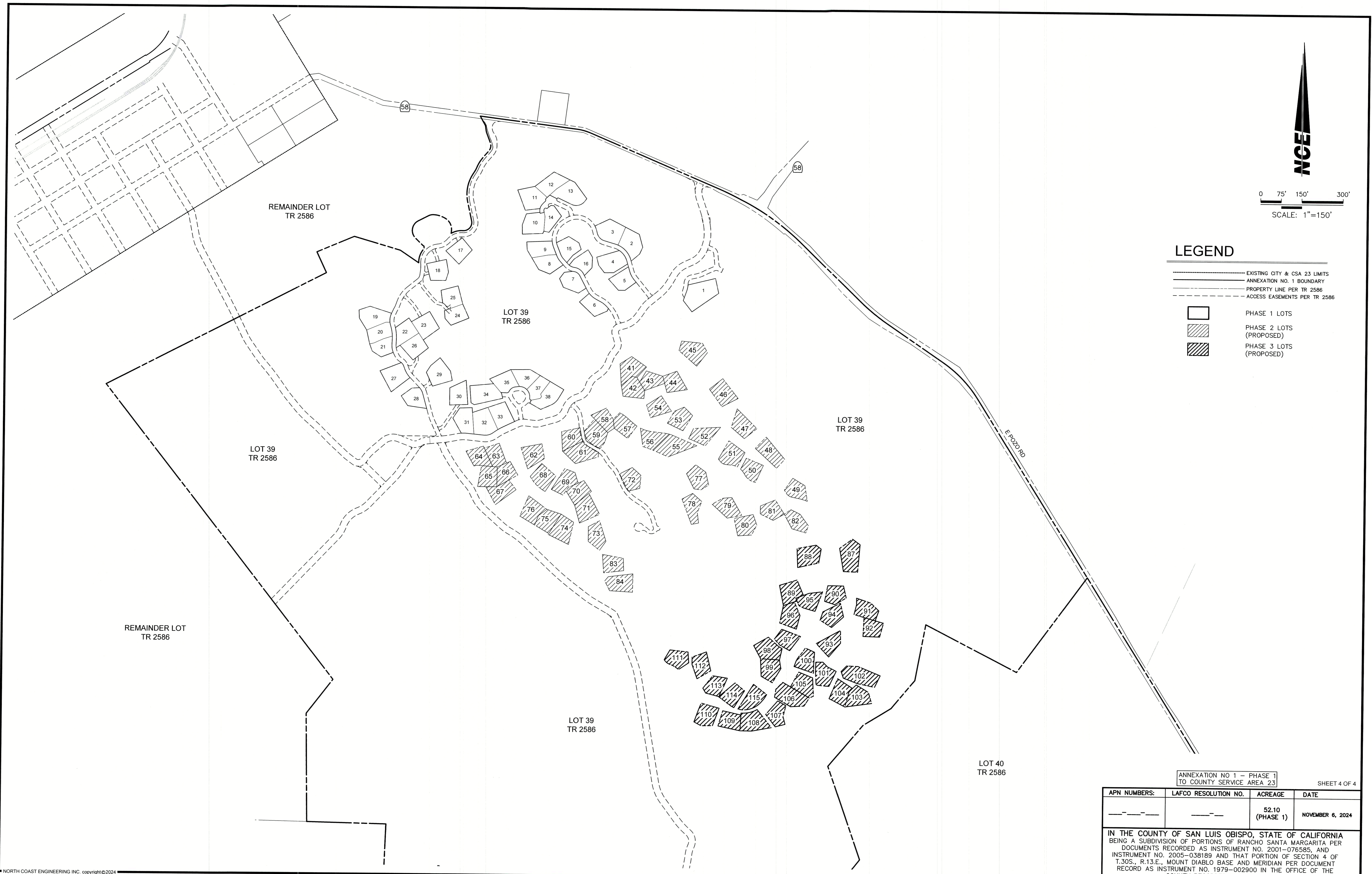


ANNEXATION NO 1 - PHASE 1
 TO COUNTY SERVICE AREA 23

SHEET 3 OF 4

APN NUMBERS:	LAFCO RESOLUTION NO.	ACREAGE	DATE
---	---	52.10 (PHASE 1)	NOVEMBER 6, 2024

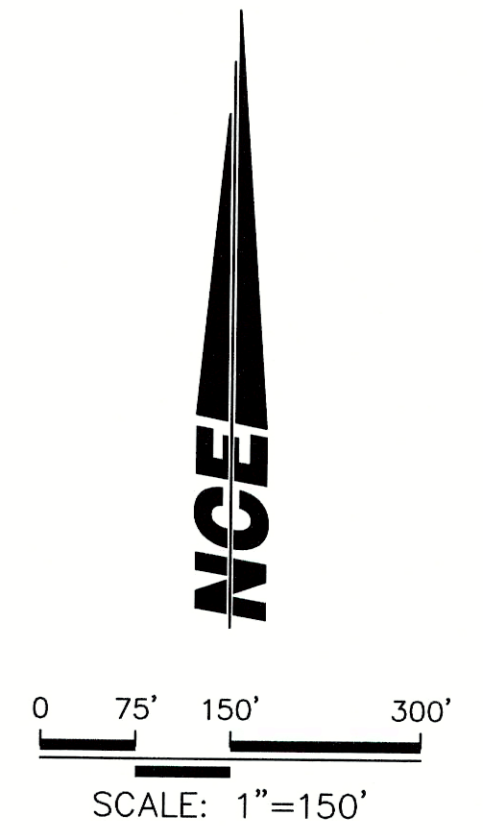
IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA
 BEING A SUBDIVISION OF PORTIONS OF RANCHO SANTA MARGARITA PER
 DOCUMENTS RECORDED AS INSTRUMENT NO. 2001-076585, AND
 INSTRUMENT NO. 2005-038189 AND THAT PORTION OF SECTION 4 OF
 T.30S., R.13.E., MOUNT DIABLO BASE AND MERIDIAN PER DOCUMENT
 RECORD AS INSTRUMENT NO. 1979-002900 IN THE OFFICE OF THE
 COUNTY RECORDER OF SAID COUNTY



LEGEND

- EXISTING CITY & CSA 23 LIMITS
- _____ ANNEXATION NO. 1 BOUNDARY
- PROPERTY LINE PER TR 2586
- - - - - ACCESS EASEMENTS PER TR 2586

- PHASE 1 LOTS
- PHASE 2 LOTS (PROPOSED)
- PHASE 3 LOTS (PROPOSED)



ANNEXATION NO 1 - PHASE 1
TO COUNTY SERVICE AREA 23

SHEET 4 OF 4

APN NUMBERS:	LAFCO RESOLUTION NO.	ACREAGE	DATE
---	---	52.10 (PHASE 1)	NOVEMBER 6, 2024

IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA
 BEING A SUBDIVISION OF PORTIONS OF RANCHO SANTA MARGARITA PER
 DOCUMENTS RECORDED AS INSTRUMENT NO. 2001-076585, AND
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 RECORD AS INSTRUMENT NO. 1979-002900 IN THE OFFICE OF THE
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**ANNEXATION NO. 1 – PHASE 1
TO COUNTY SERVICE AREA 23
GEOGRAPHIC DESCRIPTION**

AREA 1

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST CORNER OF THE TOWN OF SANTA MARGARITA, ACCORDING TO THE MAP OF THE TOWN OF SANTA MARGARITA RECORDED MARCH 26, 1904 IN BOOK A OF MAPS, AT PAGE 121, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

- (1) THENCE, SOUTH 67°47'26" EAST 4967.76 FEET TO THE **POINT OF BEGINNING**;
- (2) THENCE, SOUTH 12°35'16" EAST 185.00 FEET;
- (3) THENCE, SOUTH 54°53'08" WEST 394.06 FEET;
- (4) THENCE, NORTH 38°09'50" WEST 172.71 FEET;
- (5) THENCE, NORTH 19°41'04" EAST, 118.56 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 300.00 FEET;
- (6) THENCE, NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 15°13'08" AN ARC LENGTH OF 79.69 FEET;
- (7) THENCE, NORTH 76°07'06" EAST 342.18 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 1 CONTAINS 2.36 ACRES OF LAND, MORE OR LESS.

AREA 2

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE

OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(8) THENCE, SOUTH $70^{\circ}32'49''$ EAST 3512.90 FEET TO THE **POINT OF BEGINNING**;

(9) THENCE, SOUTH $62^{\circ}53'15''$ EAST 214.91 FEET TO A POINT;

(10) THENCE, SOUTH $62^{\circ}53'15''$ EAST 186.87 FEET;

(11) THENCE, SOUTH $15^{\circ}12'05''$ EAST 162.01 FEET;

(12) THENCE, SOUTH $24^{\circ}28'30''$ WEST 89.95 FEET;

(13) THENCE, SOUTH $49^{\circ}28'47''$ WEST 132.83 FEET;

(14) THENCE, NORTH $16^{\circ}14'43''$ WEST 16.81 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 275.00 FEET;

(15) THENCE, NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF $50^{\circ}54'51''$ AN ARC LENGTH OF 244.37 FEET TO THE BEGINNING OF A TANGENT COMPOUND CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 275.00 FEET;

(16) THENCE, WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF $6^{\circ}10'39''$ AN ARC LENGTH OF 29.65 FEET;

(17) THENCE, NORTH $73^{\circ}20'14''$ WEST 144.16 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 125.00 FEET;

(18) THENCE, NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF $59^{\circ}15'47''$ AN ARC LENGTH OF 129.29 FEET;

(19) THENCE, NORTH $14^{\circ}04'27''$ WEST 29.83 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 250.00 FEET;

(20) THENCE, NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF $14^{\circ}30'08''$ AN ARC LENGTH OF 63.28 FEET;

(21) THENCE, NORTH $64^{\circ}32'01''$ EAST 201.28 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 2 CONTAINS 3.27 ACRES OF LAND, MORE OR LESS.

AREA 3

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(22) THENCE, SOUTH $62^{\circ}38'33''$ EAST 3554.40 FEET TO THE **POINT OF BEGINNING**;

(23) THENCE, NORTH $73^{\circ}06'20''$ EAST, 284.94 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 225.00 FEET, A RADIAL TO SAID CURVE BEARS NORTH $33^{\circ}26'40''$ EAST;

(24) THENCE, SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF $40^{\circ}18'37''$ AN ARC LENGTH OF 158.30 FEET;

(25) THENCE, SOUTH $16^{\circ}14'43''$ EAST 38.24 FEET;

(26) THENCE, SOUTH $57^{\circ}44'39''$ WEST 201.01 FEET;

(27) THENCE, SOUTH $89^{\circ}24'02''$ WEST 110.92 FEET;

(28) THENCE, NORTH $38^{\circ}16'06''$ WEST 111.54 FEET;

(29) THENCE, NORTH $14^{\circ}17'23''$ WEST 102.76 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 3 CONTAINS 1.57 ACRES OF LAND, MORE OR LESS.

AREA 4

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(30) THENCE, SOUTH 60°07'09" EAST 3809.71 FEET TO THE **POINT OF BEGINNING**;

(31) THENCE, NORTH 57°44'39" EAST 282.78 FEET;

(32) THENCE, SOUTH 16°14'43" EAST 57.69 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 275.00 FEET;

(33) THENCE, SOUTH AND SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°49'25" AN ARC LENGTH OF 109.55 FEET;

(34) THENCE, SOUTH 39°04'08" EAST 43.54 FEET;

(35) THENCE, SOUTH 53°26'04" WEST 165.68 FEET;

(36) THENCE, SOUTH 89°53'28" WEST 80.70 FEET;

(37) THENCE, NORTH 41°49'15" WEST 179.16 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 4 CONTAINS 1.18 ACRES OF LAND, MORE OR LESS.

AREA 5

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(38) THENCE, SOUTH 53°35'15" EAST 3668.22 FEET TO THE **POINT OF BEGINNING**;

(39) THENCE, NORTH 48°17'06" EAST 157.69 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 260.00 FEET, A RADIAL TO SAID CURVE BEARS SOUTH 52°12'53" WEST;

(40) THENCE, SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 23°44'06" AN ARC LENGTH OF 107.71 FEET;

(41) THENCE, SOUTH 61°31'13" EAST 66.56 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 300.00 FEET;

(42) THENCE, SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 17°51'24" AN ARC LENGTH OF 93.50 FEET TO THE BEGINNING OF A TANGENT COMPOUND CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 475.00 FEET;

(43) THENCE, SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 3°46'05" AN ARC LENGTH OF 31.24 FEET;

(44) THENCE, SOUTH 25°00'31" WEST 35.56 FEET;

(45) THENCE, SOUTH 66°06'34" WEST 166.79 FEET;

(46) THENCE, NORTH 46°28'27" WEST 255.09 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 5 CONTAINS 1.13 ACRES OF LAND, MORE OR LESS.

AREA 6

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(47) THENCE, SOUTH 55°01'24" EAST 3306.42 FEET TO THE **POINT OF BEGINNING**;

(48) THENCE, NORTH 36°53'32" EAST 93.82 FEET;

(49) THENCE, NORTH 82°14'45" EAST 101.21 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 175.00 FEET, A RADIAL TO SAID CURVE BEARS SOUTH 12°23'01" WEST;

(50) THENCE, EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 5°15'40" AN ARC LENGTH OF 16.07 FEET TO THE BEGINNING OF A TANGENT REVERSE CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 95.00 FEET;

(51) THENCE, EASTERLY AND SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 55°19'53" AN ARC LENGTH OF 91.74 FEET;
(52) THENCE, SOUTH 27°32'47" EAST 169.08 FEET;
(53) THENCE, SOUTH 57°09'59" WEST 111.88 FEET;
(54) THENCE, NORTH 69°14'47" WEST 194.30 FEET;
(55) THENCE, NORTH 24°04'00" WEST 116.19 FEET TO THE **POINT OF BEGINNING**.
THE ABOVE DESCRIBED AREA 6 CONTAINS 1.27 ACRES OF LAND, MORE OR LESS.

