



Appendix A

Notice of Preparation and Responses



**COUNTY OF SAN LUIS OBISPO
INITIAL STUDY SUMMARY - ENVIRONMENTAL CHECKLIST**

Project Title & No: Santa Margarita Ranch Tentative Tract Map and Conditional

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED: The proposed project could have a "Potentially Significant Impact" for at least one of the environmental factors checked below. Please refer to the attached pages for discussion on mitigation measures or project revisions to either reduce these impacts to less than significant levels or require further study.

<input type="checkbox"/> Aesthetics <input type="checkbox"/> Agricultural Resources <input type="checkbox"/> Air Quality <input type="checkbox"/> Biological Resources <input type="checkbox"/> Cultural Resources	<input type="checkbox"/> Geology and Soils <input type="checkbox"/> Hazards/Hazardous Materials <input type="checkbox"/> Noise <input type="checkbox"/> Population/Housing <input type="checkbox"/> Public Services/Utilities	<input type="checkbox"/> Recreation <input type="checkbox"/> Transportation/Circulation <input type="checkbox"/> Wastewater <input type="checkbox"/> Water <input type="checkbox"/> Land Use
<input type="checkbox"/> Mandatory Findings of Significance		

DETERMINATION: (To be completed by the Lead Agency)

On the basis of this initial evaluation, the Environmental Coordinator finds that:

- The proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- Although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- The proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- The proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- Although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Prepared by(Print)	Signature	Ellen Carroll, Environmental Coordinator	Date
Reviewed by(Print)	Signature	(for)	Date

Project Environmental Analysis

The County's environmental review process incorporates all of the requirements for completing the Initial Study as required by the California Environmental Quality Act (CEQA) and the CEQA Guidelines. The Initial Study includes staff's on-site inspection of the project site and surroundings and a detailed review of the information in the file for the project. In addition, available background information is reviewed for each project. Relevant information regarding soil types and characteristics, geologic information, significant vegetation and/or wildlife resources, water availability, wastewater disposal services, existing land uses and surrounding land use categories and other information relevant to the environmental review process are evaluated for each project. Exhibit A includes the references used, as well as the agencies or groups that were contacted as a part of the Initial Study. The Environmental Division uses the checklist to summarize the results of the research accomplished during the initial environmental review of the project.

Persons, agencies or organizations interested in obtaining more information regarding the environmental review process for a project should contact the County of San Luis Obispo Environmental Division, Rm. 310, County Government Center, San Luis Obispo, CA, 93408-2040 or call (805) 781-5600.

A. PROJECT DESCRIPTION: -

The proposed project consists of the following two components submitted by Santa Margarita Ranch, LLC: 1) an agricultural residential cluster subdivision, and 2) a future development scenario. The applicant is requesting approval of a Vesting Tentative Tract Map and Agricultural Lands Residential Cluster Conditional Use Permit for the proposed agricultural residential cluster. No entitlements are currently proposed for the future development scenario.

Santa Margarita Ranch ("the Ranch") totals approximately 14,000 acres, located east of Highway 101, surrounding the community of Santa Margarita (refer to Figures 1 and 2). Of these 14,000 acres, 9,600 acres are within the boundaries of the historic Rancho Santa Margarita (refer to Figure 3). A settlement agreement between the community group Santa Margarita Area Residents Together (SMART), the County and the applicants (Santa Margarita Ranch, LLC) requires the following: the applicants shall submit a future development scenario for the areas within the original Rancho boundaries at the time of any specific entitlement request (such as the proposed Tentative Tract Map and Conditional Use Permit). The settlement agreement requires the preparation of a Program EIR to evaluate the environmental effects of the two project components pursuant to Section 15168 of the California Environmental Quality Act (CEQA).

The Program EIR would be used as a first tier environmental document for future development within the Ranch. At the time of entitlement request for projects listed within the future development scenario, the required CEQA document would be tiered from the Program EIR. The specifics of the two project components and existing uses within the Ranch are described and summarized in Table One below.

Agricultural Residential Cluster Tentative Tract 2586

The proposed agricultural residential cluster would consist of 111 residential parcels (1.0 to 2.5 acres in size), four open space parcels (approximately 3,633 acres), and one 2,417-acre remainder parcel (not proposed for development at this time). Development of the agricultural residential cluster would occur in three phases, as described below (All acreages are approximate).

Phase One (1,518.1 acres): 40 residential cluster lots (44.8 acres); 40-foot wide private residential easement (4.0 acres); 40-foot wide private agricultural and residential easement (8.7 acres), 22-foot wide paved road; water service improvements including a water tank, looped service main, and service lines to residential parcels; underground wire utilities; 40 individual on-site septic systems and leachfields; and, an open space parcel of approximately 1,469 acres.

Phase Two (1,201.7 acres): 42 residential clustered lots (49.8 acres); 40-foot wide private residential

easement and 30-foot wide driveway easements (7.8 acres); 40-foot wide private agricultural and residential easement (5.9 acres); 18-foot wide paved road; water service improvements including a looped service main and service lines to residential parcels; underground wire utilities; 42 on-site septic systems and leach fields; and, a permanent open space parcel of approximately 1,144 acres.

Phase Three (1,057.1 acres): 29 residential clustered lots (33.1 acres); 40-foot wide private residential easement and 30-foot wide driveway easements (4.2 acres); 40-foot wide private agricultural and residential easements (4.5 acres); 22-foot wide paved road; water service improvements including a looped water main and service lines to residential parcels; underground wire utilities; 29 individual on-site septic systems; and, a permanent open space parcel of approximately 1,019 acres.

In addition to the proposed residential parcels, the applicant is proposing to construct two wineries (each 20,000 to 40,000 square feet in size), two ranch/farm headquarters (each 2.5-acres in size), one primary residence, and several farm support buildings to be approved at a future date under separate entitlements (i.e. building permits, agricultural exempt building permits, Minor Use Permits, etc.).

Future Development Scenario

This Future Development Scenario (FDS) is required to be studied in this EIR by the Settlement Agreement described above. The Settlement Agreement states:

“In the event an EIR is required pursuant to paragraph 5 above, the Ranch Parties agree to prepare a Program EIR that will comprehensively evaluate reasonable development scenarios on all of the Rancho parcels; provided, however, that it is not the intent of the parties that the scope of the EIR include projects which the Ranch parties do not intend to pursue”.

The proposed future development scenario for the Rancho parcels shown in Figure Two includes the balance of the 550 single family residential units allowed by the General Plan (550-36-112= 402 lots) and the additional following uses: golf course, club house and pro shop; guest ranch, lodge, and restaurant; 12-room bed and breakfast inn; café; 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; three ranch/farm headquarters; one cattle feed lot; one livestock sales yard and café; three places of worship, and; a retreat center.

Existing Land Uses

Existing ranch activities and land uses include an equestrian center, vineyard, private air strip, farmland, eight-acre cattle feed lot, agricultural roads, trails, agricultural accessory structures, historic structures, water wells, numerous ponds and reservoirs, and various above and underground utilities. An equestrian center consisting of a 200 to 400 seat arena, horse boarding facilities, and stables, four private cabins are located on an approximately 160-acre patent parcel at the south end of the Ranch. Other uses may exist at on the ranch such as occasional educational programs on a patent parcel at the southeast end of the Ranch.

The Cuesta Ridge Vineyard currently occupies approximately 1,100 acres of the Ranch, including 974 acres of vineyard, two farm support quarters, cattle grazing land, and approximately 2,000 acres of farming land. In addition to the above listed land uses, the Ranch owners have stated that the Ranch currently hosts the following special events: equine events; cattle events; fundraisers; wine events; museum and school events; and, parties and weddings. Tract 1 includes 35 clustered lots (36 residential units) located at the northern end of the Ranch. The lots are currently for sale and construction of houses has started this year (2004). The applicant is not proposing to modify or remove these existing uses.

