

## 4.7 LAND USE

*Agricultural Residential Cluster Subdivision. The proposed Agricultural Residential Cluster Subdivision site is composed of grazing land and irrigated vineyards. Agricultural Residential Cluster Subdivision construction may cause temporary disturbance to adjacent properties; however, construction-related land use compatibility impacts would be temporary and would be mitigated through implementation of measures provided in Sections 4.8, Noise, 4.2, Air Quality, and 4.13, Visual Resources, of this EIR. Therefore, with mitigation, noise, dust, and visual nuisances from construction of the Agricultural Residential Cluster Subdivision site are not significant. In addition, residential development on the Agricultural Residential Cluster Subdivision project site (as a cluster subdivision) has been anticipated in the County General Plan. Impacts related to General Plan Consistency would be Class III, less than significant. An evaluation of the consistency of the proposed Agricultural Residential Cluster Subdivision with applicable County policies and programs is provided in Appendix C (Policy Consistency).*

*Future Development Program. Because no active application currently exists for the Future Development Program other than the Agricultural Residential Cluster Subdivision, the assessment of land use impacts is based on a reasonable worst case scenario with regard to future land uses. Buildout of the Future Development Program would result in similar construction-related impacts as the Agricultural Residential Cluster Subdivision alone. In addition, because the Future Development Program incorporates all of the allowed and required land uses outlined in the Land Use Ordinance Salinas River Rural Area Standards [Section 22.104.040(A)(3)(a)], impacts related to General Plan consistency would be Class III, less than significant.*

*Impacts related to agricultural conversion and alteration of visual character are described in Sections 4.1, Agricultural Resources, and 4.13, Visual Resources, respectively.*

### 4.7.1 Setting

**a. Setting.** The Santa Margarita Ranch property is located in the County of San Luis Obispo, which occupies approximately 3,300 square miles of both urban and rural land uses. Specifically, the Ranch property lies in an unincorporated rural area surrounding the community of Santa Margarita. Recent urban development has been limited in the community of Santa Margarita and vicinity. The community of Santa Margarita had an estimated population of 1,279 residents in 1995 (Salinas River Area Plan). In contrast, the 2005 population was estimated at approximately 1,325 residents. This represents an annual growth rate of 0.35%. The proposed Agricultural Residential Cluster Subdivision includes 3,778 acres near the middle of the Ranch, southeast of the community of Santa Margarita, while the Future Development Program occurs in various locations throughout the balance of the 14,000-acre property. Existing ranch facilities (+/- 50,000 square feet of building coverage), activities and land uses include an equestrian center, private narrow gauge railroad, vineyard(s), private 3,400 foot airstrip, farmland, eight-acre cattle feedlot, agricultural roads, trails, several homes along with agricultural accessory structures, historic structures, water wells, numerous ponds and reservoirs, and various above and underground utilities. The Santa Margarita Ranch has been historically utilized for grazing and crop production since the late 1700's.



The entire 14,000-acre Santa Margarita Ranch property is bordered to the north by agriculture, rural lands, residential suburban uses, including those within the Garden Farms community, and commercial retail development. Agriculture, rural lands, single-family residences, agricultural accessory structures, quarries, and portions of the Salinas River border the site to the east. To the south, agriculture, recreational, and open space uses exist, as well as trails and the Los Padres National Forest. To the west are agricultural uses, rural lands and residences. The proposed Agricultural Residential Cluster Subdivision area is located near the center of the Ranch, southeast of the community of Santa Margarita, and is bordered by Pozo Road/Highway 58 to the north, Pozo Road to the east, and agricultural uses, vineyards and/or livestock grazing, and dry farming to the south and west. Table 2-2 (in Section 2.0, *Project Description*) summarizes the existing land use characteristics of the property.

**b. Regulatory Setting.** The County Land Use Ordinance and County General Plan Land Use Element regulate land use planning in the County of San Luis Obispo. The requirements and restrictions of each of these regulatory documents that apply to the proposed Agricultural Residential Cluster Subdivision are described in Appendix C (*Policy Consistency*). Policy consistency issues associated with the Future Development Program would be addressed through the required Specific Plan and through individual development project review. The Agricultural Residential Cluster Subdivision area is designated and zoned Agricultural (AG) with Flood Hazard and Geologic Study Area combining designations. The remainder of the Ranch Property is designated and zoned Agricultural (AG) and Rural Residential (RR) with Flood Hazard, Geologic Study Area, Historic Site, and Sensitive Resource Area combining designations. Areas north of the Ranch are designated in the General Plan as Agriculture, Rural Lands, Residential Suburban, and Commercial Retail. Areas south of the Ranch are designated in the general Plan as Agriculture, Recreation, and Open Space. Areas east and west of the Ranch are designated in the General Plan as Agriculture and Rural Lands.