AREA 7

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(56) THENCE, SOUTH 57°45'12" EAST 2728.22 FEET TO THE **POINT OF BEGINNING**;
(57) THENCE, NORTH 87°40'16" EAST 307.43 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 275.00 FEET, A RADIAL TO SAID CURVE BEARS SOUTH 84°43'42" WEST;
(58) THENCE, SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 16°26'25" AN ARC LENGTH OF 78.91 FEET;
(59) THENCE, SOUTH 21°42'44" EAST 94.20 FEET;
(60) THENCE, SOUTH 21°42'44" EAST 14.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 225.00 FEET;
(61) THENCE, SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20°20'27" AN ARC LENGTH OF 79.88 FEET;
(62) THENCE, SOUTH 42°03'10" EAST 54.88 FEET;
(63) THENCE, SOUTH 54°52'08" WEST 196.79 FEET;

- (64) THENCE, NORTH 68°34'32" WEST 146.50 FEET;
(65) THENCE, NORTH 31°03'05" WEST 164.60 FEET;
(66) THENCE, NORTH 31°03'05" WEST 110.09 FEET;
(67) THENCE, NORTH 3°16'39" WEST 98.13 FEET TO THE **POINT OF BEGINNING**.
THE ABOVE DESCRIBED AREA 7 CONTAINS 2.57 ACRES OF LAND, MORE OR LESS.

AREA 8

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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- (68) THENCE, SOUTH 64°05'55" EAST 2554.84 FEET TO THE **POINT OF BEGINNING**;
(69) THENCE, NORTH 83°18'00" EAST 165.46 FEET;
(70) THENCE, SOUTH 12°39'27" EAST 12.46 FEET;
(71) THENCE, NORTH 77°20'33" EAST 50.00 FEET;
(72) THENCE, NORTH 12°39'27" WEST 12.46 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 55.00 FEET;
(73) THENCE, NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 26°47'23" AN ARC LENGTH OF 25.72 FEET TO THE BEGINNING OF A TANGENT COMPOUND CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 20.00 FEET;
(74) THENCE, NORTHEASTERLY AND EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 122°57'18" AN ARC LENGTH OF 42.92 FEET;
(75) THENCE, NORTH 51°33'28" EAST 64.01 FEET;
(76) THENCE, SOUTH 83°09'08" EAST 37.46 FEET;
(77) THENCE, SOUTH 36°21'50" EAST 154.37 FEET;

(78) THENCE, SOUTH 37°09'06" WEST 246.88 FEET;
(79) THENCE, NORTH 78°05'26" WEST 64.48 FEET;
(80) THENCE, SOUTH 24°06'40" WEST 30.70 FEET;
(81) THENCE, SOUTH 87°40'16" WEST 247.16 FEET;
(82) THENCE, NORTH 1°15'03" WEST 112.50 FEET;
(83) THENCE, NORTH 19°41'23" EAST 141.85 FEET TO THE **POINT OF BEGINNING**.
THE ABOVE DESCRIBED AREA 8 CONTAINS 2.46 ACRES OF LAND, MORE OR LESS.

AREA 9

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(84) THENCE, SOUTH 71°55'50" EAST 2522.18 FEET TO THE **POINT OF BEGINNING**;
(85) THENCE, NORTH 52°32'24" EAST 291.36 FEET;
(86) THENCE, SOUTH 63°59'57" EAST 216.68 FEET;
(87) THENCE, SOUTH 63°59'57" EAST 64.45 FEET;
(88) THENCE, SOUTH 36°36'00" EAST 246.52 FEET;
(89) THENCE, SOUTH 36°30'43" WEST 38.86 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 130.00 FEET;
(90) THENCE, SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 78°59'54" AN ARC LENGTH OF 179.24 FEET;

- (91) THENCE, NORTH 64°29'23" WEST 186.04 FEET;
- (92) THENCE, SOUTH 34°33'39" WEST 16.02 FEET;
- (93) THENCE, NORTH 63°17'18" WEST 99.14 FEET;
- (94) THENCE, SOUTH 47°26'53" WEST 41.84 FEET;
- (95) THENCE, SOUTH 44°28'19" WEST 30.35 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 20.00 FEET, A RADIAL TO SAID CURVE BEARS NORTH 51°02'33" EAST;
- (96) THENCE, SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 91°06'44" AN ARC LENGTH OF 31.80 FEET TO THE BEGINNING OF A TANGENT REVERSE CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 125.00 FEET;
- (97) THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 10°59'45" AN ARC LENGTH OF 23.99 FEET;
- (98) THENCE, SOUTH 41°09'31" WEST 31.71 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 105.00 FEET;
- (99) THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 28°54'23" AN ARC LENGTH OF 52.97 FEET;
- (100) THENCE, SOUTH 83°18'00" WEST 178.59 FEET;
- (101) THENCE, NORTH 20°53'05" WEST 263.54 FEET;
- (102) THENCE, NORTH 78°03'29" EAST 211.32 FEET TO THE **POINT OF BEGINNING.**
- THE ABOVE DESCRIBED AREA 9 CONTAINS 4.71 ACRES OF LAND, MORE OR LESS.

AREA 10

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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- (103) THENCE, SOUTH 63°47'19" EAST 3138.62 FEET TO THE **POINT OF BEGINNING**;
- (104) THENCE, SOUTH 58°27'27" EAST 144.65 FEET;
- (105) THENCE, SOUTH 19°21'10" EAST 84.09 FEET;
- (106) THENCE, SOUTH 53°48'15" WEST 123.99 FEET;
- (107) THENCE, SOUTH 39°41'47" WEST 113.37 FEET;
- (108) THENCE, NORTH 42°03'10" WEST 62.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 175.00 FEET;
- (109) THENCE, NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20°20'27" AN ARC LENGTH OF 62.13 FEET;
- (110) THENCE, NORTH 21°42'44" WEST 109.12 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 225.00 FEET;
- (111) THENCE, NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 10°23'30" AN ARC LENGTH OF 40.81 FEET;
- (112) THENCE, NORTH 62°53'05" EAST 166.36 FEET TO THE **POINT OF BEGINNING**.
- THE ABOVE DESCRIBED AREA 10 CONTAINS 1.23 ACRES OF LAND, MORE OR LESS.

AREA 11

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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- (113) THENCE, SOUTH 63°08'28" EAST 3419.78 FEET TO THE **POINT OF BEGINNING**;
- (114) THENCE, SOUTH 31°31'47" EAST 105.22 FEET;
- (115) THENCE, SOUTH 2°17'00" WEST 127.47 FEET;
- (116) THENCE, SOUTH 43°51'43" WEST 132.11 FEET;

(117) THENCE, NORTH 27°32'47" WEST 23.39 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 145.00 FEET;

(118) THENCE, NORTHWESTERLY AND WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 55°19'53" AN ARC LENGTH OF 140.03 FEET TO THE BEGINNING OF A TANGENT REVERSE CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 125.00 FEET;

(119) THENCE, WESTERLY AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32°10'48" AN ARC LENGTH OF 70.21 FEET;

(120) THENCE, NORTH 38°27'00" EAST 91.26 FEET;

(121) THENCE, NORTH 55°41'15" EAST 205.73 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 11 CONTAINS 1.08 ACRES OF LAND, MORE OR LESS.

AREA 12

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(122) THENCE, SOUTH 40°11'09" EAST 2057.89 FEET TO THE **POINT OF BEGINNING**;

(123) THENCE, NORTH 51°11'34" EAST 253.06 FEET;

(124) THENCE, SOUTH 40°00'26" EAST 190.78 FEET;

(125) THENCE, SOUTH 42°23'01" WEST 235.64 FEET;

(126) THENCE, NORTH 44°53'43" WEST 228.11 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 12 CONTAINS 1.17 ACRES OF LAND, MORE OR LESS.

AREA 13

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST CORNER OF THE TOWN OF SANTA MARGARITA, ACCORDING TO THE MAP OF THE TOWN OF SANTA MARGARITA RECORDED MARCH 26, 1904 IN BOOK A OF MAPS, AT PAGE 121, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

- (127) THENCE, SOUTH 32°21'55" EAST 2048.98 FEET TO THE **POINT OF BEGINNING**;
- (128) THENCE, NORTH 77°24'59" EAST 244.25 FEET;
- (129) THENCE, SOUTH 10°13'33" EAST 155.06 FEET;
- (130) THENCE, SOUTH 17°14'33" WEST 106.26 FEET;
- (131) THENCE, NORTH 90°00'00" WEST 183.20 FEET;
- (132) THENCE, NORTH 14°18'07" WEST 207.29 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 13 CONTAINS 1.20 ACRES OF LAND, MORE OR LESS.

AREA 14

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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- (133) THENCE, SOUTH 07°03'13" EAST 2315.01 FEET TO THE **POINT OF BEGINNING**;
- (134) THENCE, NORTH 71°12'14" EAST 141.10 FEET;
- (135) THENCE, SOUTH 72°15'27" EAST 273.17 FEET;

(136) THENCE, SOUTH 25°02'48" WEST 3.89 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 195.00 FEET;

(137) THENCE, SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 31°44'00" AN ARC LENGTH OF 108.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 195.00 FEET;

(138) THENCE, SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9°27'52" AN ARC LENGTH OF 32.21 FEET;

(139) THENCE, SOUTH 16°09'04" EAST 20.76 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 475.00 FEET;

(140) THENCE, SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 14°05'55" AN ARC LENGTH OF 116.88 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 475.00 FEET;

(141) THENCE, SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4°53'02" AN ARC LENGTH OF 40.49 FEET;

(142) THENCE, SOUTH 2°49'53" WEST 61.25 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 225.00 FEET;

(143) THENCE, SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24°56'15" AN ARC LENGTH OF 97.93 FEET;

(144) THENCE, SOUTH 68°46'58" WEST 155.58 FEET;

(145) THENCE, NORTH 57°22'29" WEST 129.07 FEET;

(146) THENCE, NORTH 20°27'06" WEST 93.15 FEET;

(147) THENCE, NORTH 12°33'36" WEST 171.87 FEET;

(148) THENCE, NORTH 32°22'46" WEST 169.27 FEET;

(149) THENCE, NORTH 2°29'57" WEST 99.43 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 14 CONTAINS 3.91 ACRES OF LAND, MORE OR LESS.

AREA 15

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(150) THENCE, SOUTH 26°16'21" EAST 2574.13 FEET TO THE **POINT OF BEGINNING**;

(151) THENCE, SOUTH 31°04'05" EAST 236.22 FEET;

(152) THENCE, SOUTH 53°52'50" WEST 242.28 FEET;

(153) THENCE, SOUTH 33°40'49" EAST 115.56 FEET;

(154) THENCE, SOUTH 51°22'01" WEST 237.47 FEET;

(155) THENCE, NORTH 42°08'10" WEST 238.44 FEET;

(156) THENCE, SOUTH 56°37'38" WEST 54.65 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 175.00 FEET, A RADIAL TO SAID CURVE BEARS SOUTH 80°55'11" WEST;

(157) THENCE, NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°54'42" AN ARC LENGTH OF 36.38 FEET;

(158) THENCE, NORTH 2°49'53" EAST 61.25 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 525.00 FEET;

(159) THENCE, NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 15°58'27" AN ARC LENGTH OF 146.37 FEET;

(160) THENCE, NORTH 54°05'06" EAST 201.88 FEET;

(161) THENCE, SOUTH 33°40'49" EAST 53.87 FEET;

(162) THENCE, NORTH 60°03'04" EAST 253.36 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 15 CONTAINS 4.00 ACRES OF LAND, MORE OR LESS.

AREA 16

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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MARCH 26, 1904 IN BOOK A OF MAPS, AT PAGE 121, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

(163) THENCE, SOUTH 31°53'10" EAST 2415.40 FEET TO THE **POINT OF BEGINNING**;

(164) THENCE, NORTH 75°01'54" EAST 212.46 FEET;

(165) THENCE, SOUTH 14°53'04" EAST 228.05 FEET;

(166) THENCE, SOUTH 24°32'39" EAST 185.50 FEET;

(167) THENCE, SOUTH 67°56'25" WEST 235.83 FEET;

(168) THENCE, NORTH 41°07'44" WEST 109.01 FEET;

(169) THENCE, NORTH 4°57'48" WEST 95.71 FEET;

(170) THENCE, NORTH 70°10'32" EAST 57.04 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEAST AND HAVING A RADIUS OF 182.50 FEET, A RADIAL TO SAID CURVE BEARS SOUTH 39°08'19" WEST;

(171) THENCE, NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 6°58'09" AN ARC LENGTH OF 22.20 FEET;

(172) THENCE, NORTH 43°53'33" WEST 22.18 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 47.50 FEET;

(173) THENCE, NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°25'41" AN ARC LENGTH OF 10.30 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 82.50 FEET;

(174) THENCE, NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 34°40'22" AN ARC LENGTH OF 49.93 FEET;

(175) THENCE, NORTH 7°45'02" WEST 155.92 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 16 CONTAINS 2.27 ACRES OF LAND, MORE OR LESS.

AREA 17

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(176) THENCE, SOUTH 10°12'14" EAST 3080.35 FEET TO THE **POINT OF BEGINNING**;

(177) THENCE, NORTH 68°33'30" EAST 276.34 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 95.00 FEET; A RADIAL TO SAID CURVE BEARS NORTH 39°17'06" EAST;

(178) THENCE, SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°15'07" AN ARC LENGTH OF 50.16 FEET;

(179) THENCE, SOUTH 20°27'47" EAST 44.61 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 275.00 FEET;

(180) THENCE, SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 23°14'41" AN ARC LENGTH OF 111.57 FEET;

(181) THENCE, SOUTH 43°42'28" EAST 6.88 FEET;

(182) THENCE, SOUTH 52°13'55" WEST 287.46 FEET;

(183) THENCE, NORTH 28°19'57" WEST 290.85 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 17 CONTAINS 1.59 ACRES OF LAND, MORE OR LESS.