TABLE ONE

PROPOSED PROJECT

Project Element	Project Characteristics
Agricultural Residential Cluster Tract 2586	
111 residential clustered lots	1.0 to 2.5 acres in size (total 128 acres)
40-foot wide private easements (residential) and 30-foot wide driveway easements	16 acres
40-foot wide private easements (residential and agricultural)	19.1 acres
Paved roads	20 and 18 feet wide
Paved exit and emergency access road	18 feet wide
Water tank, service main and service lines	
Underground and aboveground utilities	State Water, Salinas Water, Pacific Gas and Electric, Southern California Gas Company, Phillips Petroleum, telephone, and cable
112 on-site septic systems	
Water wells	
Two ranch headquarter sites (including one single-family residence)	2.5 acres each
Two wineries with tasting rooms and special events	20,000 to 40,000 square feet each
Future Development Scenario	
Remainder of the 550 residential units allowed by the Salinas River Area Plan (minus 36 residential units in Tract 1, 112 units on Tract 2586, and 40 units possible on the 20 existing patent parcels)	Approximately 300 acres
Golf course, club house, shop	27 to 36 holes / 220 to 280 acres
Guest ranch, lodge, and restaurant	150 to 250 units, 40 tables/200 patrons, 100 acres
Restaurant	40 tables/ 200 patrons
Bed and breakfast	12 room
Café	20 tables/ 100 patrons
Amphitheater	200 to 600 seats
Craft studios, galleries, and shops	6,000 square feet
Interpretive center and gift shops	3,000 square feet
Seven wineries, tasting rooms, and special events	20,000 to 40,000 square feet each/ 42 events per year per facility: six events with 1,000 people; six events

	with 500 people; six events with 300 people; ten events with 200 people, and; fourteen events with 100 people
Neighborhood parkland and swimming pool	5.0 acres
Three ranch/farm headquarters	2.5 acres
Cattle feed lot	20 acres (8.0 acres existing)
Livestock sales yard and café	20 acres / one Saturday per month with 80 to 100 people / 75 patrons
Horse ranch	30 (+) horses
Three places of worship	2,000 to 5,000 square feet each
Williamson Act parcels (various agricultural uses)	3,600 acres
Oakenshaw Retreat Center	16 to 24 units on 30 acres

SUPERVISORIAL DISTRICT #: 5

ASSESSOR PARCEL NUMBERS: 070-091-036,037,038; 070-157-005,006; 070-095-001; 070-132-009; 070-094-001; 070-095-002; 070-081-005,006,007,008,010,011,012,030; 070-241-028,029,031,032,033,034; and 070-251-004,013,014,015,106

B. EXISTING SETTING

PLANNING AREA: Salinas River (Rural Area Standards Santa Margarita Ranch)

LAND USE CATEGORY: Agriculture, Rural Residential

COMBINING DESIGNATION(S): Geologic Study Area, Sensitive Resource Area, Flood Hazard

EXISTING USES: Equestrian facility, private air strip, vineyard, irrigated and non-irrigated row crops, grazing land, dry land farming, recreation, special events, single-family residence, farm support quarters, agricultural accessory structures, private cabins

TOPOGRAPHY: Gently to steeply sloping

VEGETATION: Oak woodland, scrub, riparian and wetland vegetation, grasses

PARCEL SIZE: Approximately 14,000 acres total

SURROUNDING LAND USE CATEGORIES AND USES:

Agricultural Residential Cluster

North: Agriculture/ livestock grazing, dry farming, Pozo Road/Highway 58, cemetery

East: Agriculture/ vineyard, livestock grazing, dry farming, Pozo Road

South: Agriculture/ vineyard, livestock grazing

West: Agriculture/ vineyard

Future Development Scenario

North: Agriculture; Rural Lands; Residential Suburban; Commercial Retail/ single-family residences, agriculture accessory structures

East: Agriculture; Rural Lands / scattered single-family residences, agricultural accessory structures; quarries, Salinas River

South: Agriculture; Recreation; Open Space/ undeveloped; trails, Los Padres National Forest

West: Agriculture; Rural Lands / Highway 101; scattered single-family residences, agricultural accessory structures

C. ENVIRONMENTAL ANALYSIS

During the Initial Study process, several issues were identified as having potentially significant environmental effects (see following Initial Study).

**COUNTY OF SAN LUIS OBISPO
INITIAL STUDY CHECKLIST**

1. AESTHETICS - <i>Will the project:</i>	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
<i>a) Create an aesthetically incompatible site open to public view?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>b) Introduce a use within a scenic view open to public view?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>c) Change the visual character of an area?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>d) Create glare or night lighting which may affect surrounding areas?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>e) Impact unique geological or physical features?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>f) Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting.

Agriculture Residential Cluster

The project site consists of approximately 3,778 acres within Santa Margarita Ranch, located within the Santa Lucia Mountain Ranch, southeast of the community of Santa Margarita, as shown in Figures 1 through 3. The project site consists of gently to steeply sloping topography supporting a variety of vegetation including grasses, forbs, scrub, oak woodland, and riparian species. The elevation of the project site ranges from 930 to 1,300 feet above mean sea level (MSL). Development associated with existing land uses within the area proposed for the agricultural residential cluster subdivision and agricultural/conservation easements includes agricultural roads, trails, agricultural accessory structures, six farm support quarters, various stock ponds and reservoirs, water wells, and utilities.

Future Development Scenario

The future project sites includes approximately 14,000 acres within Santa Margarita Ranch, as shown in Figures 1 through 3. The Ranch is characterized by gently rolling grasslands, vineyards, row crops,

grazing land, riparian corridors, and dense oak woodland. The elevation of the project site ranges from 930 to 2,200 feet MSL. Development associated with existing land uses within the area proposed for the agricultural residential cluster subdivision and agricultural/conservation easements includes agricultural roads, trails, agricultural accessory structures, six farm support quarters, various stock ponds and reservoirs, water wells, and utilities. Development associated with land on the remainder of the Ranch includes an equestrian center, private air strip, farmland, eight-acre cattle feed lot, agricultural roads, trails, agricultural accessory structures, water wells and various utilities, four private cabins, and educational center, and residential lots currently under development within Tract 1. The equestrian center consists of a 200 to 400 seat arena, horse boarding facilities, track, and stables.

Impacts.

Agriculture Residential Cluster

The applicant is proposing Tract 2586, an agriculture residential cluster, which would result in the construction of 111 single family residences, two wineries, two ranch/farm support headquarters and one primary residence, and several farm support buildings within a primarily undeveloped rural area. The cluster development would be located southeast of the community of Santa Margarita and west of Pozo Road. Portions of the project site are visible from Highway 58 and Pozo Road. Development would result in new residences and roads visible from public roads and other views. Implementation of the proposed project may result in potentially significant visual impacts including visual silhouetting, degradation of visual character, and increased light and glare.

Future Development Scenario

The future development scenario includes the construction of 550 single family residential units (less the 36 units in Tract 1, the 112 units in Tract 2586, and 20 existing underlying lots); golf course, club house and pro shop; guest ranch, lodge, and restaurant; 12-room bed and breakfast inn; café; amphitheater; crafts studios, galleries and shops; interpretive center and gift shops; nine wineries with tasting rooms and permitted special events; a neighborhood park and swimming pool; five new ranch/farm headquarters; one cattle feed lot; one livestock sales yard and café; retreat center; and, three places of worship. Portions of the project site may be visible from several major public roads including Highway 101, Highway 58, and Pozo Road. Implementation of the future development scenario may result in potentially significant visual impacts including visual silhouetting, degradation of visual character, and increased light and glare.

Mitigation/Conclusion.

Agricultural Residential Cluster

The visual impacts resulting from the proposed agriculture residential cluster shall be assessed as part of the project EIR. Impacts shall be assessed by the identification of Key Viewing Areas (KVAs) as seen from public view corridors, and by the use of accurate photo-simulations. Impact assessment will provide the basis for measures required to avoid or minimize potentially significant visual impacts to a level of insignificance. Mitigation measures may include site plan modifications and design features to avoid visual impacts, or reduce impacts to a level of insignificance.

Future Development Scenario

The visual impacts resulting from the proposed future development scenario and cumulative development of surrounding areas shall be assessed as part of the Program EIR. Impacts shall be assessed as described above. Mitigation measures may include design standards and the designation of visually sensitive areas to avoid visual impacts, or reduce impacts to a level of insignificance.

2. AGRICULTURAL RESOURCES -
Will the project:

Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
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2. AGRICULTURAL RESOURCES -

<i>Will the project:</i>	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
a) <i>Convert prime agricultural land to non-agricultural use?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Impair agricultural use of other property or result in conversion to other uses?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Conflict with existing zoning or Williamson Act program?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) <i>Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting. The proposed project site is located within the Agriculture land use category. The soil types mapped for the project site by the Natural Resources Conservation Service (NRCS) Soil Survey consist of the following: Arbuckle fine sandy loam, Arbuckle-Positas complex, Arbuckle-San Ysidro complex, Arnold-San Andreas complex, Ayar and Diablo Soils, Botella sandy loam, Cieneba-Andregg coarse sandy loams, Clear Lake clay, Clear Lake clay - drained, Cropley clay, Dibble clay loam, Elder loam, Elder loam - flooded, Gaviota-San Andreas association very steep, Gazos shaly clay loam, Hanford and Greenfield fine sandy loams, Hanford and Greenfield gravelly sandy loams, Linne-Calado complex, Lompico-McMullin complex, Metz loamy sand, Metz-Tujunganga complex - occasionally flooded, Millsholm-Dibble clay loams, Nacimiento-Ayar complex, Nacimiento-Los Osos complex, Oceano loamy sand, Pico fine sandy loam, Pits, Rincon clay loam, Rock outcrop-Gaviota complex, Ryer clay loam, San Andreas sandy loam, San Andreas-Arujo sandy loams, Santa Lucia-Lopez complex, Santa Lucia-Gazos complex, Simmon loam, Simmon-Dibble association steep, Still gravelly loam, Still loam, Still clay loam, Vista-Cieneba coarse sandy loams, and Xerofluvents-Riverwash association.

The capability of these soils range from Class I to Class IV (irrigated) and Class IV to VIII (non-irrigated). Both prime and non-prime agricultural soils are present within the Ranch. Based on the San Luis Obispo County Important Farmland Map (1998), the Ranch is located on areas varying in designation from Grazing Land, Farmland of Potential, and Farmland of Local Importance (California Department of Conservation Division of Land Resources Protection; 2000). The Ranch currently supports agricultural uses, including livestock grazing, row crops, a vineyard, and farm support quarters.