#### **4.7.2 Impact Analysis**

**a. Methodology and Significance Thresholds.** Land use impacts were assessed based upon the level of physical impact anticipated in the various issues that can affect compatibility (noise, air quality, visual resources). These thresholds are augmented by those contained in Sections 4.8, *Noise*, 4.2, *Air Quality*, and 4.13, *Visual Resources*, which are issues that relate directly to land use compatibility.

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

- *Physically divide an established community;*
- *Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect; and/or*
- *Conflict with any applicable habitat conservation plan or natural community conservation plan.*

#### **b. Agricultural Residential Cluster Subdivision Impacts and Mitigation Measures.**



**Agricultural Residential Cluster Subdivision 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 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.**

The use of construction equipment and generation of fugitive dust during Agricultural Residential Cluster Subdivision construction, including implementation of off-site transportation improvements, would increase localized noise levels and result in a temporary reduction in local air quality. In addition, the generation of debris during construction may result in temporary impacts to visual resources. The nearest sensitive receptors to the Agricultural Residential Cluster Subdivision are single family homes and Santa Margarita Elementary School within the community of Santa Margarita, located approximately 2,000 feet northwest of the Agricultural Residential Cluster Subdivision site. However, due to the proposed phasing of the Agricultural Residential Cluster Subdivision, newly developed residences may be occupied while remaining phases are constructed. Construction activity may therefore cause temporary annoyance to immediately adjacent residential uses as well.

As discussed in greater detail in Section 4.8, *Noise*, construction-related noise impacts are potentially significant. However, Agricultural Residential Cluster Subdivision measures N-1(a) (Construction Hours), N-1(b) (Construction Noise Attenuation) and N-1(c) (Construction Equipment) would ensure less than significant impacts. Similarly, as discussed in greater detail in Section 4.2, *Air Quality*, construction-related air quality impacts are significant but mitigable. Agricultural Residential Cluster Subdivision measures AQ-2(a) [Application of Best Available Control Technology for Construction Equipment (CBACT)], AQ-2(b) (Dust Control), AQ-2(c) (Cover Stockpiled Soils), AQ-2(d) (Dust Control Monitor), and AQ-2(e) (Active Grading Areas) would reduce impacts to a less than significant level. Therefore, the impact of noise and dust from construction of the Agricultural Residential Cluster Subdivision is not considered significant. Construction-related visual resource impacts are significant but mitigable. Agricultural Residential Cluster Subdivision measure AES-1(g) (Clear Excess Debris) would reduce impacts to a less than significant level.

Mitigation Measures. No mitigation measures are required beyond those identified in Sections 4.8, *Noise*, 4.2, *Air Quality*, and 4.13, *Visual Resources*.

Residual Impacts. Temporary land use compatibility conflicts related to construction activity would be less than significant.

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**c. Future Development Program Impacts and Mitigation Measures.** The Future Development Program represents potential future buildout of the Santa Margarita Ranch, including the proposed Agricultural Residential Cluster Subdivision. Refer to Section 4.7.2(b) for a discussion of land use impacts resulting from the Agricultural Residential Cluster Subdivision independently.



**Future Development  
Program Impact LU-1**

**Construction activity associated with the Future Development Program would create temporary noise, air quality, and visual resource impacts due to the use of construction equipment and generation of fugitive dust. 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*.**

The use of construction equipment and generation of fugitive dust during construction of Future Development Program land uses, including off-site transportation improvements, would increase localized noise levels and result in a temporary reduction in local air quality. In addition, the generation of debris during construction may result in temporary impacts to visual resources. The nearest sensitive receptors to Future Development Program land uses are the residences located in the communities of Santa Margarita and Margarita Farms, Santa Margarita Elementary School, and scattered rural residences located in the vicinity of the Ranch property. Sensitive uses located on the Ranch property include one single-family residence and three farm support quarters located on the Ranch headquarter parcel, and four private cabins located in the hillsides in the southern portion of the Ranch. The Future Development Program envisions a residential village, guest ranch, lodge, restaurant, winery, and golf course southeast of the community of Santa Margarita. As a reasonable worst-case scenario from a noise impact perspective, any of these uses may directly abut the community, resulting in construction 50 feet from existing residential receptors. The Future Development Program also envisions a community pool, three worship centers, and work force housing east of the community. Construction of these facilities may occur as close as 50 feet from existing residences along the eastern edge of Santa Margarita and the Santa Margarita Elementary School property, located at 22070 H Street.

The Future Development Program also envisions a bed and breakfast, café, amphitheater, and winery at the existing Ranch headquarters parcel, which currently supports one single family residence and three farm support quarters. In addition, the Future Development Program envisions a winery and Ranch headquarters in the southern portion of the Santa Margarita Ranch, near an existing farm support quarters. Therefore, construction of these Future Development Program land uses may occur adjacent to noise-sensitive land uses.