AREA 18

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(184) THENCE, SOUTH 13°35'06" EAST 3429.77 FEET TO THE **POINT OF BEGINNING**;

(185) THENCE, NORTH 53°42'23" EAST 159.96 FEET;

(186) THENCE, NORTH 86°27'56" EAST 92.96 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 175.00 FEET, A RADIAL TO SAID CURVE BEARS NORTH 47°41'10" EAST;

(187) THENCE, SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 26°49'59" AN ARC LENGTH OF 81.96 FEET;

(188) THENCE, SOUTH 15°28'51" EAST 187.59 FEET;

(189) THENCE, NORTH 81°53'32" WEST 233.43 FEET;

(190) THENCE, NORTH 33°59'28" WEST 142.98 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 18 CONTAINS 1.17 ACRES OF LAND, MORE OR LESS.

AREA 19

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(191) THENCE, SOUTH 19°59'30" EAST 3240.13 FEET TO THE **POINT OF BEGINNING**;

(192) THENCE, NORTH 32°43'46" EAST 97.08 FEET;

(193) THENCE, NORTH 49°29'51" EAST 148.62 FEET;

(194) THENCE, SOUTH 37°56'20" EAST 204.98 FEET;

(195) THENCE, SOUTH 11°05'25" EAST 116.70 FEET;

(196) THENCE, SOUTH 73°34'54" WEST 248.11 FEET;

(197) THENCE, NORTH 24°19'05" WEST 184.49 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 19 CONTAINS 1.52 ACRES OF LAND, MORE OR LESS.

AREA 20

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(198) THENCE, SOUTH 23°19'28" EAST 3519.07 FEET TO THE **POINT OF BEGINNING**;

(199) THENCE, NORTH 64°41'12" EAST 219.19 FEET;

(200) THENCE, SOUTH 4°25'08" EAST 295.66 FEET;

(201) THENCE, SOUTH 87°57'22" WEST 221.07 FEET;

(202) THENCE, NORTH 0°00'00" EAST 208.95 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED AREA 20 CONTAINS 1.22 ACRES OF LAND, MORE OR LESS.

AREA 21

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(203) THENCE, SOUTH 31°18'55" EAST 3973.18 FEET TO THE **POINT OF BEGINNING**;

(204) THENCE, SOUTH 26°24'43" EAST 266.58 FEET;

(205) THENCE, SOUTH 65°00'38" WEST 150.56 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 640.00 FEET;

(206) THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 6°38'26" AN ARC LENGTH OF 74.18 FEET TO THE BEGINNING OF A

TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 640.00 FEET;

(207) THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 2°20'16" AN ARC LENGTH OF 26.11 FEET;

(208) THENCE, SOUTH 56°01'55" WEST 52.02 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 160.00 FEET;

(209) THENCE, SOUTHWESTERLY AND WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 39°48'38" AN ARC LENGTH OF 111.17 FEET;

(210) THENCE, NORTH 84°09'27" WEST 119.76 FEET;

(211) THENCE, NORTH 84°09'27" WEST 80.34 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 440.00 FEET;

(212) THENCE, WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9°33'52" AN ARC LENGTH OF 73.45 FEET;

(213) THENCE, NORTH 30°02'18" WEST 208.93 FEET;

(214) THENCE, NORTH 33°42'15" EAST 147.72 FEET;

(215) THENCE, NORTH 87°57'22" EAST 151.36 FEET;

(216) THENCE, SOUTH 4°25'08" EAST 58.23 FEET;

(217) THENCE, NORTH 71°07'58" EAST 196.41 FEET;

(218) THENCE, NORTH 71°07'58" EAST 219.13 FEET TO THE **POINT OF BEGINNING.**

THE ABOVE DESCRIBED AREA 21 CONTAINS 4.52 ACRES OF LAND, MORE OR LESS.

AREA 22

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT COAL 02-0418, ACCORDING TO THE DOCUMENT RECORDED MAY 10, 2005 AS INSTRUMENT NO. 2005-038189, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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(219) THENCE, SOUTH 27°03'25" EAST 3598.22 FEET TO THE **POINT OF BEGINNING**;

(220) THENCE, NORTH 84°41'33" EAST 287.45 FEET;

(221) THENCE, NORTH 40°20'56" WEST 75.29 FEET;

(222) THENCE, NORTH 65°25'10" EAST 281.08 FEET;

(223) THENCE, NORTH 89°37'03" EAST 234.15 FEET;

(224) THENCE, SOUTH 59°46'09" EAST 142.15 FEET;

(225) THENCE, SOUTH 59°46'09" EAST 140.69 FEET;

(226) THENCE, SOUTH 59°46'09" EAST 193.21 FEET;

(227) THENCE, SOUTH 30°49'56" WEST 125.37 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 200.00 FEET;

(228) THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 35°51'16" AN ARC LENGTH OF 125.16 FEET;

(229) THENCE, SOUTH 66°41'12" WEST 132.77 FEET;

(230) THENCE, NORTH 60°52'59" WEST 151.10 FEET;

(231) THENCE, NORTH 23°09'48" EAST 40.00 FEET;

(232) THENCE, NORTH 66°50'12" WEST 6.72 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 20.00 FEET;

(233) THENCE, NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 73°59'12" AN ARC LENGTH OF 25.83 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 125.00 FEET;

(234) THENCE, NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 52°57'13" AN ARC LENGTH OF 115.53 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 125.00 FEET;

(235) THENCE, WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 44°55'24" AN ARC LENGTH OF 98.01 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 125.00 FEET;

(236) THENCE, WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 6°35'00" AN ARC LENGTH OF 14.36 FEET;

(237) THENCE, SOUTH 82°41'22" WEST 35.87 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 95.00 FEET;

(238) THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 58°01'17" AN ARC LENGTH OF 96.20 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 30.00 FEET;

(239) THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 67°30'20" AN ARC LENGTH OF 35.35 FEET;

(240) THENCE, NORTH 87°49'35" WEST 71.21 FEET;

(241) THENCE, SOUTH 40°20'56" EAST 13.57 FEET;

(242) THENCE, SOUTH 13°14'36" EAST 61.27 FEET;

(243) THENCE, SOUTH 76°45'24" WEST 353.36 FEET;

(244) THENCE, NORTH 58°42'13" WEST 45.57 FEET;

(245) THENCE, NORTH 4°25'08" WEST 207.01 FEET TO THE **POINT OF BEGINNING.**

THE ABOVE DESCRIBED AREA 22 CONTAINS 6.70 ACRES OF LAND, MORE OR LESS.

THE ABOVE DESCRIBED AREAS, CUMULATIVELY, CONTAIN A TOTAL AREA TO BE ANNEXED OF 52.10 ACRES OF LAND, MORE OR LESS.


DISCLAIMER:

FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS A BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED.



TUCKER J. SANDERS, PLS 9398 11-21-24
DATE



APPROVED COUNTY SURVEYOR
By: 
Date: 11-21-24
San Luis Obispo County Dept. of Public Works

Attachment B

LAFCO Government Code Sections 56430
and 56425 (e) Factor Proposal Review
(Municipal Service Review Analysis)

Attachment B

LAFCO Government Code Sections 56430 and 56425 (e) Factor Proposal Review

LAFCO No. 2-R-23

Sphere of Influence Amendment and Annexation No. 1 to County Service Area 23 (111 Residential Lots in Tract 2586)

Government Code Section 56430 – Municipal Service Review Analysis

To prepare for the Sphere of Influence (SOI) Amendment for County Service Area 23, the Local Agency Formation Commission (LAFCO) will rely on the San Luis Obispo County General Plan, Santa Margarita Community Plan, the Environmental Impact Report (EIR) for the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program and the EIR Addendum, SCH No. 2004111112, and all associated documentation related to the County Board of Supervisors action on December 23, 2008, regarding the Vesting Tentative Tract Map 2586, which included a three-phase major agricultural cluster consistent with the Amended Project, and a Conditional Use Permit S303115U. Additionally, the Commission as part of this action, will use CSA 23's latest Municipal Service Review (MSR) adopted in August 2017 and provide an updated brief analysis of the seven MSR factors listed in 56430 (a). The required SOI factors outlined in Government Code Section 56425, subd. (e) have been analyzed and determinations have been provided in this document. The following written statements should be considered and approved by the Commission.

(1) Growth and population projections for the affected area.

Response. In addition to the analysis conducted through the CSA 23's 2017 MSR update the following should also be considered as part of this action. The proposed project will create 111 clustered residential lots with one single-family unit per lot, which will increase the supply of homes in the area leading to population growth. The proposed Agricultural Residential Cluster Subdivision would result in a total of 111 dwelling units and an associated population increase of 256.4 persons (2.31 people/unit¹). This represents an approximate 20% increase in the existing population of the Santa Margarita community of approximately 1,291².

(2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

Response. In addition to the analysis conducted through CSA 23's 2017 MSR update the following should also be considered as part of this action. In summary, a disadvantaged unincorporated

¹ Table E-5 | Population and Housing Estimates for Cities, Counties, and the State, 2020-2024, from the State of California Department of Finance identifies the average household size in the unincorporated areas of the County as 2.31 persons per unit, May 2024

² United States Census Bureau, Santa Margarita Census Designated Place Population, 2020

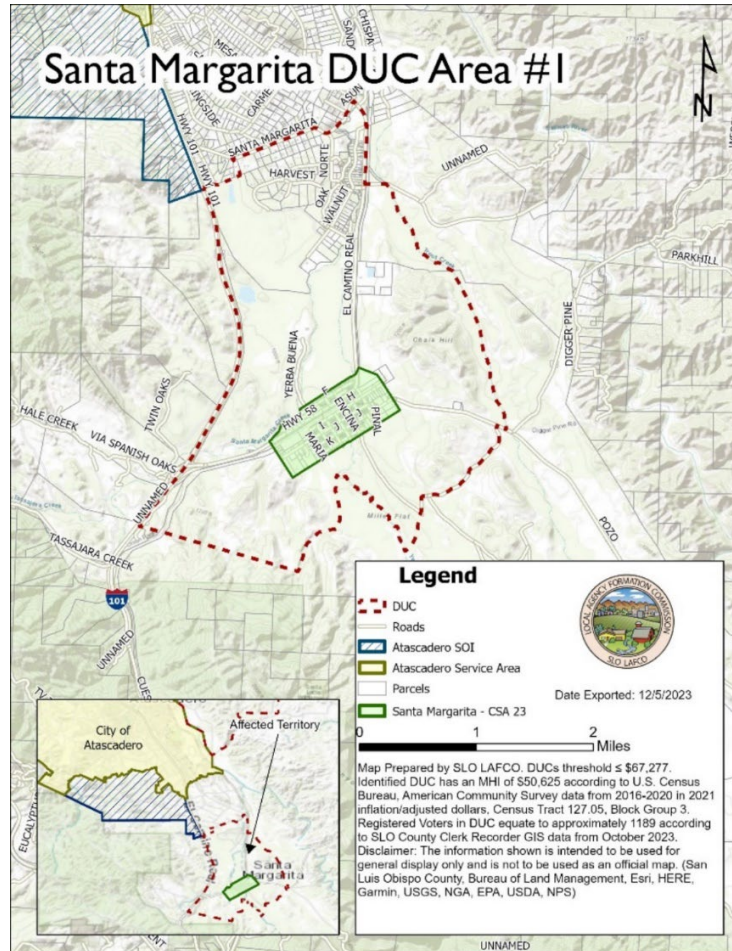
community is defined as a community with an annual median household income (MHI) that is less than 80 percent of the statewide annual median household income of \$84,097³ and an area that is considered to be inhabited (containing 12 or more registered voters). The estimated MHI for Census Block Group 127.05.3, which encompasses the entirety of the Community of Santa Margarita and neighboring rural areas, is \$50,625. Census Block Group 127.05.3 was also determined to be inhabited, with approximately 1,189⁴ registered voters. Therefore, LAFCO identified one DUC at the Census Block Group level, located within and contiguous to the CSA 23's coterminous service area and sphere of influence boundaries as seen in Figure 1 below. It should be noted that the identified DUC includes some agriculture-zoned areas with no registered voters and determinations made are for the inhabited areas per State law.

Portions of the proposed SOI Amendment & Annexation territory are within the identified DUC, although it must be emphasized that those areas are currently undeveloped and uninhabited with no registered voters; Therefore, it does not meet all the qualifications for a DUC in accordance with State law.

Figure 1: Santa Margarita Disadvantaged Unincorporated Community Area #1 Boundary Map

³ US Census, California Median Household Income 2017-2021

⁴ SLO County Clerk Recorder Registered Voter GIS Data, October 2023



(3) Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

Response. In addition to the analysis conducted through CSA 23’s 2017 MSR update, the following should also be considered as part of this action.

As stated in the Plan for Services issued by the County in March 2024, the County’s water capacity analysis for the annexation of the 111 residential clustered lots consisted of the following:

- The total capacity/service units of the existing system is approximately 514 residential meters and 41 commercial meters with an average day demand at build-out of 210,500 gallons per day.
- The existing service units allocated approximately 502 total customers are currently served with an average consumption of 76,432 gallons per day.
- The number of service units within current boundaries anticipating future service is 555 units.
- The number of service units within the system available after providing service to areas within current boundaries that anticipate future service is 53 units.

- The number of service units required to serve the proposed project is 111 units at build-out.
- The number of service units proposed to be added to meet the demand is 111 units.

In addition, the following additional facilities and infrastructure are required to provide water service to the 111 lots and were included in the annexation agreement entered into on June 6, 2023, by and between the Santa Margarita Ranch, LLC, and the County of San Luis Obispo:

- Two additional water wells (located in a separate groundwater basin).
- The tract water distribution system with all appurtenances.
- A 6-inch bi-directional cross-connect water line sized to provide up to 200 gallons per minute, i.e., as a redundant system that can provide water in either direction between the existing CSA system and the tract water distribution system.
- Booster station with transfer pump, backup generator, Chlorine analyzers, turbidimeter, pH meter, flow meters, and control building.
- Bolted steel 288,000-gallon storage tank.
- SCADA equipment for telemetry and operations.
- Water quality sample stations at each well and tank and throughout the distribution system.
- Additionally, provisions for a future Iron and Manganese Filtration system, if, after one year of service from the Wells and a minimum of 10.6 million gallons of production from the Wells, the water produced from the wells exceeds the drinking water standard for iron and manganese.