Existing agricultural uses on the area proposed for the agricultural cluster include cattle grazing, irrigated farm land, dry farming land, agricultural roads, agricultural accessory structures, water wells, and numerous ponds and reservoirs. The Cuesta Ridge Vineyard currently occupies approximately 1,100 acres of the site including 974 acres of vineyard and two farm support quarters. Existing agricultural uses on the remainder of the Ranch include an equestrian center, horse boarding facilities, stables, a private air strip, farmland, cattle feed lot, agricultural roads, agricultural accessory structures, historic structures, agricultural wells and pumps, numerous ponds and reservoirs, cattle grazing land, and farming land.

Impacts.

Agricultural Residential Cluster

The proposed project site, including areas proposed for residential development and conservation contains soils ranging in capability from Class I to Class VII. No residential lots are proposed on Class I or II (irrigated) soil types, and existing agricultural roads would be improved for access into the development. The proposed cluster includes agricultural uses including two wineries, two ranch/farm headquarters, and farm support buildings. In addition, the applicant is proposing a 2,417-acre remainder parcel (no proposed development at this time), and approximately 3,633 acres of agricultural/conservation easements. Potential

land uses permitted within the easement areas may include ranch/farm headquarters, bed and breakfast, residential accessory structures including farm support quarters, agricultural accessory structures, including road-side stands, and/or agricultural processing uses, crop production and grazing, animal raising and keeping, specialized animal facilities, nursery specialties, range land or wildlife preserves, water storage or recharge, leachfield or spray disposal area, scenic area protection or buffers from hazardous areas, public outdoor recreation uses on non-prime lands, communication facilities, rural recreation and camping, fisheries and game preserves, forestry, mining, public safety facilities, accessory storage, pipelines and transmission lines, public utility facilities, and public trails.

Implementation of the proposed agricultural residential cluster has the potential to result in potentially significant impacts to agricultural resources including the conversion of agricultural lands to non-agricultural uses and incompatibility impacts between existing and proposed agricultural uses and the proposed residential area. The Agricultural Commissioner’s Office has reviewed the proposed agriculture cluster subdivision and has provided a preliminary determinations that the existing building site locations are consistent with the agricultural buffer requirements contained in the Agriculture and Open Space Element. Specific building envelopes or other building limitations should be evaluated during the environmental review process and included as mitigation measures where necessary.

Future Development Scenario

The future development scenario includes both agricultural and non-agricultural land uses, including 3,600 acres of land to be considered for Williamson Act Contract designation, as shown in Figure 4. Implementation of the future development scenario has the potential to result in potentially significant impacts to agricultural resources, including the conversion of prime agricultural soils to non-agricultural uses and agricultural incompatibility impacts between agricultural and non-agricultural land uses. In addition, cumulative development including the proposed agricultural residential cluster has the potential to result in significant impacts including the cumulative loss of agricultural land in the County of San Luis Obispo.

Mitigation/Conclusion.

Agricultural Residential Cluster

Impacts to prime agricultural soil, existing agricultural uses, incompatibility conflicts between agricultural and non-agricultural land uses, and cumulative agricultural resource impacts must be assessed in the project EIR. Consultation with the County Agriculture Department is required to assist in identifying impacts and identifying mitigation measures. In addition to the measures proposed by the applicant to preserve agriculture land uses and prime agricultural soils, additional mitigation measures may include the incorporation of design features into the proposed project, such as agricultural buffer zones.

Future Development Scenario

Impacts to prime agricultural soil, existing agricultural uses, incompatibility conflicts between agricultural and non-agricultural land uses, and cumulative agricultural resource impacts must be assessed in the Program EIR, as described above. In addition to the measures proposed by the applicant to preserve agriculture land uses and prime agricultural soils, additional mitigation measures may include the incorporation of design features into the proposed project, such as agricultural buffer zones, strategic placement of developable areas, and identification of areas to be preserved in agricultural/conservation easements.

3. AIR QUALITY - Will the project:

	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) <i>Violate any state or federal ambient air</i>	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. AIR QUALITY - Will the project:

	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
<i>quality standard, or exceed air quality emission thresholds as established by County Air Pollution Control District?</i>				
b) <i>Expose any sensitive receptor to substantial air pollutant concentrations?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Create or subject individuals to objectionable odors?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) <i>Be inconsistent with the District's Clean Air Plan?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) <i>Other</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting. In 1989, the State Air Resources Board (ARB) designated San Luis Obispo County a non-attainment area for exceeding the State's air quality standards set for ozone and dust (small particulate matter or PM10). In 2003, the State ARB determined that the county was in attainment for ozone. Based on the latest air monitoring station information (per the County's RMS annual report, 2003), the trend in air quality in the general area is improving where unacceptable PM10 levels were not exceeded in 2002 at the Atascadero monitoring station, which is down from the previous year (2 exceedances). The Air Pollution Control District (APCD) estimates that automobiles currently generate about 40% of the pollutants responsible for ozone formation. Nitrous oxides (NOx) and reactive organic gasses (ROG) pollutants (vehicle emission components) are common contributors towards this chemical transformation into ozone. Dust, or particulate matter less than ten microns (PM10) that become airborne and which find their way into the lower atmosphere, can act as the catalyst in this chemical transformation to harmful ozone. In part, the land use controls currently in place for new development relating to ROG and NOx (i.e., application of the CEQA Air Quality Handbook) have helped reduce the formation of ozone. The southern portion of the Ranch contains small pockets of serpentine rock, which may contain naturally occurring asbestos.

Impacts. Existing farming and ranching operations in addition to implementation of the proposed project would generate both construction and operational air pollutant emissions including reactive organic gases (ROG), oxides of nitrogen (NOx), carbon monoxide (CO), sulfur dioxide (SO2), fugitive dust and diesel particulates (PM10), and the release of naturally-occurring asbestos during grading activities. Existing and proposed agricultural uses, including the feed lot and livestock yard, have the potential to generate objectionable odors, potentially affecting existing and proposed residential areas. Based on Table 1-1 of the *San Luis Obispo County Air Pollution Control District California Environmental Quality Act Air Quality Handbook* (April 2003), the proposed agricultural residential cluster project would generate over 25 lbs/day of ROG, NOx, or PM10 emissions, and would result in potentially significant air quality impacts. In addition, the proposed project would result in additional dwelling units outside of the Santa Margarita URL, which would be inconsistent with the adopted *Clean Air Plan* (2001) for San Luis Obispo County.

Mitigation/Conclusion.

Agricultural Residential Cluster

Air quality impacts resulting from the proposed cluster development must be assessed as part of the project EIR. Project-specific construction and operational air quality emissions should be calculated using the Air Resources Board computer model "Urban Emissions Model" (URBEMIS 2002, version 7.5.0). Construction mitigation measures may be necessary to reduce emissions, including, but not limited to, fugitive dust

control, and compliance with the Air Resources Board Asbestos Airborne Toxic Control Measures (ATCM), and the use of Best Available Control Technology (BACT). In addition, modified site design and the use of energy efficiency measures may be necessary to reduce operational emissions.

Future Development Scenario

Air quality impacts resulting from the future development scenario, in addition to the cumulative development of surrounding areas, must be assessed as part of the Program EIR. Construction and operational air quality emissions should be calculated using reasonable assumptions based on the level of detail provided by the applicant for each identified future project. Potential sources of objectionable odors should be identified. Consultation with the San Luis Obispo County APCD is required to assist in the determination of impacts and identification of mitigation measures. Mitigation measures may be project specific for certain known elements and also include air quality mitigation programs applicable to the design of the Ranch, including, but not limited to, the incorporation of alternative transportation features or development of an air quality mitigation fee program.

4. BIOLOGICAL RESOURCES - <i>Will the project:</i>	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
a) Result in a loss of unique or special status species or their habitats?	■	□	□	□
b) Reduce the extent, diversity or quality of native or other important vegetation?	■	□	□	□
c) Impact wetland or riparian habitat?	■	□	□	□
d) Introduce barriers to movement of resident or migratory fish or wildlife species, or factors which could hinder the normal activities of wildlife?	■	□	□	□
e) Other _____	□	□	□	□

Setting. Vegetative communities of the project site range from grassland to dense oak woodland, and provide habitat for several special-status plant and wildlife species. An *Inventory of Wildlife and Plant Species* was prepared by Althouse and Meade, Inc. (July 23, 2003 and September 10, 2003) to identify the plant and wildlife species present within the project site, and to determine the presence or absence of any special-status species or habitat types. Surveys were conducted during five consecutive seasons: spring, summer, and fall of 2002, and winter thorough spring of 2003. The results and findings of the survey report is summarized below.

Special Status Species. Based on the results of the inventory, one sensitive natural community type, valley needlegrass grassland (*Nassella pulchra*) was identified within the project site. Six special-status plant species and 33 special-status wildlife species were documented onsite, as shown in Tables Two and Three below. The bird species listed in Table Two were observed nesting and/or wintering.