As discussed in greater detail in Section 4.8, *Noise*, construction-related noise impacts are potentially significant. However, Agricultural Residential Cluster Subdivision measures N-1(a) (Construction Hours), N-1(b) (Construction Noise Attenuation), and N-1(c) (Construction Equipment) would apply to all construction of Future Development Program land uses within 1,600 feet of a sensitive receptor, thereby ensuring less than significant impacts. Similarly, as discussed in greater detail in Section 4.2, *Air Quality*, construction-related air quality impacts are significant but mitigable. Agricultural Residential Cluster Subdivision measures AQ-2(a) [Application of Best Available Control Technology for Construction Equipment (CBACT)], AQ-2(b) (Dust Control), AQ-2(c) (Cover Stockpiled Soils), AQ-2(d) (Dust Control Monitor), and AQ-2(e) (Active Grading Areas) would apply to all construction of Future Development Program land uses, thereby reducing impacts to a less than significant level. Therefore, the impact of noise and dust from construction of Future Development Program land uses is not considered significant. Construction-related visual resource impacts are significant but mitigable.



Agricultural Residential Cluster Subdivision measure AES-1(g) (Clear Excess Debris) would reduce impacts to a less than significant level.

Mitigation Measures. No mitigation measures are required beyond those identified in Sections 4.8, *Noise*, 4.2, *Air Quality*, and 4.13, *Visual Resources*.

Residual Impacts. Temporary land use compatibility conflicts related to construction activity would be less than significant.

**Future Development Program Impact LU-2**

**Buildout of the Future Development Program would result in a substantial new concentration of population and the loss of a substantial area of open land. However, the Future Development Program incorporates requirements for agricultural preservation, residential development, and non-residential land uses as outlined in the San Luis Obispo County Land Use Ordinance Salinas River Rural Area Standards. Future Development Program land uses have therefore been anticipated in the County General Plan. Impacts would be Class III, less than significant.**

The San Luis Obispo County Land Use Ordinance Salinas River Rural Area Standards outline requirements for agricultural preservation, residential development, and non-residential land uses in the Santa Margarita Ranch area. The Future Development Program incorporates these requirements.

Buildout in accordance with the Future Development Program would result in a total of 514 dwelling units (402 units in addition to the Agricultural Residential Cluster Subdivision) and the following additional uses: private golf course, club house and pro shop; guest ranch, lodge, and restaurant; 12-room bed and breakfast; cafe; amphitheater; crafts studios, galleries and shops; interpretive center and gift shops; nine wineries with tasting rooms and permitted special events; neighborhood park and swimming pool; five ranch/farm headquarters; one livestock sales yard and café; three places of worship; and a retreat center (refer to Figure 2-9 in Section 2.0, *Project Description*).

The 514 residential units in the Future Development Program represent the balance of 550 units (including 50 affordable units) allowable under the General Plan for the Santa Margarita Ranch area. According to the San Luis Obispo County Land Use Ordinance Salinas River Rural Area Standards, residential areas shall be clustered with the first priority to be an extension of the community of Santa Margarita, or within open space surroundings such as adjacent to park land, agriculture or a golf course (Land Use Ordinance Section 22.104.040.A.4.b). The Future Development Program envisions a residential village southwest of the community of Santa Margarita, surrounding a potential private golf course site. Additional housing is envisioned directly east of Santa Margarita near a future park/community pool site.

If an application is made for a Specific Plan and it is adopted, the Land Use Ordinance Salinas River Rural Area Standards [Section 22.104.040(A)(3)(a)] outlines requirements for both permanent and temporary agricultural preservation throughout portions of the Santa Margarita Ranch. Permanent protection of 8,400 acres would be required. Interim protection of 3,600



acres would be accomplished with 40-year term Williamson Act contracts. Of the 8,400 acres required for permanent protection, 3,633 acres are proposed as part of the Agricultural Residential Cluster Subdivision.

Buildout of the Future Development Program would result in the conversion of up to 2,025 acres (approximately 14.5%) of the 14,000-acre site from agricultural and vacant land to suburban and other uses. The Land Use Ordinance Salinas River Rural Area Standards outline both required and optional non-residential uses on the Santa Margarita Ranch property, to be included in a future Specific Plan. The Future Development Program incorporates all of the allowed and required land uses outlined in the Land Use Ordinance, as well as additional uses. Therefore, the Future Development Program would be consistent with the County General Plan and Land Use Ordinance, subject to preparation of a future Specific Plan. Refer to Section 4.1, *Agricultural Resources*, and 4.13, *Visual Resources*, for a discussion of impacts related to agricultural conversion and change of visual character, respectively.

Mitigation Measures. No mitigation measures are required.

Residual Impacts. Impacts are less than significant.

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