As mentioned in the annexation agreement, the owner is required to construct all water system improvements not to be located on the Owner's Property ("Offsite Improvements") but which are necessary to connect the Owner's Improvements to the County Service Area No. 23 systems, and those improvements or additions to CSA No. 23's equipment and facilities which are determined by the CSA's Director of Public Works to be reasonably necessary.

As was previously mentioned in response (2) above, the existing CSA 23 service area and sphere of influence boundary was identified as a DUC, and the Commission is required to consider structural fire protection within or contiguous to the sphere of influence of any DUC. Portions of the proposed SOI Amendment & Annexation territory are also within the identified DUC, although it must be emphasized that the territory is currently undeveloped and uninhabited with no registered voters; Therefore, the affected territory does not meet all the qualifications for a DUC in accordance with State law.

According to the hydraulic analysis conducted by the applicant and peer-reviewed by the County, the annexation of the 111 residential clustered lots within Tract 2586, would increase the water supply, fire flow pressure, available storage, and redundancy in CSA 23. In addition, CSA 23 would own and operate system improvements, which include Wells 5 and 6, a booster station, a water storage tank, and all appurtenances up to and including the water meter at each service connection. With the addition of these system improvements, annexation provides potential

benefits to all CSA 23 customers. In addition, the Tract 2586 COA adopted by the County BOS in December 2008 requires the applicant to provide for a new CalFire Fire Station to be located near the Amended Project site either through the construction of the station or through the payment of in-lieu fees, as determined in consultation with the Public Works Department and CalFire. Conditions also required on-site fire protection measures such as 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.

(4) Financial ability of agencies to provide services.

Response. In addition to the analysis conducted through CSA 23’s 2017 MSR update the following should be considered as part of this action.

The Plan for Services prepared by the County for the annexation of 111 Residential Lots in Tract 2586, dated March 5, 2024, mentioned that all costs associated with the design, inspection, plan check and review and construction inspection by CSA 23 staff will be paid by the applicant per the terms and conditions of the Engineering Reimbursement Agreement dated May 28, 2020, and Annexation Agreement. In addition, the Plan for Services documented that revenue was estimated conservatively using existing CSA 23 rates and will include a service charge to build reserves for the expected replacement of the bolted tank with a welded tank. The estimated revenue generated from the proposed 111 lots will adequately cover operations, maintenance, and capital improvement costs. A zone of benefit will be established for the tract and connection fees will be paid by the owners. CSA 23 requests that LAFCO condition approval of each phase of the annexation upon a requirement that all annexed property shall pay all previously established CSA 23 fees and charges. Conditions have been incorporated into the proposal’s staff report and resolution.

(5) Status of, and opportunities for, shared facilities.

Response. No additional analysis is being included in this section of CSA 23’s 2017 MSR update.

(6) Accountability for community service needs, including governmental structure and operational efficiencies.

Response. No additional analysis is being included in this section of CSA 23’s 2017 MSR update.

(7) Any other matter related to effective or efficient service delivery, as required by commission policy.

Response. No additional analysis is being included in this section of CSA 23’s 2017 MSR update.

Government Code Section 56425 - Sphere of Influence Analysis

Sphere of Influence Amendment: An SOI is defined by Government Code §56425 as “...a plan for

the probable physical boundary and future service area of a local agency or municipality...". An SOI is generally considered a 20-year, long-range planning tool, and a mandatory step in the process before annexation. The SOI amendment is proposed concurrently with the annexation.

Sphere of Influence Factors. To amend a local agency's SOI, the CKH Act requires the following five specific determinations to be considered by LAFCO per Government Code §56425 (e). The determinations, factors, and responses are provided below:

- 1. The present and planned land uses in the area, including agricultural and open-space lands.** The proposed SOI amendment pertains to a portion of Tentative Tract 2586, an Agricultural Residential Cluster Subdivision, which in part consists of 111 residential lots within the Agriculture land use category and is located south of the community of Santa Margarita southwest of West Pozo Road. The zoning will remain unchanged and will maintain agricultural land under an Agricultural Open Space Easement.
- 2. The present and probable need for public facilities and services in the area.** As stated in the attached Plan for Services, Attachment E, the applicant is requesting an amendment to the SOI and annexation into CSA 23 for water service for 111 new residential lots in three (3) phases. Each of the lots will consist of one single-family home for a total of 111 dwelling units.
- 3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.** As stated in the attached Plan for Services, Attachment E, CSA 23 is willing and able to provide the requested water service, subject to terms and conditions of any and all annexation agreements, Engineering Reimbursement Agreement dated May 28, 2020, Plan for Services, and associated annexation documents. The following excerpts from the Plan for Services document speak to the level and range of services to be provided by CSA 23:

Existing Infrastructure

- CSA 23 provides potable water to the Santa Margarita community and is responsible for water supply, treatment, distribution, and resource planning. Water supply in CSA 23 is supplied from groundwater sources, is the sole water provider within its service area, and will utilize standard water services and meters.
- The existing CSA 23 water system consists of two wells, two water storage tanks, a distribution system, and an emergency intertie with Atascadero Mutual Water Company.
- The existing water system wells are adequate to supply CSA 23 with water but have been impeded by droughts in the past. The water system has been put on

mandatory water restrictions in the past but has never had to implement the emergency intertie.

- CSA 23 wells are located within or adjacent to the Atascadero Ground Water Basin.

Capacity Analysis

- The total capacity/service units of the existing system is approximately 514 residential meters and 41 commercial meters with an average day demand at build-out of 210,500 gallons per day.
- The existing service units allocated approximately 502 total customers are currently served with an average consumption of 76,432 gallons per day.
- The number of service units within current boundaries anticipating future service is 555 units.
- The number of service units within the system available after providing service to areas within current boundaries that anticipate future service is 53 units.
- The number of service units required to serve the proposed project is 111 units.
- The number of service units proposed to be added to meet the demand is 111 units.
- The existing water capacity for CSA 23 plus the projected buildout without the project is 637,000 gallons per day.
- The projected water capacity for CSA 23 at buildout plus the Tract 2586 System would be 925,000 gallons per day.

As part of the proposal to annex into the CSA 23, additional infrastructure and capital improvement are necessary. The following additional facilities and infrastructure are required, in part, per the Annexation Agreement dated June 6, 2023, between the County and Santa Margarita Ranch LLC, to provide service to the Project:

- Two additional water wells (located in a separate groundwater basin).
- The tract water distribution system with all appurtenances.
- A 6-inch bi-directional cross-connect water line sized to provide up to 200 gallons per minute, i.e., as a redundant system that can provide water in either direction between the existing CSA system and the tract water distribution system.
- Booster station with transfer pump, backup generator, Chlorine analyzers, turbidimeter, pH meter, flow meters, and control building.
- Bolted steel 288,000-gallon storage tank.
- SCADA equipment for telemetry and operations.
- Water quality sample stations at each well and tank and throughout the distribution system.
- Additionally, provisions for a future Iron and Manganese Filtration system, if, after one year of service from the Wells and a minimum of 10.6 million gallons of production from the Wells, the water produced from the wells exceeds the drinking

water standard for iron and manganese.

4. **The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.** There are no District relevant social or economic communities of interest in the existing SOI area.
5. **For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.**
 - The CSA 23's SOI is coterminous with the District's service area boundary.
 - LAFCO staff has identified one DUC within CSA 23's SOI and service area boundary as seen on page 2 within Section 2 of the government code section 56430 analysis provided in this report. The location identified as a DUC displays characteristics of a DUC pursuant to the CKH Act of 2000. Portions of the proposed SOI Amendment & Annexation territory are within the identified DUC, although it must be emphasized that those areas are currently undeveloped and uninhabited with no registered voters; Therefore, that area does not meet all the qualifications for a DUC in accordance with State law.
 - At present time, the portions of the DUC that are located within CSA 23's coterminous SOI and service area are eligible to receive water services through the CSA, considering the District's service limitations. The portions of the DUC that are located outside of the CSA 23's current service area and SOI are not currently receiving water service from the District.
 - The type of public services and public facilities required in these areas is not anticipated to change, although the level of service demand will increase within the portion proposed for an SOI Amendment of the 111 residential lots, if/once annexed.

Local Sphere of Influence Policies. CKH requires that each commission establish written policies and procedures. The act also states that LAFCOs are to exercise their powers consistent with those policies and procedures. The San Luis Obispo LAFCO's policies encourage and provide for well-ordered, efficient urban development patterns, balanced with preserving open space and agricultural land while discouraging urban sprawl. The Sphere of Influence Update for CSA 23 is consistent with those policies and the purposes of LAFCO.

Sphere of Influence Amendment Analysis and Conclusions. The SOI amendment for CSA 23 is recommended to include the proposed annexation area. This is based on the information, application, studies, and documents provided and approved by the County, CSA 23, and contained or referenced in this Staff Report. CSA 23 has considered the impacts of this SOI amendment and annexation on its service capacities and determined that they are willing and able to provide the requested services.

Attachment C

LAFCO Proposal Review Factors -
Government Code 56668 & 56668.3
(Sphere of Influence)

Attachment C

LAFCO Proposal Review Factors - Government Code 56668 & 56668.3

Sphere of Influence Amendment and Annexation #1 to the County Service Area 23 (CSA 23)

(111 Residential Lots within Tract 2586) – LAFCO No. 2-R-23

Factor (a)

Population and population density; land area and **land use**; per capita **assessed valuation**; **topography, natural boundaries**, and **drainage basins**; proximity to other populated areas; the **likelihood of significant growth in the area**, and in adjacent incorporated and unincorporated areas, during the next 10 years.

Response.

Population and Population density:

As it was mentioned in the Final Environmental Impact Report (EIR), based on the Sheriff Department’s population generation factor of 2.7 persons per dwelling unit, the 111 residential lots requesting a Sphere of Influence (SOI) amendment and annexation would be expected to generate approximately 300 residents. This represents an approximate 23.2% increase in the existing population of the Santa Margarita community of approximately 1,291¹. The population density for the SOI amendment and annexation area would be 2.2 persons per acre.

The Final EIR identified impacts related to population growth that would be Class 1, Significant and Unavoidable impacts. For the reasons set forth in the CEQA Findings and Statement of Overriding Considerations, included as Attachment A, Exhibit A of the Commission’s staff report, the Commission determines that any significant environmental impacts caused by the proposed SOI amendment and annexation have been minimized to the extent feasible, and where not feasible, has been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits to be generated to the County. The Statement of Overriding Considerations justifies finding the unavoidable adverse environmental impacts from the proposed SOI amendment and annexation as acceptable.

The Class I impacts related to population growth are summarized below:

¹ Santa Margarita Census Designated Place 2020 Decennial US Census Data

- **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.

Land Area and Land Use:

The proposed SOI amendment and annexation area consisting of 111 residential lots, within Tract 2586, is zoned Agriculture. Tract 2586 maintains surrounding agricultural land under the Agricultural Open Space Easement. Land use on the site proposed for Cluster development is limited to ranchlands, without any structures. There are several existing agricultural accessory structures, as well as four licensed stock ponds and four licensed reservoirs, on the portions of the site proposed for agricultural conservation easements. Several private roads and trails are located throughout the area, which provide access for vineyard and ranch operations, grazing, PG&E power lines, and other public utilities located on-site.

The December 2008 County action granted approval for a Vesting Tentative Tract Map 2586 and a Conditional Use Permit S303115U to subdivide and develop an agricultural cluster subdivision. The County granted approval of the "Amended Project", which was alternative 12 in the Final Environmental Impact Report. The approved subdivision would result in 111 residential lots, 5 agricultural parcels, one 2.5-acre building envelope with a primary dwelling and ranch headquarters on an open space parcel, a ranch headquarters site at the Portuguese corrals, a remainder parcel, and would leave 3,633 acres in agricultural conservation easements. Only the 111 residential clustered lots (approx. 143 acres) are proposed for an SOI amendment and annexation into CSA 23.

Per Capita Assessed Valuation:

The total assessed value of the parcels containing the SOI amendment and annexation area as determined by the County Assessor is \$20,056,234; that in part includes \$9,400,223 in land value and \$9,130,579 in improvement values. On March 12, 2024, the County conducted negotiations on behalf of the district, pursuant to Revenue and Taxation Code Section 99 (b)(5), and approved a zero-exchange property tax agreement through Resolution No. 2024-

045. Therefore, the amount of property tax revenue to be transferred between the County of San Luis Obispo and the CSA 23 shall be zero.

Topography, Natural Boundaries, and Drainage Basins:

The Santa Margarita Ranch property consists of varied terrain with the mountainous area on the west side of the Ranch containing the Santa Lucia Mountain ridge and slopes of 50 percent and greater. The predominant interior valleys of the Ranch are sloped at 1 to 9 percent while the Santa Margarita Creek lowlands typically contain slopes less than 5 percent. Dominant features of the Amended Project Site (which in part includes the 111 lots proposed for SOI amendment and annexation) include gently to steeply sloping topography, scattered vegetation including grasses, forbs, scrub, oak woodland, and riparian species, and several streams which traverse the lower reaches of the Amended Project site. Elevations range from approximately 930 feet above mean sea level (msl) to approximately 1,300 feet msl.

According to the Final EIR, drainage generally flows from south to north via four main drainages in the Santa Margarita Ranch area: Santa Margarita Creek, Yerba Buena Creek, Trout Creek, and Rinconada Creek. Santa Margarita Creek is located on the eastern portion of the site, flowing in a northeasterly direction before being joined by Yerba Buena Creek, flowing from the south-central portion of the site. Approximately 1 mile north of this junction, these drainages enter Trout Creek, which joins the Salinas River approximately 1.25 miles north of the Ranch boundary. The Rinconada Creek is the most southerly drainage, joining the Salinas River at the southeastern corner of the project site.

Proximity to Other Populated Areas:

The SOI amendment and annexation area includes approximately 143 acres consisting of 111 residential parcels located southeast of CSA 23 and south of Highway 58. The affected territory is less than a mile away from the current CSA 23 boundary.