**TABLE TWO
DOCUMENTED SPECIAL-STATUS PLANT AND WILDLIFE SPECIES**

Scientific Name	Common Name	Status
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Plant Species		
<i>Arctostaphylos luciana</i>	Santa Lucia manzanita	CNPS List 1B
<i>Calochortus catalinae</i>	Catalina mariposa lily	CNPS List 4
<i>Calochortus simulans</i>	La Panza mariposa lily	CNPS List 1B
<i>Calystegia subacaulis ssp. episcopalis</i>	San Luis Obispo morning glory	CNPS List 1B
<i>Navarretia Jaredii</i>	Paso Robles navarretia	CNPS List 4
<i>Piperia michaelii</i>	Michael's rein orchid	CNPS List 4
Wildlife Species		
<i>Accipiter cooperi</i>	Cooper's hawk	CSC (nesting)
<i>Accipiter striatus</i>	sharp-shinned hawk	CSC (nesting)
<i>Ammodramus savannarum</i>	grasshopper sparrow	FSC (nesting)
<i>Aniella pulchra pulchra</i>	silvery legless lizard	FSC/CSC
<i>Antrozous pallidus</i>	pallid bat	CSC/FS
<i>Aquila chrysaetos</i>	golden eagle	CSC (nesting)
<i>Buteo regalis</i>	ferruginous hawk	FSC/CSC (wintering)
<i>Calypte costae</i>	Costa's hummingbird	FSC (nesting)
<i>Carduelis lawrencei</i>	Lawrence's goldfinch	FSC (nesting)
<i>Chondestes grammacus</i>	lark sparrow	FSC (nesting)
<i>Clemmys marmorata pallida</i>	southwestern pond turtle	FSC/CSC
<i>Corynorhinus townsendii</i>	Townsend's big-eared bat	CSC/FS
<i>Dendroica occidentalis</i>	hermit warbler	FSC (nesting)
<i>Denroica petechia brewsteri</i>	yellow warbler	CSC (nesting)
<i>Elanus leucurus</i>	white-tailed kite	FSC (nesting)
<i>Empidonax difficilis</i>	Pacific-slope flycatcher	FSC (nesting)
<i>Eremophila alpestris</i>	California horned lark	CSC
<i>Haliaeetus leucocephalus</i>	bald eagle	FT/SE (nesting)
<i>Icteria virens</i>	yellow-breasted chat	CSC (nesting)
<i>Lanius ludovicianus</i>	loggerhead shrike	FSC/CSC
<i>Lasiurus blossevillii</i>	western red bat	CSC/FS
<i>Linderiella occidentalis</i>	California linderiella	FSC
<i>Myotis ciliolabrum</i>	small-footed myotis	FSC

<i>Myotis volans</i>	myotis	FSC
<i>Myotis yumanensis</i>	yuma myotis	FSC
<i>Oncorhynchus mykiss</i>	southern steelhead	FT/CSC
<i>Progne subis</i>	purple martin	CSC
<i>Rana aurora draytonii</i>	California red-legged frog	FT/CSC
<i>Scaphiopus hammondi</i>	Western spadefoot toad	FSC/CSC
<i>Taricha torosa torosa</i>	coast range newt	CSC
<i>Taxidea taxus</i>	American badger	S
<i>Thamnophis sirtalis infernalis</i>	California red-sided garter snake	CSC
<i>Toxostroma redivivum</i>	California thrasher	FSC
Status Codes: <i>California Native Plant Society (CNPS)</i> List 1B = rare, threatened, or endangered in California and elsewhere\ List 4 = limited distribution	<i>Federal</i> FT = Federally Threatened FE = Federally Endangered FSC= Federal Species of Concern FS = Full Species <i>State</i> ST=State Threatened SE = State Endangered SR = State Rare CSC = California Species of Concern S = Sensitive	

In addition to the above listed species, thirteen bird species were observed foraging onsite, but were not observed nesting, as shown in Table Three below. These species are only considered sensitive by the United States Fish and Wildlife Service (USFWS) and California Department of Fish and Game (CDFG) when nesting.

**TABLE THREE
DOCUMENTED NON-NESTING BIRD SPECIES**

Scientific Name	Common Name	Status
<i>Agelaius tricolor</i>	tricolored blackbird	FSC (nesting)
<i>Ardea alba</i>	great egret	S (rookery)
<i>Ardea herodias</i>	great blue heron	S (rookery)
<i>Circus cyaneus</i>	northern harrier	FSC (nesting)
<i>Falco mexicanus</i>	prairie falcon	CSC (nesting)
<i>Melanerpes lewis</i>	Lewis' woodpecker	FSC (nesting)
<i>Nycticorax nycticorax</i>	black-crowned night heron	S (rookery)
<i>Pandion haliaetus</i>	osprey	CSC (nesting)
<i>Pelicanus erythrorhynchos</i>	American white pelican	CSC (nesting)

<i>Selasphorus rufus</i>	Rufous hummingbird	S (nesting)
<i>Selasphorus sasin</i>	Allen's hummingbird	FSC (nesting)
<i>Sphyrapicus ruber</i>	red-breasted sapsucker	FSC (nesting)
<i>Xanthocephalus xanthocephalus</i>	yellow-headed blackbird	S (nesting)
Status Codes: <i>Federal</i> FT = Federally Threatened FE = Federally Endangered FSC= Federal Species of Concern	<i>State</i> ST=State Threatened SE = State Endangered SR = State Rare CSC = California Species of Concern S = Sensitive	

Native and/or Important Vegetation. Based on the results of the inventory, native and important vegetation present on the project site include blue oak trees (*Quercus douglasii*), valley oak trees (*Quercus lobata*), coast live oak trees (*Quercus agrifolia*), and scrub oak trees (*Quercus berberidifolia*). In addition to oak woodland, the project site supports native plant communities including chamise chaparral and perennial grassland.

Wetland and Riparian Habitat. Four main creeks flow through the Ranch as shown in Figure 2, including Rinconada Creek, Trout Creek, Yerba Buena Creek, and Santa Margarita Creek. Several un-named drainages, ephemeral pools, and stock ponds are also present. Vegetative communities within these aquatic areas include riparian woodland and emergent wetlands. A *Wetland/U.S. Waters Delineation* report was prepared for the project site (Olberding Environmental, Inc.; February 2000). The Ranch was surveyed in November and December of 1999. Based on the results of the report, 275.01 acres of potential wetland habitat, 32.73 acres of potential U.S. waters, and 10.74 acres of intermittent drainages were identified onsite.

Wildlife Corridors. Based on the results of the inventory report, 234 wildlife species were documented within the Ranch. These species currently utilize the Ranch for habitat, foraging, nesting, mating, and migration.

Impacts.

Agricultural Residential Cluster

Implementation of the proposed agricultural residential cluster has been designed to minimize impacts to a variety of special-status species and their habitat, including plants, oak trees, terrestrial and aquatic wildlife species, nesting birds, and bats. Trout Creek is located 1,000 feet east of the area proposed for residential development, and immediately west of a proposed winery and ranch headquarters location. The applicant is proposing a 100-foot residential buffer zone from all major named creeks. Several seasonally-intermittent drainages are located throughout the areas proposed for development. Potentially significant impacts to special-status species and sensitive habitat types during the construction phases of the proposed project may include loss or harm to special-status species, disruption of wildlife by the use of loud equipment, the potential for fuel/oil spills and leaks, erosion and down-gradient sedimentation, removal of vegetation, and increased human presence in sensitive areas. The applicant proposes to utilize the Santa Margarita Ranch Mutual Water Company for water supply, which currently has wells in the area. Increased use of groundwater resources may affect stream water flow, potentially affecting aquatic species and their habitat.

Future Development Scenario

Build-out of the future development scenario could result in potentially significant impacts to special-status species and their habitat, including plants, oak trees, terrestrial and aquatic wildlife species, nesting birds,

and bats. The applicant is proposing a 100-foot residential setback from Rinconada Creek, Trout Creek, Yerba Buena Creek, and Santa Margarita Creek. Several un-named drainages, ponds, and wetland areas are present throughout the Ranch. Potentially significant impacts to special-status species and sensitive habitat types during the construction phases of future development may include loss or harm to special-status species, the disruption of wildlife by the use of loud equipment, the potential for fuel/oil spills and leaks, erosion and down-gradient sedimentation, removal of vegetation, and increased human presence in sensitive areas. Increased use of groundwater to accommodate future development may decrease stream water flow, potentially affecting aquatic species and their habitat.

Mitigation/Conclusion.

Agricultural Residential Cluster

Impacts to biological resources must be analyzed as part of the project EIR. Existing reports, including the *Inventory of Wildlife and Plant Species* (Althouse and Meade, Inc.; September 10, 2003) and *Wetland/U.S. Waters Delineation* report and associated maps (Olberding Environmental, Inc.; February 2000) shall be used. Project-specific impacts to individual oak trees and special-status plant species must be quantified and mapped for an accurate determination of potential loss and impact inventory. Maps shall also be provided for documented and potential aquatic species habitat, nesting and roosting bird and bat habitat, all drainages, riparian, and wetland areas, and wildlife migration corridors. Consultation with the United States Fish and Wildlife Service (USFWS) and California Department of Fish and Game (CDFG) is required to assist in the determination of impacts and identification of mitigation measures. Mitigation may include additional design features to avoid identified sensitive areas, implementation of measures to avoid inadvertent impacts to sensitive species and their habitat during construction activities (i.e., pre-construction surveys for special-status wildlife species, construction crew training, installation of protection fencing, monitoring during construction, etc.), and restoration.