Likelihood of Significant Growth in the Area, and in Adjacent Incorporated and Unincorporated Areas, During the Next 10 Years:

On December 19, 2008, the San Luis Obispo County Board of Supervisors, as the land use authority, approved a Vesting Tentative Tract Map 2586, which included a three-phase major agricultural cluster consistent with Alternative 12 of the Final EIR (the Amended Project) and a Conditional Use Permit S303115U to subdivide a 3,778-acre portion of Santa Margarita Ranch. The subdivision would result in an agricultural cluster subdivision with 111 residential lots (proposed for an SOI amendment and annexation), 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). Only the 111 residential clustered lots (approx. 143 acres) are proposed for a SOI amendment and annexation into CSA 23. In addition, the Final EIR evaluated a conceptual Future Development Program for the buildout of several locations within the remaining portions of the approximately 14,000-acre Santa Margarita Ranch property. No actions have taken place since 2008 to authorize, approve, or provide entitlement to any project related to the Future Development Program. Therefore, population growth resulting from the SOI amendment and annexation of the 111 residential lots would occur due to the associated development, and significant increases in population could occur, but are not anticipated, in adjacent areas over the next 10 years.

Factor (b)

1) The **need for organized community services**; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; and probable effect of the proposed incorporation, formation, annexation, or exclusion of the alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.

Response.

CSA 23 is a dependent special district authorized to provide water service and street lighting. Although this proposal consists of a request for only water service for the 111 residential lots. All other services and infrastructure would be provided by the County and Santa Margarita Ranch LLC pursuant to the County's December 23, 2008, approval and associated documents. Regarding water services, initially, CSA 23 and Santa Margarita Ranch, LLC explored the establishment of a mutual water company instead of annexation. Subsequently, the Legislature tightened the requirements for the establishment of new water systems adjacent to existing systems with the intent to limit community water system sprawl. Given the close proximity between CSA 23 and Tract 2586, the formation of an independent mutual water company became infeasible.

With support from Santa Margarita Ranch, LLC, the County proceeded by submitting a request to LAFCO to begin the annexation proceedings. If approved by LAFCO, Santa

2) "Services," as used in this subdivision, refers to governmental services whether or not the services are services that would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.

Margarita Ranch, LLC would plan to construct the community water system, in order to serve domestic water to the proposed residences. The plan to utilize existing on-site wells to meet domestic needs would remain.

Santa Margarita Ranch, LLC conducted a hydraulic analysis of the potential connection of Tract 2586 to CSA 23 subject to peer review by the County. The report identified an intertie between CSA 23 and Tract 2586 that would increase the water supply, fire flow pressure, available storage, and redundancy in CSA 23. In addition, CSA 23 would own and operate system improvements, which include Wells 5 and 6, a booster station, a water storage tank, and all appurtenances up to and including the water meter at each service connection. With the addition of these system improvements, annexation is expected to provide potential benefits to all CSA 23 customers.

CSA 23 is willing and able to provide the requested services and has documented its capability to provide service to the SOI amendment and annexation areas subject to the terms and conditions of the Engineering Reimbursement Agreement, Annexation Agreement, and Plan for Services.

Key highlights are below:

- There are three phases of buildout for the 111 residential lots. The Estimated Time Frame for Service Delivery is described below:

Phase	# of Lots	Time Frame
Phase 1	38 lots	2024-2027
Phase 2	44 lots	2027-2032
Phase 3	29 lots	2032-2034

- All costs associated with the design, inspection, plan check, review, and construction inspection by CSA 23 staff will be paid by the applicant per the terms and conditions of the Engineering Reimbursement Agreement dated May 28, 2020, and Annexation Agreement.
- The owner would fund a number of major water infrastructure improvements, which are detailed in the Plan for Services and Annexation Agreement between the applicant (Santa Margarita Ranch, LLC) and CSA 23.
- The County Public Works Finance Dept completed a financial analysis of Tract 2586

annexation into CSA 23, included on page 8 of Attachment N.

- Revenue was estimated conservatively using existing CSA 23 rates and will include a service charge to build reserves for the expected replacement of the bolted tank with a welded tank. The estimated revenue generated from the proposed 111 lots will adequately cover operations, maintenance, and capital improvement costs.
- The existing rate structure for water services in CSA 23 will be unaffected by the annexation of new territory and can be viewed here: <https://www.slocounty.ca.gov/Departments/PublicWorks/FormsDocuments/Committees-Programs/County-Service-Areas/CSA-23Santa-Margarita/Combined-CSA23Ordinance,-Rules-Regulations.pdf>
- A zone of benefit will be established for the tract and connection fees will be paid by the owners. CSA 23 intends to initiate proceedings for the formation of a new zone of benefit upon the issuance of the Certificate of Completion for annexation. The capital improvement charge will be implemented through a Proposition 218 protest process, which will take place at the same time as the formation of the zone of benefit.
- CSA 23 is capable of providing the necessary water services in a timely manner while being able to serve all areas within its current boundaries and without lowering the level of service provided to areas currently being served by CSA 23.

As a result of the proposal for the SOI amendment and annexation into CSA 23, additional infrastructure and capital improvements are necessary. The Plan for Services, dated March 5, 2024, further elaborates on the required improvements associated with each phase. The following are additional facilities and infrastructure required, in part, per the Annexation Agreement dated June 6, 2023, between the County and Santa Margarita Ranch LLC, to provide service to the Project:

- Two additional water wells (located in a separate groundwater basin).
- The tract water distribution system with all appurtenances.
- A 6-inch bi-directional cross-connect water line sized to provide up to 200 gallons per minute, i.e., as a redundant system that can provide water in either direction between the existing CSA system and the tract water distribution system.
- Booster station with transfer pump, backup generator, Chlorine analyzers, turbidimeter, pH meter, flow meters, and control building.

- Bolted steel 288,000-gallon storage tank.
- SCADA equipment for telemetry and operations.
- Water quality sample stations at each well and tank and throughout the distribution system.
- Additionally, provisions for a future Iron and Manganese Filtration system, if, after one year of service from the Wells and a minimum of 10.6 million gallons of production from the Wells, the water produced from the wells exceeds the drinking water standard for iron and manganese.

Currently, Tract 2586 is installing all the water infrastructure, and once complete, it can be tested and put into service. The system can be operated completely independently of the existing CSA 23 water system.

Factor (c)

The **effect of the proposed action** and of alternative actions, **on adjacent areas, on mutual social and economic interests**, and on the **local governmental structure of the county**.

Response.

If approved by the Commission, the proposed SOI amendment and annexation would allow the 111 residential lots to receive water service from CSA 23 upon compliance with LAFCO's conditions of approval. The area would continue to be located within the County's unincorporated area and be added to the CSA's SOI and service area concurrently.

Impacts to the Governmental Structure of the County

Public Services and Utilities

According to the Final EIR, the Agricultural Residential Cluster Subdivision, which includes the 111 residential lots proposed for an SOI amendment and annexation, would result in potentially significant, but mitigable (Class II) impacts with respect to defensible space (safety), and schools. Impacts related to providing law enforcement would be less than significant, based on the requirement that the applicant provide funding to offset potential service impacts. The Agricultural Residential Cluster Subdivision would introduce residential uses into a high-fire hazard area and would burden CDF/County Fire Department services. This would be a Class II, significant but mitigable, impact. Waste generated during Agricultural Residential Cluster Subdivision construction and occupancy would be disposed of at the Chicago Grade Landfill, approximately eight miles north of the community of Santa Margarita. Prior to the implementation of any recycling programs, the Agricultural Residential Cluster

Subdivision would result in the generation of 110 tons per year (604 pounds per day) of solid waste. Class II significant but mitigable impacts would result. Impacts to the Santa Margarita Library would be Class III, less than significant, with the payment of library fees.

The Final EIR concluded that the County approved Amended Project (Alternative 12), would result in the same number of residential units as the Agricultural Residential Cluster Subdivision. This alternative would have essentially the same development characteristics as the proposed project (111 dwelling units) but would incorporate project features that address some of the identified environmental constraints. Consequently, the increase in demand for law enforcement, fire protection, school, solid waste, and library services would be identical. Overall, this alternative would result in both similar and more adverse public service impacts compared to the proposed Agricultural Residential Cluster Subdivision as discussed on pages 6-101 of the Final EIR, included in Attachment H.

For the reasons set forth in Attachment A, Exhibit A, the Commission determines that any significant environmental impacts caused by the proposed SOI amendment and annexation have been minimized to the extent feasible, and where not feasible, have been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits to be generated to the County. The Statement of Overriding Considerations justifies finding the unavoidable adverse environmental impacts from the Proposal as acceptable.

Mutual Social and Economic Interests

The County approved Amended Project, which includes the 111 residential lots proposed for an SOI amendment and annexation, would include several aspects that have mutual social and economic benefits to the region as listed below:

- The Amended Project will preserve over 3,620 acres on five separate parcels with permanent open space / agricultural conservation easements (ACEs) parcels.
- 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.
- The Amended Project will protect and preserve the rural character of the area by protecting the region's aesthetic value.

- 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.
- The Amended Project will result in the preservation/protection of 31 acres of wetlands, 30 miles of waterways, and other important biological habitats.
- The permanent open space/agricultural conservation easements (ACEs) parcels will preserve identified and unidentified archeological sites.
- 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.
 - The project will increase contributions to County property taxes.
 - The project will indirectly provide for a number of jobs relating to the construction of and maintaining approximately 111 new homes and related improvements.
 - The project will increase the countywide available housing stock by 111 units.

Factor (d)

The conformity of both the proposal and its anticipated effects with both the adopted **commission policies on providing planned, orderly, efficient patterns of urban development**, and the policies and priorities set forth in Section 56377.

Response.

The County's December 23, 2008, approval of the EIR certification, CEQA findings and Statement of Overriding Considerations, revised findings and conditions of approval for Tentative Tract Map (2586) and Conditional Use Permit (S030115U) reflecting the Amended Project (Alternative 12), among other supporting documentation and studies, including the County's Plan for Services and Annexation Agreement, were used to address and respond to Commission policies as described below and the Commission determines that any significant environmental impacts caused by the proposed SOI amendment and annexation have been minimized to the extent feasible, and where not feasible, has been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits to be generated to the County. The Statement of Overriding Considerations, included in Attachment A, Exhibit A of the Commission's staff report, justifies finding the unavoidable adverse environmental impacts from the Proposal as acceptable.

Applicable Commission Policies are listed below:

Section 2.11 "Application Policies" were deemed met and sufficient on December 4, 2024, when the Certificate of Filing was issued.

Section 2.1 General Policies

Policy 2.1.1. *The Commission shall endeavor to balance the need to efficiently provide public services with the sometimes-competing interests of discouraging urban sprawl, and preserving*

prime agricultural land and open space (Gov. Code Section 56001 and 56301).

Analysis. CSA 23 is willing and able to provide the requested services, as it was documented in factors (k) and (l) of this Attachment. The property is within Tract 2586, which is a tract immediately adjacent to CSA 23. The County approved Amended Project granted approval for an agricultural cluster subdivision, that would in part, create 111 new residential parcels. The proposed Tract 2586 is an Agricultural Residential Cluster Subdivision, which maintains surrounding agricultural land under the Agricultural Open Space Easement. However, only the 111 residential lots within the Tract are proposed for an SOI amendment and annexation and are non-contiguous to the CSA 23 service area boundary.

The site does contain prime agricultural land as defined under Government Code Section 56064 and Open-Space Lands as defined under Government Code Section 56059. The county-approved Amended Project will preserve over 3,620 acres on five separate parcels with permanent open space/agricultural conservation easements parcels. Of the areas that will be conserved in the ag easement, a total of 1,165 acres is considered prime. Please refer to the Prime Ag Land Information Summary included in Attachment O.

Policy 2.1.4. *Jurisdictions are encouraged to create places to live that integrate various land uses as a way of providing for a diverse social and economic community.*

Analysis. The SOI and annexation area is within the County's Agriculture land use category. No zoning changes are proposed. The additional parcels created by the Amended Project will remain in the Agriculture land use category to match the surrounding area.

Policy 2.1.6. *The Commission will recognize and preserve clearly defined, long-term agricultural and open space areas established by the County or other jurisdictions to preserve critical environmental areas and to bolster local economies (Gov. Code Section 56001). This may be accomplished using agricultural easements, open space easements, conservation easements, or other mechanisms, that preserve agricultural or open space lands in perpetuity.*

Analysis. The county-approved Amended Project, which includes the 111 residential lots proposed for an SOI amendment and annexation, will preserve over 3,620 acres

on five separate parcels with permanent open space / agricultural conservation easements (ACEs) parcels. Development of the Amended Project would occur in three phases, as described in the staff report, each including an agricultural conservation easement area, as depicted in Figure 2-6 of the Final EIR, included in Attachment H. Please note that only the 111 residential clustered lots (approx. 143 acres) are proposed for an SOI amendment and annexation into CSA 23.

Policy 2.1.10. *Impacts on affordable housing, the impact of the creation of new jobs on affordable housing stock, within the annexation area and in neighboring jurisdictions. Demonstration that the effects of the proposed project on affordable housing have been mitigated (Gov. Code Section 56001). The Commission recognizes that providing a range of housing opportunities for persons and families of all incomes is an important factor in promoting orderly development.*

Analysis. The Amended Project, which includes the 111 residential lots proposed for an SOI amendment and annexation, does not include an affordable housing component. The effects of affordable housing have not been mitigated. The Amended Project, which includes the 111 residential lots proposed for an SOI amendment and annexation, will indirectly provide for a number of jobs relating to the construction of and maintaining approximately 111 new homes and related improvements.

Policy 2.1.11. *In any proposal requiring water service, the Commission requires that the agency to which the annexation is proposed should demonstrate the availability of an adequate, reliable, and sustainable supply of water. In cases where a phased development is proposed, the agency should demonstrate that adequate service capacity will be provided as needed for each phase. In cases where a proposed annexation will be served by an onsite water source, the proponent should demonstrate its adequacy (Gov. Code Section 56668 (k)).*

Analysis. Please refer to factors (k) and (l) for a detailed discussion on CSA 23's availability of an adequate, reliable, and sustainable supply of water. Please also refer to the CSA 23's Plan for Services and associated documents included in Attachment E to the staff report.

Policy 2.3.1. *Special districts are encouraged to annex unincorporated islands as well as land that is mostly surrounded by a jurisdiction. (CKH 56001, & 56375.3).*

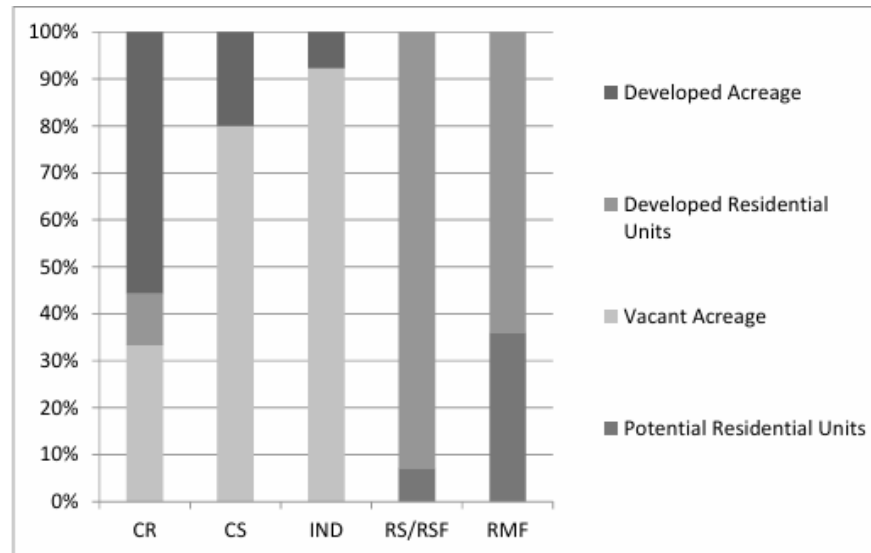
Analysis. Prior to the application being submitted to LAFCO, several approaches were discussed between the landowner team, the County, and LAFCO. It was determined that the preferred approach for the boundary of the proposed SOI amendment and annexation would be to have only the 111 residential lots pursue annexation because the need for service is associated with the single-family homes that will be built within each lot and not the remainder of Tract 2586 which will maintain surrounding agricultural land under the Agricultural Open Space Easement. Therefore, only the 111 residential lots are proposed for an SOI amendment and annexation and would be non-contiguous to the CSA 23 service area boundary as seen in the project map and legal descriptions included in Attachment A, Exhibit B.

Policy 2.3.2. *Prior to the annexation of territory within an agency's Sphere of Influence, the Commission encourages the development of vacant or underutilized parcels already within the boundaries of a jurisdiction. The agency should provide LAFCO with a build-out estimate or inventory and document how it was prepared.*

Analysis. CSA 23's existing SOI is coterminous to the service area boundary. According to the Santa Margarita Community Plan, adopted in February 2014, the community of Santa Margarita was determined to be close to being built out in its residential areas. Figure 1 below (Figure 4-1 in the 2014 Community Plan), shows the Community development capacity within each land use category, with no "vacant acreage" within the Residential Multi-Family or the Residential Suburban/ Residential Single-Family categories.

*Figure 1: Santa Margarita Development Capacity*²

² Figure 4-1 "Santa Margarita Development Capacity" of the SLO County Santa Margarita Community Plan, Adopted February 2014



Policy 2.3.3. *A demonstrated need exists for the required services and there is no reasonable alternative manner of providing these services.*

Analysis. The project would require a SOI amendment and annexation into the CSA 23 service area to facilitate the CSA's provision of water services within the 111 residential lots. Initially, CSA 23 and Santa Margarita Ranch, LLC explored the establishment of a mutual water company instead of annexation. Subsequently, the Legislature tightened the requirements for the establishment of new water systems adjacent to existing systems with the intent to limit community water system sprawl. Given the close proximity between CSA 23 and Tract 2586, the formation of an independent mutual water company became infeasible. With support from Santa Margarita Ranch, LLC, the County proceeded by submitting a request to LAFCO to begin SOI amendment and annexation proceedings. If approved by LAFCO, Santa Margarita Ranch, LLC would plan to construct the community water system, in order to serve domestic water to the proposed residences.

Policy 2.3.4. *The proposed annexation represents a logical and reasonable expansion of the district.*

Analysis. As previously discussed in policy 2.3.1 analysis above, prior to the application

submittal, several approaches were discussed between the landowner team, the County, and LAFCO. Of the options that were discussed, it was decided that pursuing an SOI amendment and annexation of only the non-contiguous 111 residential lots would be preferred over a proposal that contained land that was not in need of services. The need for service is associated with the single-family homes that will be built within each lot and not the remainder of Tract 2586 which will maintain surrounding agricultural land under the Agricultural Open Space Easement. In addition, as discussed in policy 2.3.3 above, CSA 23 and Santa Margarita Ranch, LLC explored the establishment of a mutual water company instead of annexation. However, due to changes in legislature pertaining to requirements for the establishment of new water systems adjacent to existing systems, with the intent to limit community water system sprawl, the formation of an independent mutual water company became infeasible.

Policy 2.3.5. *The proposed annexation reflects the plans of the adjacent governmental agencies.*

Analysis. The territory proposed for an SOI amendment and annexation is within the unincorporated County and is adjacent to CSA 23. On December 23, 2008, the County BOS approved the Vesting Tentative Tract Map 2586 and Conditional Use Permit S030115U and selected the Amended Project, which was Alternative 12 of the Final EIR, where it was determined that this option was the Environmentally Superior Alternative which met the applicant's objectives and was consistent with the applicable Salinas River Area Plan, Land Use Category, and Agricultural Cluster ordinance, and the approval was found to 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. Please refer to factor (c) of this attachment for more information regarding the effect of the proposed action on the local governmental structure of the county. CSA 23 is willing and able to provide the requested services and has documented its capability to provide service to the SOI and annexation areas subject to the terms and conditions of the Engineering Reimbursement Agreement, Annexation Agreement, and Plan for Services. Please refer to factors (b) and (k) of this attachment for more information regarding the need

for service and CSA 23's ability to provide service.

Policy 2.3.6. *The proposed annexation does not represent an attempt to annex only revenue-producing property.*

Analysis. The proposed SOI amendment and annexation of approximately 143 acres will be subdivided into 111 residential lots and each lot would include one single-family home per lot. The properties will not generate revenue for CSA 23 except for fees to offset the water services provided.

Policy 2.3.7. *The proposed boundaries must be definite and certain and conform to lines of assessment whenever possible.*

Analysis. The approximately 143-acre SOI amendment and annexation area of non-contiguous land is a part of the county-approved Vesting Tentative Tract 2586 Map that will be developed in three phases. Each phase associated with the SOI amendment and annexation proposal is described below:

Phase 1: 38 residential lots (approx. 52 acres)
Phase 2: 44 residential lots (approx. 54 acres)
Phase 3: 29 residential lots (approx. 36 acres)

Total: 111 residential lots

At the request of the County and landowner (Santa Margarita Ranch, LLC), one application is being processed to amend the SOI and annex all three phases into CSA 23. The annexation boundary is proposed to be co-terminus with the lots created by the tract map (As seen on page 4 of Attachment A, Exhibit B). Please refer to factor (f) of this attachment and to the staff report conditions of approval for more information regarding the phasing of the annexation. To further clarify the process for this SOI amendment and annexation, all three phases (111 residential lots) would be included in CSA 23 upon Commission Approval and filing of the Certificate of Completion, but each of the three phases would have separate effective dates consistent with the conditions of approval for each phase. Conditions can be found in the resolution included in Attachment A.

Policy 2.3.8. *The district has the capability of meeting the need for services and has submitted studies and information documenting its capabilities.*

Analysis. CSA 23 is willing and able to provide the requested services and has documented its capability to provide water service to the SOI and annexation area subject to the terms and conditions of the Annexation Agreement, Plan for Services, and other documents that have been referenced and attached in the staff report. Please refer to factors (b) and (k) of this attachment for more information regarding the need for services and CSA 23's ability to provide service.

Section 2.10 California Environmental Quality Act Policies

Policy 2.10.1 *The Commission shall take actions that maintain a high-quality and healthful environment for the people of San Luis Obispo County now and in the future.*

Analysis. The Commission determines that the proposed SOI amendment and annexation would include mutual social and economic benefits to the region as mentioned in factor (c) and as set forth in the Statement of Overriding Considerations included in Attachment A, Exhibit A of the Commission's staff report.

Policy 2.10.2 *The Commission shall take actions necessary to protect and enhance the environmental quality of San Luis Obispo County.*

Analysis. The Commission, as a Responsible Agency, has reviewed and considered the information in the Final Environmental Impact Report (EIR) for the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program and the EIR Addendum; State Clearinghouse Number 2004111112, among other documents. It was concluded that the Final EIR and Addendum to the EIR are adequate for the purposes of the Commission's compliance with CEQA for the proposed action (pursuant to Public Resources Code Section 21000 et seq., and CA Code of Regulations Section 15000 et seq.). The Commission has reached its own conclusion on whether and how to approve the proposed SOI amendment and annexation no. 1 into CSA 23.

The Commission concluded that no substantial changes are proposed in the project which will require a major revision of the previously certified EIR and Addendum.

Following certification of the EIR for the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project petitioners filed suit challenging these actions in the San Luis Obispo Superior Court. The trial court entered judgment in that action on June 18, 2013, and issued a Peremptory Writ of Mandate commanding the County to undertake certain tasks before tract map recordation, grading permit, or construction permit issuance. The judgment determined that the off-site air quality mitigation measure and associated fee was not appropriate for the project, and did not include substantial evidence as to its applicability for use by this specific project. The Writ of Mandate requires the County, in relevant part, to “Develop a record based upon substantial evidence supporting the establishment of off-site air quality impact fee to mitigate the Project’s significant air quality impacts in compliance with CEQA,” and to “Recirculate the off-site air quality impact fee and the analysis of said fee and hold any hearings as may be required by law”. As a result, on December 9, 2014, the San Luis Obispo County Board of Supervisors certified the Addendum to the Final Environmental Impact Report for the Santa Margarita Ranch Agriculture Residential Cluster Subdivision Project, Project #S030115U.

The Commission has prepared CEQA Findings and Statement of Overriding Considerations included as Attachment A, Exhibit A of the Commission’s, staff report. For the reasons set forth in Attachment A, Exhibit A, the Commission determines that any significant environmental impacts caused by the proposed SOI amendment and annexation have been minimized to the extent feasible, and where not feasible, have been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits to be generated to the County. The Statement of Overriding Considerations justifies finding the unavoidable adverse environmental impacts from the Proposal as acceptable.

Policy 2.10.3 *The Commission shall take actions that will provide the people of San Luis Obispo County with clean air and water, a vibrant and diverse economy, and enjoyment of aesthetic, natural, scenic, and historic environmental qualities.*

Analysis. The Final EIR identified Class I significant and unavoidable impacts related to Agricultural Resources, Air Quality, Biological Resources, Cultural Resources, Noise, Transportation and Circulation, Water & Wastewater, and a number of Class II,

significant and mitigable impacts. The Commission's CEQA Findings and Statement of Overriding Considerations, included as Attachment A, Exhibit A of the Commission's staff report reviews all significant impacts and states the reasons why the Commission determines that any significant environmental impacts caused by the proposed annexation have been minimized to the extent feasible, and where not feasible, has been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits to be generated to the County. The Statement of Overriding Considerations justifies finding the unavoidable adverse environmental impacts from the Proposal as acceptable.

Policy 2.10.4 *The Commission shall carry out the environmental review process in an efficient, expeditious manner in order to conserve the available financial and governmental resources with the objective that these resources may be better applied toward the mitigation and avoidance of significant effects on the environment.*

Analysis. The County, as the Lead Agency under CEQA, has prepared the EIR to disclose the impacts that would result from the approval of the Vesting Tentative Tract Map 2586 and Conditional Use Permit S030115U, which included the 111 residential lots proposed for an SOI amendment and annexation. A full explanation of the environmental findings, conclusions, and mitigation measures designed to address those impacts can be found in the Final EIR, included as Attachment H. LAFCO will be considered a Responsible Agency under CEQA and will rely upon the certified EIR for its decision-making at the time of the SOI amendment and annexation.

Policy 2.10.5 *The Commission shall organize and write environmental documents in such a manner that they will be meaningful and useful to decision-makers and the public and consistent with CEQA guidelines.*

Analysis. The Commission, as a Responsible Agency, concluded that no substantial changes are proposed in the project which will require a major revision of the previously certified EIR (State Clearinghouse Number 2004111112), or the Addendum to the Final EIR as it was described in the analysis provided for Policy 2.10.2. No additional substantial changes have occurred with respect to the circumstances under which the project is undertaken which will require a major revision of the previously certified EIR, and no new information of substantial importance has been identified

which was not known at the time that the previous EIR was certified. The Commission has prepared CEQA Findings and Statement of Overriding Considerations included as Attachment A, Exhibit A of the Commission's staff report.

Policy 2.10.6 *The Commission shall consider the involvement of the public in actions affecting the environment as an essential and indispensable element of the decision-making process.*

Analysis. LAFCO prepared and distributed mailed notices to property owners and registered voters within 300ft of assessor parcel number (APN) 070-094-007, which is the larger Assessor's Parcel Number (APN) where the 111 residential lots proposed for an SOI and annexation are located. Additional notices were distributed to the landowner/proponents, the County, affected agencies, and other interested parties as required under government code sections 56660 & 56661. All notices were sent out at least 21 days in advance of the hearing, consistent with Government Code Section 56427. In addition, notice was placed in the Tribune on December 26, 2024, at least 21 days in advance of the hearing per Government Code Section 56153. LAFCO did not receive any comments from affected agencies, landowners, voters, or residents, prior to the release of the staff report.