Future Development Scenario

Potential impacts to biological resources as a result of the future development scenario and cumulative development of surrounding areas must be analyzed as part of the Program EIR. As discussed above, existing biological reports shall be used to support identification of sensitive areas, and consultation with affected regulatory agencies is required to assist in the determination of impacts and identification of mitigation measures applicable to the entire Ranch.

5. CULTURAL RESOURCES -
Will the project:

	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
a) <i>Disturb pre-historic resources?</i>	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Disturb historic resources?</i>	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Disturb paleontological resources?</i>	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) <i>Other</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting.

Pre-historic Resources. The proposed project site is located within an area historically occupied by the Obispeño Chumash and Southern Salinan Native Americans. Portions of the Ranch were surveyed by Applied EarthWorks, Inc. for archaeological, historical and paleontological resources (*Archaeological Survey of Selected Portions of the Santa Margarita Ranch*; December 2000). Sixty-two archaeological sites were observed within the surveyed areas of the project site. Findings within these sites included a major village site, hearths, flaked and ground stone tools, bedrock mortar outcrops, and shell beads. A

Memorandum of Agreement for Cultural and Environmental Protocols (MOA) between the San Luis Obispo County Chumash Council and Santa Margarita Ranch, LLC (January 25, 2002) was prepared to address Chumash Native American concerns regarding disturbance and destruction of sensitive cultural resources of the Ranch. The MOA includes protocol for existing agricultural activities and future development on the Ranch. Protocol measures include the establishment of buffer zones around sensitive areas, pre-construction training, monitoring during ground disturbing activities, submittal of annual monitoring reports, and protocol in the instance of discovery of new archaeological sites or human remains.

Historic Resources. Thirteen historic sites were observed within the project site (EarthWorks, Inc.; December 2000). These sites contained the foundation of a historical structure, charcoal kiln, cemetery, and historical trash including ceramics, metal, nails, and glass. The Ranch also includes six Mission Era structures with remodels dating back to the 1860's, and various other heritage structures.

Paleontological Resources. The Ranch overlays a variety of geologic units, including the Franciscan Melange, Toro and Atascadero Formations, Simmler and Vaqueros Formations, Monterey and Santa Margarita Formations, Paso Robles Formation, and Older and Younger Alluvium. In San Luis Obispo County, with the exception of Younger Alluvium, these formations have produced the remains of terrestrial mollusks, crustaceans, three-spine stickleback, giant tortoise, rodent, elephant, mastodon, horse, long-horned bison, camel, mammoths, elk, bison, American lion, short-faced bear, deer, beaver, plesiosaur, sea lion, kelp, brittlestars, tuna, mackerel, scad, rockfish, pipefish, blue-footed booby, shearwater, sea hippo, dolphins, and whales. The sediments present in the formations underlying the project site contain significant, non-renewable, paleontological resources and are considered to have high paleontological significance.

Impacts.

Agricultural Residential Cluster

The proposed agricultural residential cluster is sited in the vicinity of several identified cultural resource sites. Due to the culturally sensitive nature of the Ranch, subsurface archaeological, historical, and paleontological resources may be encountered during grading and excavation activities associated with the proposed development of tract infrastructure, residences, utilities, winery structures, and improvements to existing agricultural roads.

Future Development Scenario

Future development of the project site may result in potentially significant impacts to both known and unknown archaeological, historical, and paleontological resources.

Mitigation/Conclusion.

Agricultural Residential Cluster

Impacts to archeological, historic, and paleontological resources resulting from the proposed agricultural residential cluster must be assessed as part of the project EIR. Existing survey reports shall be reviewed to identify known archaeological and historical resource sites, and areas likely to be sensitive. Peer review of these reports may be necessary. Consultation with Native American groups shall be required to assist in the identification of sensitive areas and assessment of potential impacts. An additional paleontological survey report may be necessary. Mitigation measures beyond what is required by the existing MOA (January 25, 2002) shall be identified, and may include avoidance measures, a distinction of allowable land uses sensitive to cultural resources within proposed agriculture/conservation easement areas, and additional monitoring, testing, and date recovery protocol.

Future Development Scenario

Impacts to archeological, historic, and paleontological resources as a result of the future development scenario must be assessed as part of the Program EIR, as described above. Mitigation measures beyond what is required by the existing MOA (January 25, 2002) shall be identified, and may include identification of appropriate easement areas in addition to the measures described above.

6. GEOLOGY AND SOILS -

Will the project:

	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
a) <i>Result in exposure to or production of unstable earth conditions, such as landslides, earthquakes, liquefaction, ground failure, land subsidence or other similar hazards?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Be within a CA Dept. of Mines & Geology Earthquake Fault Zone (formerly Alquist Priolo)?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) <i>Result in soil erosion, topographic changes, loss of topsoil or unstable soil conditions from project-related improvements, such as vegetation removal, grading, excavation, or fill?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) <i>Change rates of soil absorption, or amount or direction of surface runoff?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) <i>Include structures located on expansive soils?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) <i>Change the drainage patterns where substantial on- or off-site sedimentation/ erosion or flooding may occur?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) <i>Involve activities within the 100-year flood zone?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) <i>Be inconsistent with the goals and policies of the County's Safety Element relating to Geologic and Seismic Hazards?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i) <i>Preclude the future extraction of valuable mineral resources?</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j) <i>Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting/Impacts.

Geology. The topography of the Ranch ranges from gently to very steeply sloping. Portions of the Ranch property are within the Geologic Study Area (GSA) designation. The landslide risk potential ranges from low to high. Areas with slopes less than 10 percent are not prone to landslide, and evidence of known small to large landslides are generally located on slopes ranging from 25 to 50 percent. The liquefaction potential during a ground-shaking event ranges from low to high. The liquefaction potential is higher in areas of young alluvial deposits with shallow ground water levels (15 feet or less). The "Nacimiento" (extension of the Black Mountain Fault) and Rinconada Fault Zones traverse the Ranch (*Santa Margarita Ranch Environmental Constraints Analysis*, Envicom Corporation; March 1994). These fault zones are potentially active, and may cause ground-shaking, liquefaction, slope instability, and property damage in

the event of an earthquake.

Agricultural Residential Cluster

The area proposed for residential development is located outside of the GSA. A brief *Geology and Geologic Hazards* report (October 8, 2003) was prepared by Cleath and Associates to summarize potential geologic hazards within the area proposed for the cluster development, and a *Preliminary Soils Investigation* (October 23, 2003) was prepared by Buena Geotechnical Services to assess the subsurface soil conditions. Based on the results of the geology report, no major geologic hazards are present within the area proposed for residential development (Cleath and Associates; October 8, 2003). Geologic hazards noted in the vicinity of the proposed development within the Ranch include shallow water and springs, expansive and rocky soils, slope stability, and seismic hazards. Construction of the proposed winery and farm/ranch headquarters in the eastern and southeastern portions of the cluster area may expose these structures to the geologic hazards listed above in addition to Rinconada fault rupture, ground shaking, and liquefaction. The soils report identified a range of soil expansion characteristics (very low to high), and a minimal potential for liquefaction (Buena Geotechnical Services; October 23, 2003).

Future Development Scenario

Implementation of the future development scenario may result in increased exposure to the geologic hazards described above. The proposed locations for future development is located outside of the Geologic Study Area. Due to the varying slopes, soil types, and geologic features of the Ranch, the future development scenario needs to be evaluated to determine the geologic hazards specific to each area of the project site.

Drainage. Four main creeks flow through the Ranch: Rinconada Creek, Trout Creek, Yerba Buena Creek, and Santa Margarita Creek. The project site contains four drainage areas associated with these creeks, all of which eventually flow into the Salinas River (Envicom Corporation; March 1994; Schaaf and Wheeler; July 1987). The Salinas River watershed empties into the Pacific Ocean at Monterey Bay, approximately 140 miles northwest of Santa Margarita. 100-year flood zones are associated with portions of these four creeks throughout the Ranch.

Agricultural Residential Cluster

The proposed residential development and one of the proposed wineries and farm/ranch headquarters would be located within the Trout Creek drainage area. The second winery and farm/ranch headquarters would be located within the Rinconada Creek drainage area. The existing bridge located where Highway 58 crosses Trout Creek approximately 1,000 feet east of the residential development is currently insufficient to handle 100-year flood events (Envicom Corporation; March 1994). A portion of the proposed residential and winery/ranch headquarters sites are located in an area that is subject to inundation or boggy soil conditions during major rain events. Several seasonal unnamed drainages to Trout and Rinconada Creeks are located within the site. Implementation of proposed development would result in changes to existing drainage patterns, and may modify existing flow rates. Stormwater detention should be evaluated. A *Preliminary Drainage Study* prepared by EDA (March 29, 2004) for the proposed project indicates that detention features may be required onsite to mitigate any incremental increase in drainage flow generated by the proposed project.