Policy 2.10.7 *The Commission shall prefer avoidance of adverse impacts over mitigation. If, however, mitigation is necessary onsite or offsite mitigation should be fully implemented.*

Analysis. The Commission determines that any significant environmental impacts caused by the proposed SOI and annexation have been minimized to the extent feasible, and where not feasible, have been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits, to be generated to the County. The Statement of Overriding Considerations justifies finding the unavoidable adverse environmental impacts from the Proposal as acceptable. A full explanation of the environmental findings, conclusions, and mitigation measures designed to address those impacts can be found in the Final EIR, included in Attachment H. It shall be carried out by the responsible parties by the identified deadlines.

Policy 2.10.8 *The Commission shall help prevent the elimination of the County's fish and wildlife species and preserve for future generations sustainable representations of the County's native plant and animal communities.*

Analysis. The Final EIR identified impacts to biological resources that would be considered Class I, Significant and Unavoidable impacts, and several Class II, Significant and mitigable, as it was analyzed in the CEQA Findings and Statement of Overriding Considerations included as Attachment A, Exhibit A of the Commission's staff report. For the reasons set forth in Attachment A, Exhibit A, the Commission determines that any significant environmental impacts caused by the proposed SOI amendment and annexation have been minimized to the extent feasible, and where not feasible, have been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits to be generated to the County. The Statement of Overriding Considerations justifies finding the unavoidable adverse environmental impacts from the Proposal as acceptable.

Class I impacts related to biological resources are summarized below:

- **Impact B-3:** Impacts to native oak woodland habitat

Class II impacts are summarized below:

- **Impact B-2:** Impacts to Native Perennial Grassland
- **Impact B-4:** Impacts to wetland, waters, & riparian areas
- **Impact B-5:** Impacts to Special-Status Plant Species
- **Impact B-6:** Impacts to Vernal Pool Fairy Shrimp & seasonal pools
- **Impact B-7:** Impacts to South/Central California Coast Steelhead and/or the loss of Steelhead Critical Habitat
- **Impact B-8:** Impacts to California red-legged frog & fragment available habitat
- **Impact B-9:** Impacts to populations & available habitat for wildlife in general, including special-status wildlife species

Policy 2.10.9. *The Commission shall balance preventing negative environmental effects while providing a decent home and satisfying living environment for every San Luis Obispo County resident.*

Analysis. For the reasons set forth in the CEQA Findings and Statement of Overriding Considerations included in Attachment A, Exhibit A, the Commission determines that any significant environmental impacts caused by the proposed SOI amendment and annexation have been minimized to the extent feasible, and where not feasible, have

been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits, including affordable housing, to be generated to the County. The Statement of Overriding Considerations justifies finding the unavoidable adverse environmental impacts from the Proposal as acceptable.

Government Code Section 56377 states:

56377. *In reviewing and approving or disapproving proposals that could reasonably be expected to include, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, the commission shall consider all of the following policies and priorities:*

(a) Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands unless that action would not promote the planned, orderly, efficient development of an area.

(b) Development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency should be encouraged before any proposal is approved that would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing sphere of influence or the local agency.

Analysis. The SOI amendment and annexation area is located outside of CSA 23's existing SOI boundary. However, the proposal consists of a concurrent SOI amendment and annexation. The 143-acre proposed SOI and annexation, consisting of undeveloped land, contains prime agricultural land as defined under Government Code Section 56064 and Open-Space Lands as defined under Government Code Section 56059. Overall, the county-approved Amended Project, which includes the 111 lots proposed for an SOI amendment and annexation area, restricts development to ½ acre of each of the 111 residential lots. However, as stated in the Final EIR, even with such restriction, it was determined that parcelization would nevertheless fragment potential agricultural use on each lot, thereby precluding major farming on each lot as a whole. Therefore, it was concluded as a reasonable worst-case scenario, that the Amended Project could therefore convert an estimated 19.96 acres of prime agricultural soils to non-agricultural use (refer to Figure 6-11 of the FEIR).

The FEIR considered impacts to an estimated 19.96 acres of prime agriculture land. It has been found that of the approximate 143 acres within the 111 lots, there are 6.45 acres of prime agriculture land that would be impacted by the annexation. The impact has since been reduced due to the Amended Project (Alternative 12) which required reorganized lot layout and reorganization of project roadways, intended to avoid placing lots in areas containing prime soils, reduce visual prominence, reduce impacts on oak trees, and avoid archaeologically sensitive areas. Please note that it is anticipated that the final impacts to prime agriculture land could be further minimized based on the lot location. In addition, the county-approved Amended Project will preserve over 3,620 acres on five separate parcels with permanent open space / agricultural conservation easements parcels. Of the areas that will be conserved in the ag easement, a total of 1,165 acres is considered prime. Please refer to the Prime Ag Land Information Summary included in Attachment O.

Additional factors must be considered when considering a change of organization or reorganization with land subject to the Williamson Act Contract as stated in Government Code Section 56856.5; the annexation site is not subject to a Williamson Act contract.

Factor (e)

The effect of the proposal on maintaining the physical and economic **integrity of agricultural lands**, as defined by Section 56016.

Response.

The area includes one parcel, under one ownership. The parcel is within the unincorporated County and has seen no development under its land use designation of Agriculture, currently consisting of undeveloped land. As previously mentioned, the Tentative Tract 2586 and CUP S030115U were approved by the County BOS in 2008 for an Agricultural Residential Cluster Subdivision, consistent with the Amended Project, which would subdivide a portion of the Ranch into: 111 residential lots (proposed for an SOI amendment and annexation), 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). Portions of the Amended Project site are currently used for irrigated croplands, including wine grape production. Development of the Amended Project would occur in three phases, as described in the staff report, each including an ACE area, as depicted in Figure 2-6 of the Final EIR, included in Attachment H.

With the County's approval of the Amended Project, impacts related to conflicts between urban and agricultural uses would therefore be slightly reduced, when compared to the original 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.

The Final EIR identified the following Class I impacts related to Agricultural Resources:

- **Impact AG-1:** The Amended Project would permanently compromise the sustainability of a 676.7-acre grazing unit and would permanently convert 21.2 acres containing prime soils to nonagricultural uses. Impacts related to agricultural conversion would be Class I, *significant and unavoidable*.
- **Impact AG-2:** The Amended Project would create conflicts between proposed urban uses and existing and future agricultural uses. Potential land use conflicts are a Class I, *significant and unavoidable*, impact.

The Commission determines that any significant environmental impacts caused by the proposed SOI amendment and annexation have been minimized to the extent feasible. Please refer to the CEQA Findings and Statement of Overriding Considerations included as Attachment A, Exhibit A of the Commission's staff report, for a summary of each potentially significant impact, applicable mitigation measures identified in the Final EIR as adopted by the County, and the Commission's findings on the significance of each impact after imposition of the adopted mitigation measures.

Factor (f)

The **definiteness and certainty of the boundaries** of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

Response.

The approximately 143-acre SOI amendment and annexation area of non-contiguous land is a part of the county-approved Vesting Tentative Tract 2586 Map that will be developed in three phases. Each phase associated with the SOI amendment and annexation proposal is described below:

- Phase 1: 38 residential lots (approx. 52 acres)
- Phase 2: 44 residential lots (approx. 54 acres)
- Phase 3: 29 residential lots (approx. 36 acres)

Total: 111 residential lots

At the request of the County and landowner (Santa Margarita Ranch, LLC), one application is being processed to amend the SOI and annex all three phases into CSA 23. The SOI amendment and annexation boundary are proposed to be co-terminus with the lots created by the tract map (As seen in Attachment A, Exhibit B). By way of background, because the County BOS approved Alternative 12, the Amended Project, a reconfiguration of the Agricultural Residential Cluster Subdivision design was required to mitigate significant impacts identified in Section 4.0 of this EIR.

The County as the applicant has submitted a final annexation map and legal description (metes and bounds) for Phase 1, again which is co-terminus with the Tract Map Phase 1 lots. The annexation map and legal description are separate from the final tract map for Phase 1; however, the final annexation map and legal description must be consistent with the final tract map for Phase 1 because the boundaries of each are co-terminus.

Phases 2 & 3 are subject to change due to the reconfiguration requirements associated with the County's approval of the Amended Project, however, the County has included a general vicinity map of the remaining phases (Included on page 4 of Attachment A, Exhibit B). Conditions of approval would require the applicant to submit the final annexation map and legal descriptions for the remaining phases to LAFCO at a later date. The annexation map, legal descriptions, and general vicinity map as approved by the Commission must be

substantially similar to what is ultimately submitted to LAFCO post-approval (i.e. Vesting Tentative Tract Map) and will require verification from the County surveyor and Executive Officer.

That said, the annexation map for Phase 1 has been deemed definite and certain by the County Surveyor and does not currently adhere to assessor parcel lines, included in Attachment A, Exhibit B. In addition, conditions of approval have been incorporated into the staff recommendation regarding the remaining tentative phases and the finalization of the phase 1 tract map. Please refer to the staff recommendation included in the staff report.

Factor (g)

A regional transportation plan was adopted pursuant to Section 65080.

Response.

The 2023 San Luis Obispo Council of Governments (SLOCOG) Regional Transportation Plan (RTP) was adopted pursuant to requirements of California Government Code Section 65080. The 2023 RTP included a Transportation Efficiency Analysis. Currently, the Transportation Efficiency Analysis identifies the Santa Margarita Ranch Specific Plan associated with the Future Development Program that was analyzed in the certified Final EIR as a proposed Residential Project that was projected to be built between now and 2045. The Agricultural Residential Cluster Tract 2586, which includes the 111 residential lots associated with the SOI amendment and annexation was not specifically mentioned in the Transportation Efficiency Analysis.

The Final EIR mentioned that the originally proposed Agricultural Residential Cluster Subdivision is expected to generate 1,154 average daily trips (88 AM peak hour and 119 PM peak hour trips). Although this would not result in exceedances of roadway or intersection level of service (LOS) standards, with the exception of the US 101/SR 58 interchange northbound off-ramp, the Agricultural Residential Cluster Subdivision will add traffic to locations with existing hazards and operational problems, including the SR 58 90-degree curve, US 101/SR 58 interchange, and limited sight distance along Estrada Avenue. The County approved Amended Project, Alternative 12, would result in the same number of residential units as the Agricultural Residential Cluster Subdivision. As a result, traffic impacts on local roadway and highway segments and intersections would be similar to the proposed Agricultural Residential Cluster Subdivision. Further discussion is included in Section 4.12,

Transportation and Circulation, and in 6.12, Alternative 12: Amended Project, within the Final EIR, included as Attachment H of the staff report.

State and Local goals include efforts to reduce Vehicle Miles Traveled (VMT) and greenhouse gas emissions, as well as to maintain and maximize the efficiency of existing transportation systems and operations. In summary, the Final EIR concluded that there are several Class I significant and unavoidable impacts relating to Transportation and the RTP's goals as seen below:

- **Impact T-1:** The project will add traffic to locations with existing hazards and deficiencies.
- **Impact AQ-1:** The project will result in operational air pollutant emissions, primarily from vehicular traffic
- **Impact AQ-4:** The 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, Agricultural Residential Cluster Subdivision implementation would result in a substantial increase in vehicle miles traveled.

The Commission determines that any significant environmental impacts caused by the proposed SOI amendment and annexation have been minimized to the extent feasible, and where not feasible, have been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits to be generated to the County. The Statement of Overriding Considerations, included in Attachment A, Exhibit A of the Commission's staff report, justifies finding the unavoidable adverse environmental impacts from the Proposal as acceptable.

<p>Factor (h)</p> <p>The proposal's consistency with city or county general and specific plans.</p>	<p>Response.</p> <p>The County General Plan sets policy direction for allowable land use on both public and private lands, within the unincorporated areas, and acts to provide applicable review bodies appropriate guidance and direction in making future land use decisions. The Final EIR identified, the Amended Project, Alternative 12 as the Environmentally Superior Alternative that met the applicant's objectives and is consistent with the applicable Salinas River Area Plan, Land Use Category, and Agricultural Cluster ordinance, and the approval was found to 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.</p>
<p>Factor (i)</p> <p>The Sphere of Influence of any local agency that may be applicable to the proposal being reviewed.</p>	<p>Response.</p> <p>The SOI is a plan for the probable physical boundaries of a local agency as determined by LAFCO per Government Code Section 56076. The approximately 143-acre 111 residential lots are not within the SOI and are proposed for a concurrent SOI amendment and annexation into CSA 23. The proposal does not conflict with the SOI of any other jurisdiction. The affected territory is already within the following special district service area boundaries:</p> <ul style="list-style-type: none">- Santa Margarita Cemetery District- Upper Salinas-Las Tablas RCD- County Service Area 21- SLO Countywide Roads
<p>Factor (j)</p> <p>The comments of any affected local agency or other public agency.</p>	<p>Response.</p> <p>No comments or resolutions raising objections to the proposal have been received by any affected local agency or other public agency.</p>

Factor (k)

The **ability** of the newly formed or receiving entity **to provide the services** that are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

Response.

When applying for a change of organization, a plan for services is required in accordance with Government Code Section 56653. CSA 23 submitted a plan for services as part of the resolution of application, dated March 30, 2023, and thereafter provided an updated version on March 5, 2024, and supplemental information on August 2, 2024, included as Attachments E, F, and N. CSA 23 plans to provide water service to the proposed annexation site. Please refer to factor (b) of this attachment for more information regarding the need for service.

Water Service

CSA 23 provides potable water to the Santa Margarita community and is responsible for water supply, treatment, distribution, and resource planning. Water supply in CSA 23 is supplied from groundwater sources, which is the sole water provider within its service area and will utilize standard water services and meters. The existing CSA 23 water system consists of two wells, two water storage tanks, a distribution system, and an emergency intertie with Atascadero Mutual Water Company. The existing water system wells are adequate to supply CSA 23 with water but have been impeded by droughts in the past. The water system has been put on mandatory water restrictions in the past but has never had to implement emergency interties. CSA 23 wells are located within or adjacent to the Atascadero Ground Water Basin. The total capacity/service units of the existing system is approximately 514 residential meters and 41 commercial meters with an average day demand at build-out of 210,500 gallons per day.

As part of the SOI amendment and annexation into CSA 23, there are two water supply wells that will be added to the system, wells 15b and 15c. These wells produce 100 gallons per minute (gpm) and 85 gpm respectively with a combined total of 185 gpm or 11,100 gallons per hour. This volume could replenish both CSA 23 and the Project's Equalization storage within 8 hours. The pumps would be used to fill the project tank which then can be pumped to CSA 23. For more information regarding the two new wells, please refer to the County's memo dated August 2, 2024, and included in Attachment N. Additional wells increase water supply resilience and reliability, additional storage, and redundancy. 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 is currently installing all the water infrastructure, and once complete, it can be tested and put into service. The system can be operated completely independently of the existing CSA 23 water system. The total capacity/service units of the Tract 2586 system is approximately 120 residential meters and no commercial meters with an average day demand at build-out of 75,000 gallons per day³.

In addition, the capacity of the project tank includes 180,000 gallons of fire storage and 54,000 gallons of emergency storage. Upon acceptance of the improvements and completion of the annexation, this additional storage would be available to CSA 23 in the event of an emergency or fire. This increases CSA 23’s fire storage capacity by 55% and its emergency storage by 26%.

Below is a summary of CSA 23’s water capacity and demand:

Table 1: CSA 23’s Water Demand and Capacity

Existing Water Demand of CSA 23⁴	
Average day demand (ADD)	176,750 gallons
Maximum day demand (MDD)	376,500 gallons
Projected Water Demand of CSA 23 at buildout (without the project)⁵	
ADD	210,500 gallons

³ SLO County Plan for Services, dated March 5, 2024

⁴ SLO County “Informational Response for The Sphere of Influence & Annexation #1 To County Service Area 23 (Vineyard Oaks – Tract 2586) Application; LAFCO File: 2-R-23” Memo, dated August 2, 2024

⁵ SLO County “Informational Response for The Sphere of Influence & Annexation #1 To County Service Area 23 (Vineyard Oaks – Tract 2586) Application; LAFCO File: 2-R-23” Memo, dated August 2, 2024

MDD	421,500 gallons
Projected Water Demand of CSA 23 at buildout (plus new project)⁶	
ADD	264,500 gallons
MDD	528,000 gallons
Existing Water Capacity for CSA 23⁷	
ADD	637,000 gallons per day
Existing Water Capacity for CSA 23 (plus projected buildout)⁸	
Total	637,000 gallons per day
Projected Water Capacity for CSA 23 at buildout (plus Tract 2586 System)⁹	
Total	925,000 gallons per day

The Final EIR identified the following Class I impacts related to Water:

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 an overdraft of the aquifer system. Groundwater use associated with the Agricultural Residential Cluster Subdivision is a Class I, *significant and unavoidable*, impact.

The Final EIR determined that the net consumptive water demand for the Agricultural Residential Cluster Subdivision is estimated to be approximately 96 afy; this impact represents a worst-case scenario, and according to the Plan for Services dated March 5, 2024, the total capacity for the Tract 2586 system is an average day demand at build out of 75,000

⁶ SLO County “Informational Response for The Sphere of Influence & Annexation #1 To County Service Area 23 (Vineyard Oaks – Tract 2586) Application; LAFCO File: 2-R-23” Memo, dated August 2, 2024

⁷ SLO County “Informational Response for The Sphere of Influence & Annexation #1 To County Service Area 23 (Vineyard Oaks – Tract 2586) Application; LAFCO File: 2-R-23” Memo, dated August 2, 2024

⁸ SLO County “Informational Response for The Sphere of Influence & Annexation #1 To County Service Area 23 (Vineyard Oaks – Tract 2586) Application; LAFCO File: 2-R-23” Memo, dated August 2, 2024

⁹ SLO County “Informational Response for The Sphere of Influence & Annexation #1 To County Service Area 23 (Vineyard Oaks – Tract 2586) Application; LAFCO File: 2-R-23” Memo, dated August 2, 2024

gallons per day or 84 acre-feet per year.

The Commission determines that any significant environmental impacts caused by the proposed SOI amendment & annexation have been minimized to the extent feasible, and where not feasible, have been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits to be generated to the County. The CEQA Findings and Statement of Overriding Considerations included as Attachment A, Exhibit A of the Commission's staff report, justifies finding the unavoidable adverse environmental impacts from the Proposal as acceptable.

Please refer to Attachment A, Exhibit A for a summary of each potentially significant impact, applicable mitigation measures identified in the Final EIR as adopted by the County, and the Commission's findings on the significance of each impact after imposition of the adopted mitigation measures.

Factor (I)

Timely **availability of water** supplies adequate for projected needs as specified in Section 65352.5.

Response.

The County of San Luis Obispo Public Works Department Staff prepared a Water System Master Plan for CSA 23, dated January 29, 2004, in order to more effectively provide water service to their customers along with a Technical Memorandum about Groundwater Resources of CSA 23 - Santa Margarita dated October 27, 2004. The goals of the study were to identify whether improvements to the water distribution system are needed to meet existing and projected demands and to develop a water facilities improvement program to aid the County in conducting long-term planning for CSA 23. Since the adoption of the two aforementioned studies, a lot of improvements have been made. The Plan for Services dated March 5, 2024, provides the latest information regarding CSA 23's water supply, infrastructure, and capabilities.

As previously mentioned, the existing CSA 23 water system consists of two wells, two water storage tanks, a distribution system, and an emergency intertie with Atascadero Mutual Water Company. The existing water system wells are adequate to supply CSA 23 with water but have been impeded by droughts in the past. The water system has been put on

mandatory water restrictions in the past but has never had to implement the emergency intertie. CSA 23 wells are located within or adjacent to the Atascadero Ground Water Basin. The Atascadero Area was determined by the state to be a low-priority basin and no longer required to comply with SGMA. The 111 residential lot will add two new water supply wells to the CSA 23 system and additional storage. CSA 23’s existing water system capacity is 637,000 gallons per day and the Projected Water Capacity for CSA 23 at buildout (plus Tract 2586 System) would bring 925,000 gallons per day as discussed in factor (k). This increases water supply resilience and reliability, additional storage, and redundancy.

For more details regarding CSA 23’s water supply, demand, water system improvements, the entity responsible for financing/construction of the necessary improvements, and the approximate timeframe for completion please refer to factor (b), factor (k), the Annexation Agreement between CSA 23 and Santa Margarita Ranch, LLC, the Plan for Services, and supporting documentation (included as separate attachments within the staff report).

Factor (m)

The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the **regional housing needs** as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.

Response.

The Regional Housing Needs Allocation (RHNA) establishes the total number of housing units that the County and each of the seven (7) cities must plan for within the planning period. The County’s Housing Element defines affordable housing as housing that is affordable to very low-, low-, moderate-, or workforce-income households. In the context of meeting the unincorporated county’s allocation of regional housing needs share, dwelling units typically must be deed restricted to limit rental or purchase of the dwelling units to households that qualify at extremely low-, very low-, and low-income levels. Table 2 below defines each income category.

Table 2: Income Categories for Households in San Luis Obispo County¹⁰

Income Level	Range in Area Median Income (AMI)
Extremely Low	No more than 30% AMI
Very Low	up to 50% AMI

¹⁰ County of SLO General Plan – 2020-2028 Housing Element, Adopted November 17, 2020

Low	50-80% AMI
Moderate	80-120% AMI
Above Moderate ○ Workforce	Above 120% AMI 120-160% AMI

The project will increase the countywide available housing stock by 111 units at the market rate, which falls within the above moderate-income level. Please note that units are not officially counted towards annual RHNA tracking until they are permitted.

Factor (n)

Any information or **comments from the landowner or landowners, voters, or residents** of the affected territory.

Response.

LAFCO did not receive any comments from landowners, voters, or residents prior to the release of the staff report.

Factor (o)

Any information relating to **existing land use designations.**

Response.

The SOI amendment and annexation area is within the County's Agriculture land use category. No zoning changes are proposed. The additional parcels created by the Amended Project will remain in the Agriculture land use category to match the surrounding area.

Factor (p)	Response.
<p>The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins, with respect to the location of public facilities and the provision of public services, to ensure a healthy environment for all people such that the effects of pollution are not disproportionately borne by any particular populations or communities.</p>	<p>The residential units would be available to people of all races and cultures and are anticipated to sell at market rate. With regard to the location of public facilities and the provision of public services, this project does not affect the fair treatment of people of all races, cultures, and incomes. Water system improvements associated with development will be located within public roadways or on the site.</p>
Factor (q)	Response.
<p>Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state</p>	<p>The San Luis Obispo County's Multi-Jurisdictional Hazard Mitigation Plan was adopted in October 2019 and establishes the County's emergency policies and procedures in the event of a disaster and addresses the allocation of resources and protection of the public in the event of an emergency. The Safety Element of the General Plan for the County of San Luis Obispo (approved December 1999) addresses a wide range of natural and human-caused hazards and consists of goals and policies aimed to reduce the risks associated with these hazards such as loss of life, injuries, property damage, and economic and social dislocation.</p> <p>The state provides wildland and watershed fire protection within State Responsibility Areas</p>

responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal. (Amended by Stats. 2019, Ch. 360)

(SRAs); it does not provide structure protection, rescue and emergency service, or hazardous materials response. Counties provide fire services at their discretion and service levels vary from county to county. SLO County chose to protect residents and property within its jurisdiction by creating County Fire in partnership with CAL FIRE. The affected territory is within a State Responsibility Area and would be considered a "High" fire hazard severity zone, pursuant to CAL FIRE's 2019 Fire Hazard Severity Zones maps; predictions are based on factors including fuel availability, topography, fire history, and climate.

According to the Final EIR, the fire station that would provide the first response to the Agricultural Residential Cluster Subdivision is the Parkhill Fire Station (Station #40) located at 6140 Parkhill Road, approximately 3.2 miles northeast of the Agricultural Residential Cluster Subdivision site. At the time, it was determined that there was a 10 to 15-minute response time from this fire station to the Santa Margarita area (Robert Lewin, Fire Marshall, San Luis Obispo County Fire Department, Personal Communication, June 29, 2006). The Santa Margarita Volunteer Fire Department would provide mutual aid to the Ranch property from the station located at 22375 G Street, near the center of the community of Santa Margarita. However, the Agricultural Residential Cluster Subdivision is outside of their jurisdiction.

The Final EIR identified the following Class II Impact related to fire:

- **ARCS Impact PS-3:** The Agricultural Residential Cluster Subdivision would increase the number of residents served by the CDF/County Fire Department and is located within a high-fire hazard area. The Agricultural Residential Cluster Subdivision may substantially affect the personnel, equipment, or organization of the Fire Department which could impede emergency access to the proposed residences. This would be a Class II, significant but mitigable, impact.

The Final EIR concluded that the County approved Amended Project (Alternative 12), would result in the same number of residential units as the Agricultural Residential Cluster Subdivision. This alternative would have essentially the same development characteristics as the proposed project (111 dwelling units) but would incorporate project features that address some of the identified environmental constraints. Consequently, the increase in demand for law enforcement, fire protection, school, solid waste, and library services would be identical.

Overall, this alternative would result in both similar and more adverse public service impacts compared to the proposed Agricultural Residential Cluster Subdivision as discussed on pages 6-101 of the Final EIR, included in Attachment H.

The Commission determines that any significant environmental impacts caused by the proposed SOI amendment and annexation have been minimized to the extent feasible and impacts would be less than significant with mitigation for the reasons set forth in the CEQA Findings and Statement of Overriding Considerations included as Attachment A, Exhibit A. Mitigation would, in part, include the construction of a new CDF/San Luis Obispo County Fire Station to be located near the Amended Project site either through the dedication of land or through the payment of in-lieu fees.

56668.3

Response.

(a) If the proposed change of organization or reorganization includes a city detachment or district annexation, except a special reorganization, and the proceeding has not been terminated based upon receipt of a resolution requesting termination pursuant to either Section 56751 or Section 56857, factors to be considered by the commission shall include all of the following:

(1) In the case of district annexation, whether the proposed annexation will be for the interest of landowners

(a)(1) The proposed SOI amendment and annexation will be for the interest of the landowner, future inhabitants, and the existing CSA 23 customers. As a result of the annexation of the 111 residential lots and the associated two new water supply wells that will be added to the system, (wells 15b and 15c), there would be an increase to water supply resilience and reliability, additional storage, and redundancy. In addition, as previously mentioned in factor (c), the 111 residential lots would provide several mutual social and economic benefits to the region.

(a)(2) This part is not applicable because the proposal consists of a district annexation and not a detachment.

(a)(3) The commission considered the factors specified in Government Code Section 56668, as seen in this document and has determined that any significant environmental impacts caused by the proposed annexation have been minimized to the extent feasible, and where not feasible, has been outweighed and counterbalanced by the significant economic, fiscal, social, and land-use benefits to be generated to the County. The Statement of Overriding Considerations, included in Attachment A, Exhibit A of the Commission's staff report, justifies finding the unavoidable adverse environmental impacts from the Proposal as acceptable.

or present or future inhabitants within the district and within the territory proposed to be annexed to the district.

(2) In the case of a city detachment, whether the proposed detachment will be for the interest of the landowners or present or future inhabitants within the city and within the territory proposed to be detached from the city.

(3) Any factors which may be considered by the commission as provided in Section 56668.

(4) Any resolution raising objections to the action that may be filed by an affected agency.

(5) Any other matters which the commission deems material.

(b) The commission shall give great weight to any resolution raising objections to the action that is filed by a city or a district. The commission's consideration shall be based only on financial or service-related concerns expressed in

(a)(4) The Commission did not receive any resolutions from any affected agency raising objections to the action.

(a)(5) There are no other matters which the Commission has deemed material.

(b) The Commission did not receive any resolutions from the CSA 23 raising objections to the action.

the protest. Except for findings regarding the value of written protests, the commission is not required to make any express findings concerning any of the other factors considered by the commission.