Future Development Scenario

Implementation of the future development scenario could result in an increase of impervious surfaces. A *Flood Control and Drainage Investigation* report was prepared by Shaaf and Wheeler (July 1, 1987) to assess flooding and drainage conditions on the Ranch and within the Santa Margarita area. The report concluded that flooding and drainage issues associated with Santa Margarita Creek and Yerba Buena Creek primarily affect the communities of Garden Farms and Santa Margarita. Cumulatively, the additional development within currently undeveloped areas may significantly affect drainage flow direction and rates both on-site and off-site.

Erosion and Sedimentation. The soil types mapped for the proposed project site range from low to high erodibility. Generally, slopes greater than 25 percent and slopes less than 25 percent with high erosion hazard characteristic have the higher potential for erosion. These areas are generally located in the southern and far eastern portions of the Ranch, and along major waterways.

Agricultural Residential Cluster

The proposed residential cluster could potentially result in the disturbance of approximately 145 acres of ground disturbance within the Trout Creek drainage area. Additional disturbance resulting from construction of the proposed wineries and farm/ranch headquarters would also contribute to ground disturbance within both the Trout and Rinconada Creek drainage areas. The soil erosion hazard within the proposed project site varies from low to high. Proposed site disturbance would likely result in soil erosion and down-gradient sedimentation into Trout Creek, Rinconada Creek, and subsequently the Salinas River.

Future Development Scenario

Implementation of the future development scenario could result in increased site disturbance, erosion, and down-gradient sedimentation into creeks and drainages, and eventually the Salinas River, resulting in a potentially significant impact.

Mitigation/Conclusion.

Agricultural Residential Cluster

The potential geologic and soil impacts of the proposed cluster project related to ground-shaking, drainage, flood hazards, erosion and sedimentation must be assessed as part of the required project EIR. These assessments should be based on previously completed geological reports prepared for the site, including the *Santa Margarita Ranch Environmental Constraints Analysis* (Envicom Corporation; March 1994) and *Geology and Geologic Hazards for the Proposed Tract Map* (Cleath and Associates; October 8, 2003). Consultation with the County Geologist shall be required to determine if additional fault delineation and seismic analysis is necessary. Project-specific mitigation measures related to slope stability, effects of ground-shaking, drainage management, and erosion prevention may be necessary to mitigate potentially significant geology and soils impacts to levels of insignificance.

Future Development Scenario

The potential geologic and soils impacts resulting from the future development scenario and cumulative development of the area must be assessed as part of the Program EIR, as described above. Project-specific mitigation measures may be required for identified projects, and general mitigation measures may be applied throughout the Ranch, such as avoidance of known steep slopes (over 30 percent), fault lines, and flood hazard areas.

7. HAZARDS & HAZARDOUS MATERIALS - Will the project:

	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
a) <i>Result in a risk of explosion or release of hazardous substances (e.g. oil, pesticides, chemicals, radiation) or exposure of people to hazardous substances?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Interfere with an emergency response or evacuation plan?</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Expose people to safety risk associated with airport flight pattern?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. HAZARDS & HAZARDOUS MATERIALS - Will the project:

	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
d) <i>Increase fire hazard risk or expose people or structures to high fire hazard conditions?</i>	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) <i>Create any other health hazard or potential hazard?</i>	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) <i>Other</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting. Several existing activities within and adjacent to the project site involve the storage, use, and transportation of hazardous materials. Existing stationary sites outside the Ranch include a sand and gravel quarry, the Santa Margarita petroleum pump station, petroleum and gas pipelines, two historic dump locations, and a private waste disposal site. The Union Pacific Railroad, Highway 101, Highway 58, El Camino Real, and Pozo Road may be utilized as corridors to transport hazardous materials.

Ordinary and emergency access into the Ranch is currently provided by agricultural roads. A small private airstrip is located within the Ranch, which is currently used for agricultural purposes. The project site is within high to very high fire hazard zones, and surrounding areas have been subject to several major wildfires in the past twenty years.

Impacts.

Agricultural Residential Cluster

The proposed location of the cluster development is not in the immediate vicinity of any identified stationary sources of hazardous materials. The Highway 58 and Pozo Road transportation corridors located immediately east of the project site may pose a risk due to accidental spill during transportation of hazardous materials on these roads. Construction and operation of the proposed residential project is not anticipated to require the use of hazardous materials. Operation of the existing vineyards and ranching activities include the storage of fuels, oils, pesticides, and other potentially hazardous materials. In the event of a spill, potential impacts could occur including the release of hazardous materials. Safety plans and procedures are part of the present Ranch operations.

The cluster development includes improvement of existing agricultural roads, including two access points onto Pozo Road. The applicant is proposing to limit use of the existing air strip for agricultural, private, and guest use only. Flight patterns located above residential areas increases the potential hazard caused by a plane crash. The location of the residential development within a high fire hazard area results in the increased exposure of people and their homes to potential wildfire.

Future Development Scenario

Proposed uses in the northern portion of the Ranch, including wineries, ranch headquarters, the bed and breakfast, café, and amphitheater are located in the general vicinity of existing pipelines. The future development scenario for the project site does not include any industrial or manufacturing land uses, however, the current agricultural operations and the future winery operations, agricultural processing facilities, golf course, and community swimming pool may require the storage and use of fuels, oils, fertilizers, pesticides, and chemicals. In the event of a spill, potential impacts could occur including the release of hazardous materials.

Use of the private airstrip and further development of the Ranch could increase the potential flight pattern hazards, including incidental plane crash. Future development of the Ranch within high and very high fire

hazard zones increases the exposure of people, structures, and property to wildfire.

Mitigation/Conclusion.

Agricultural Residential Cluster

The potential impacts resulting from the storage and use of potentially hazardous materials, construction of residential uses within the vicinity of the private airstrip, and proposed development within a high fire hazard zone must be assessed as part of the project EIR. Consultation with the County Agriculture Department, County Environmental Health Department, and California Department of Forestry/County Fire (CDF) shall be required during the assessment of impacts and identification of mitigation measures. Mitigation measures related to the storage and use of potentially hazardous materials may include the preparation and implementation of a spill contingency and clean-up plan, a hazardous materials storage plan, and emergency evacuation plan. A *Fire Safety Plan* would be required by CDF, which would likely include identification of approved secondary and/or emergency access routes, construction of a hydrant and/or fire water storage system, vegetation clearance, installation of interior sprinklers, and use of fire retardant materials.

Future Development Scenario

Potential hazard materials and natural hazard impacts must be assessed in the Program EIR as described above. Mitigation measures may include general policies or programs applicable to the future development of the Ranch, such as the determination of hazardous materials buffer zones, identification of restriction zones for airplane flight patterns, and an emergency evacuation plan in the event of a wildfire.

8. NOISE - Will the project:

	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
a) <i>Expose people to noise levels which exceed the County Noise Element thresholds?</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Generate increases in the ambient noise levels for adjoining areas?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Expose people to severe noise or vibration?</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) <i>Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting/Impacts. Based on the County *Noise Element* (May 1992), Highway 101, Highway 58, El Camino Real, Pozo Road, and the Union Pacific Railroad are the major sources of transportation-related noise affecting the Ranch. The existing private air strip, sand and gravel quarry/asphalt batch plant located adjacent to the northeast corner of the Ranch, and transport trucks on Quarry Road also contribute to existing noise levels.

The County *Noise Element* states that maximum acceptable levels of transportation-related noise exposure for noise sensitive land uses is 60 Ldn (outdoor activity areas) and 45 Ldn (interior spaces). The maximum acceptable levels of stationary noise exposure for noise sensitive land uses is 50 Leq (average hourly) during daytime hours (7:00 a.m. to 10:00 p.m.) and 45 Leq during nighttime hours (10:00 p.m. to 7:00 a.m.).

Exterior noise exposure exceeding 60 Ldn is conditionally acceptable, and exterior noise levels exceeding 70 Ldn for residential uses and 75 Ldn for other noise sensitive uses is unacceptable.

New sources of noise, or increases in the ambient noise level include, but are not limited to, transportation-

related noise caused by additional trips to new residential, commercial, and retail areas, special events, and the use of loud equipment during construction and existing operations.

Agricultural Residential Cluster

The proposed residential cluster, a noise sensitive land use, is located an adequate distance from stationary noise sources; however, the eastern portions of the development may be subject to transportation related noise on Highway 58 and Pozo Road. The development is not proposed to be located adjacent to these roadways, but may be within the 60-65 Ldn noise contour, resulting in a potentially significant noise exposure impact. In addition, the residences may be affected by short-term noise associated with the use of the private air strip.

Construction of the proposed residential development, wineries, and ranch headquarters could result in a temporary increase in noise. The 112-unit residential development would likely generate 1,075 daily trips, which would contribute to increases in the ambient noise level in the Santa Margarita area and along transportation routes including Highway 101, Highway 58, El Camino Real, Pozo Road, and local streets within the community of Santa Margarita. Operation of the winery, including special events, would also contribute to increased noise in the area. These increases in ambient and transportation-related noise may result in potentially significant noise impact.

Future Development Scenario

The future development scenario includes the following noise sensitive land uses: residential dwellings, lodge, bed and breakfast, amphitheater, parkland, and a community swimming pool. The location of these proposed land uses are generally in the vicinity of the Union Pacific Railroad and major roadways, including Highway 101, Highway 58, El Camino Real, and Pozo Road. Noise exposure exceeding 60 Ldn (exterior) and 45 Ldn (interior) would result in potentially significant noise impacts.

Implementation of the future development scenario could result in increased transportation-related noise on major roadways and local roads in the area. Operation of the winery, feed lot, community pool, golf course, and amphitheater would generate noise during special events and daily use potentially exceeding allowable noise levels for noise-sensitive residential uses within the community of Santa Margarita.

Mitigation/Conclusion.

Agricultural Residential Cluster

Noise impacts resulting from the proposed residential cluster including noise exposure, increased ambient noise level, and increased transportation-related noise must be assessed as part of the project-specific analysis in the project EIR. Mitigation measures may include modifications to the proposed design and the incorporation of exterior and interior noise mitigation (i.e., earthen berms, noise walls, residential construction standards, etc.).

Future Development Scenario

Noise impacts resulting from implementation of the future development scenario and cumulative development of surrounding areas must be assessed as part of the Program EIR. Potential exposure to existing and future noise uses, and the generation of increased transportation-related noise within the Ranch, the community of Santa Margarita, and surrounding affected areas should be determined. Mitigation measures including design features and designated traffic routes may be proposed to avoid or reduce potentially significant project-specific and cumulative noise impacts.

9. POPULATION/HOUSING -
Will the project:

Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
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9. POPULATION/HOUSING -

Will the project:

	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
a) <i>Induce substantial growth in an area either directly or indirectly (e.g., through projects in an undeveloped area or extension of major infrastructure)?</i>	■	□	□	□
b) <i>Displace existing housing or people, requiring construction of replacement housing elsewhere?</i>	□	□	■	□
c) <i>Create the need for substantial new housing in the area?</i>	□	■	□	□
d) <i>Use substantial amount of fuel or energy?</i>	■	□	□	□
e) <i>Other _____</i>	□	□	□	□

Setting. Existing development within the Ranch is limited to agricultural uses, including vineyards, agricultural accessory structures, equestrian center, row crops, and grazing land. One single family residence and seven farm support housing units are located within the Ranch. There are also 35 clustered lots (36 residential units) that are under construction at the north end of the Ranch in Tract 1.

Impacts.

Agricultural Residential Cluster

Implementation of the proposed residential cluster would result in the construction of 112 additional single-family dwellings within the Ranch, and would require the extension of infrastructure including roads, water lines, use of new and existing water wells, and utilities. Implementation of the proposed project would exceed existing employment opportunities within the community of Santa Margarita and require additional services in the Santa Margarita Area.

Future Development Scenario

Implementation of the future development scenario could result in growth-inducing impacts in the Santa Margarita area. Proposed facilities including wineries, the guest ranch and lodge, bed and breakfast, restaurant, café, amphitheater, swimming pool, and places of worship would create employment opportunities for existing and future residents of the community of Santa Margarita and proposed 550 total dwelling units associated with Tract 1, the agricultural residential cluster (Tract 2586), and the residential village. Infrastructure, including roads, water lines, utilities, and potentially a new waste water treatment facility would be necessary to accommodate the increase in growth.

Mitigation/Conclusion.

Agricultural Residential Cluster

Population, housing, and growth-inducing project specific and cumulative impacts must be assessed as

part of the project EIR. Determination of the housing/employment ratio and identification of future infrastructure requirements should be included in the analysis.

Future Development Scenario

Population, housing, and growth-inducing project specific and cumulative impacts must be assessed as part of the Program EIR, as described above.

10. PUBLIC SERVICES/UTILITIES - <i>Will the project have an effect upon, or result in the need for new or altered public services in any of the following areas:</i>	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Fire protection?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Police protection (e.g., Sheriff, CHP)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Schools?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Roads?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Solid Wastes?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Other public facilities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting. The Ranch is served by the California Department of Forestry/County Fire and County Sheriff. Highway 101 and Highway 58 are patrolled by the California Highway Patrol. The project site is located within the Atascadero Unified School District. Major roads within and immediately adjacent to the Ranch include Highway 101, Highway 58, El Camino Real, and Pozo Road. Solid waste collection is currently provided by a private company, for disposal at local landfills, such as the Chicago Grade Landfill.

Impacts.

Agricultural Residential Cluster

Implementation of the proposed agricultural residential cluster would increase the demand for fire and sheriff protection, increase the number of students within the Atascadero Unified School District, and increase the amount of solid waste for local disposal, potentially resulting in a project-specific and/or cumulative impact to the above listed public services.

Future Development Scenario

Implementation of the future development scenario would significantly affect public services and utilities currently serving the Santa Margarita area, and may require the construction of new facilities, or the expansion of existing facilities to accommodate increased demand.

Mitigation/Conclusion.

Agricultural Residential Cluster

The impact of the proposed agricultural residential cluster on existing public services and utilities must be assessed as part of the project EIR. Mitigation measures including contribution to the potential construction of a new fire department facility may be necessary to mitigate potential impacts to a level of insignificance. The analysis shall determine if any public improvement projects are necessary, and identify the means of implementation for improvement projects.

Future Development Scenario

The impact of the proposed future development scenario and cumulative development of the area must be assessed as part of the Program EIR. Existing public facility mitigation fee programs should be evaluated

to determine if future development fees would be adequate to mitigate for potentially significant impacts to public services. Mitigation measures including the adoption of additional development fees or establishment of capital improvement programs may be necessary to mitigate significant impacts to a level of insignificance. According to the Salinas River Area Plan, if determined to be necessary, additional public improvements may include a community drainage basin, local street and/or creek drainage improvements or clean-up, a sewage treatment plant and collection system serving ranch development, community water well and storage tank sites, realignment of Highway 58, El Camino Real improvements, and dedication of school sites as part of a future Specific Plan. In addition, any other public improvement projects, funding, and responsibility shall be identified as necessary to provide mitigation for each phase of Ranch development and the cumulative effects of Ranch development.

11. RECREATION - Will the project:

	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
a) <i>Increase the use or demand for parks or other recreation opportunities?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Affect the access to trails, parks or other recreation opportunities?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting. The County *Parks and Recreation Element* (August 1996) shows a proposed trail on the Ranch extending from the community of Santa Margarita to East Cuesta Ridge. The trail is proposed for use by hikers, bicyclists, and equestrians. Existing recreation opportunities within and adjacent to the Ranch include a community park in Santa Margarita, equestrian facilities, and Class II (on-road) bike routes on Pozo Road and Highway 58.

Impacts.

Agricultural Residential Cluster

Implementation of the proposed agricultural residential cluster subdivision would not preclude the establishment of the Santa Margarita to East Cuesta Ridge Trail. Construction of additional housing would increase the demand for recreational resources in the Santa Margarita area.

Future Development Scenario

Implementation of the proposed future development scenario would not preclude the establishment of the Santa Margarita to East Cuesta Ridge Trail. Construction of additional housing would increase the demand for recreational resources in the Santa Margarita Area. The applicants proposal includes a community swimming pool, amphitheater, horse ranch, guest ranch, lodge, and golf course.

Mitigation/Conclusion.

Agricultural Residential Cluster

Impacts to existing recreation facilities and the increased demand for recreation opportunities as a result of the proposed agricultural residential cluster subdivision must be assessed in the project EIR. Consultation with the County Department of General Service Parks and Recreation Division and the community of Santa Margarita is required to assist in the identification of potential impacts and proposed mitigation measures. The construction of additional recreation facilities in addition to the required payment of Quimby fees may be necessary to mitigate for potential impacts.

Future Development Scenario

Impacts to existing recreation facilities and the increased demand for recreation opportunities must be

assessed in the Program EIR. Consultation with the County Department of General Service Parks and Recreation Division is required to assist in the identification of potential impacts and proposed mitigation measures. In addition to the required payment of Quimby fees to offset cumulative impacts, identification of areas suitable for public parklands and recreation, and dedication of public hiking and equestrian trails connecting and looping between Santa Margarita, Garden Farms, the Los Padres National Forest, and Ranch boundary would be required by the Salinas River Area Plan to mitigate for impacts to recreational resources. Pursuant to the Salinas River Area Plan, the applicant shall consider the dedication of public parklands to accommodate passive and active recreation areas that are buffered from residential areas and streets, sized to function as mini-parks, neighborhood, community and regional parks, community center enhancement, and public separated bikeways between Santa Margarita and south Atascadero.

12. TRANSPORTATION/ CIRCULATION - Will the project:	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
a) <i>Increase vehicle trips to local or areawide circulation system?</i>	■	□	□	□
b) <i>Reduce existing “Levels of Service” on public roadway(s)?</i>	■	□	□	□
c) <i>Create unsafe conditions on public roadways (e.g., limited access, design features, sight distance, slow vehicles)?</i>	■	□	□	□
d) <i>Provide for adequate emergency access?</i>	■	□	□	□
e) <i>Result in inadequate parking capacity?</i>	□	■	□	□
1) <i>Result in inadequate internal traffic circulation?</i>	■	□	□	□
g) <i>Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., pedestrian access, bus turnouts, bicycle racks, etc.)?</i>	□	■	□	□
h) <i>Result in a change in air traffic patterns that may result in substantial safety risks?</i>	□	□	■	□
i) <i>Other _____</i>	□	□	□	□

Setting. The roadway system within Santa Margarita Ranch consists of Highway 101, Highway 58, El Camino Real, and Pozo Road. Highway 101 is a four-lane highway that runs north-south through San Luis Obispo County. Highway 58 is a two-lane arterial through Santa Margarita, and a two-lane collector east of Estrada Avenue. El Camino Real and Pozo Road are two-lane arterials.

Impacts.

Agricultural Residential Cluster

Implementation of the proposed 112-unit residential project would result in the generation of approximately 1,075 additional daily trips. The impact of this trips is not likely to impact Highway 101, a major highway,

but may reduce levels of service (LOS) on locally used roads such as Highway 58, El Camino Real, and Pozo Road. Design features such as access points for the proposed residential development and wineries on Highway 58 and Pozo Road may result in traffic safety impacts such as inadequate sight distance, hazardous intersections, and unsafe conditions for pedestrians, bicyclists, and equestrians.

Future Development Scenario

Implementation of the future development scenario may result in a cumulative decrease in LOS on affected roadways. Design features and increased traffic on these roads may result in inadequate circulation throughout the Ranch and community of Santa Margarita, and hazardous conditions, as described above. Proposed development may result in traffic and circulation impacts and hazards within the Santa Margarita School Zone (Highway 58 and H Street) and the following intersections: Highway 58 and El Camino Real, Highway 58 and Wilhelmina, and El Camino and Santa Margarita Road.

Mitigation/Conclusion.

Agricultural Residential Cluster

Transportation and circulation impacts resulting from the proposed agricultural residential cluster must be assessed as part of the project EIR. A draft traffic study has been prepared to analyze existing and future LOS and hazards on all roadways potentially affected by the proposed residential cluster, wineries, and ranch headquarters (Associated Transportation Engineers; August 25, 2004). Consultation with the County Public Works Department, California Department of Transportation, and San Luis Obispo Council of Governments is required to assess the methodology and conclusions of the traffic study report, and assist in the identification of project-specific impacts and mitigation measures. Mitigation measures related to road improvements and site design may be necessary to avoid or reduce potential impacts.

Future Development Scenario

Transportation and circulation impacts resulting from the proposed future development scenario and cumulative development of the Ranch must be assessed in the Program EIR. In addition to the requirements described above, the draft traffic study has analyzed existing and future LOS and hazards on all roadways potentially affected by the future development scenario and cumulative development of surrounding areas. Consultation with affected agencies and identification of both project-specific and cumulative impacts is required. Mitigation measures related to road improvements, site design, and the establishment of a capital improvement program or developer’s traffic mitigation fee program may be necessary to avoid or reduce potential impacts.

13. WASTEWATER - Will the project:

	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
a) <i>Violate waste discharge requirements or Central Coast Basin Plan criteria for wastewater systems?</i>	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Change the quality of surface or ground water (e.g., nitrogen-loading, daylighting)?</i>	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Adversely affect community wastewater service provider?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	■
d) <i>Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting. Domestic wastewater generated by the community of Santa Margarita and surrounding rural areas is managed by on-site septic and leach field systems. For on-site septic systems, there are several

key factors to consider for a system to operate successfully, including the soil's ability to percolate or "filter" effluent, the soil's depth and the slope on which the system is placed. To assure a successful system that meets the Central Coast Basin Plan, additional analysis or engineering is needed when one or more factors exist: the ability of the soil to "filter" effluent is either too fast (percolation rate is faster or less than 30 minutes per inch and has "poor filtering" characteristics) or is too slow (slower or more than 120 minutes per inch); the topography on which a system is placed is steep enough to potentially allow "daylighting" of effluent downslope; or the separation between the bottom of the leach line to bedrock or high groundwater is less than five feet.

Based on the NRCS Soil Survey, the main limitation(s) of the underlying soil types for wastewater effluent include: poor filtering, slow percolation, steep slopes, depth to rock, and floods.

Poor Filtering Characteristic. This characteristic indicates that due to the very permeable soil; without special engineering, larger separations will be required between the leach lines and the groundwater basin to provide adequate filtering of the effluent.

Slow Percolation. This characteristic indicates that fluids may percolate too slowly through the soil for the natural processes to effectively break down the effluent into harmless components. The Basin Plan identifies the percolation rate should be less than 120 minutes per inch.

Steep Slopes. This characteristic indicates that portions of the soil unit may contain slopes steep enough to result in potential daylighting of wastewater effluent; to achieve compliance with the Central Coast Basin Plan, additional information will be needed prior to issuance of a building permit, such as slope comparison with leach line depths, to show that there is no potential of effluent "daylighting" to the ground surface.

Shallow Depth to Bedrock. This characteristic indicates that there may not be sufficient soil depth to provide adequate soil filtering of effluent before reaching bedrock. Once effluent reaches bedrock, the chances increase for the effluent to infiltrate cracks that could lead directly to groundwater source or surrounding wells without adequate filtering, or allow for daylighting of effluent where bedrock is exposed to the earth's surface.

Floods. This characteristic indicates that the soil type is located in an area subject to flooding. Siting of septic tanks and leachfields within flood zones prohibited by the Basin Plan and County Building Code.

Impacts.

Agricultural Residential Cluster

Individual on-site septic systems and leachfields are proposed for each lot. Based on the varying slopes, soil types, and soil characteristics within the proposed area, potentially significant impacts could occur if soil constraints are too severe to safely handle standard septic systems. Preliminary percolation tests have been performed in various locations on the site (Buena Geotechnical; October 23, 2003). These tests indicate that percolation rates vary from 20 to 60 minutes per inch.

Future Development Scenario

Implementation of the future development scenario and cumulative build-out of the Ranch may result in potentially significant wastewater impacts related to varying soil limitations.

Mitigation/Conclusion.

Agricultural Residential Cluster

Potential soil limitations for the proposed on-site septic and leach field systems proposed as part of the agricultural residential cluster subdivision must be assessed as part of the project EIR. Consultation with the County Environmental Health Department and Regional Water Quality Control Board is required to assess potential impacts associated with the discharge of domestic effluent from the proposed residences and other effluent from the proposed wineries. Mitigation measures may include the construction of engineered systems.

Future Development Scenario

Potential soil limitations for the proposed on-site septic and leach field systems must be assessed as part of the Program EIR, as described above. Construction of a new wastewater treatment facility to serve the Ranch and community of Santa Margarita may be necessary if soil limitations prohibit the cumulative installation of on-site septic and leach field systems. Impacts resulting from the construction of a new facility, if necessary, must be analyzed in the Program EIR. Mitigation measures may include the construction of engineered systems and/or a new wastewater treatment facility.

14. WATER - Will the project:

	Potential ly Significa nt	Impact can & will be mitigate d	Insignifica nt Impact	Not Applicab le
a) Violate any water quality standards?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Discharge into surface waters or otherwise alter surface water quality (e.g., turbidity, temperature, dissolved oxygen, etc.)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Change the quality of groundwater (e.g., saltwater intrusion, nitrogen-loading, etc.)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4) Change the quantity or movement of available surface or ground water?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Adversely affect community water service provider?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting.

Surface Water. Four main creeks and associated drainages flow through the Ranch, as discussed in Section 6.

Water Supply. Portions of the Santa Margarita area, including portions of the Ranch, are located above the Paso Robles Groundwater Basin and Santa Margarita Formation. In addition, alluvial aquifers exist in portions of the Ranch and Santa Margarita area. Over twenty groundwater wells have been drilled on the Ranch since 1994. The wells are located throughout portions of the Ranch and provide water for the existing domestic and agricultural uses. In addition to onsite wells, the Santa Margarita Ranch participated in planning phases of the Nacimiento Water Project and was included in the Environmental Impact Report certified by the San Luis Obispo County Board of Supervisors on January 6, 2004. On May 18, 2004, the Board of Supervisors also approved a policy to consider a cooperative arrangement between the Ranch and San Luis Obispo County Service Area No. 23 (CSA No. 23), which provides water service to the town of Santa Margarita, if CSA No. 23 participates in the State Water Project.

The quality of groundwater underlying the Ranch is poor, and tested samples contained isolated elevated concentrations of iron, sodium, manganese, nitrate, hydrogen sulfide gas, and coliform bacteria. Based on the *Santa Margarita Ranch Constraints Analysis* (Envicom Corporation; March 1994), use of groundwater for development within the Ranch is limited by water supply, inadequate pumping rates, and poor quality. The applicant submitted a *Draft Ground Water Supply Impacts Study* report prepared by Cleath and Associates (January 2004), which assesses the availability of water to serve the proposed project. The

draft report concludes that “water quality of ground water from [the Paso Robles and Santa Margarita Formations] is generally quite good, although locally there may be some iron and manganese that may require treatment for domestic use” (Cleath and Associates; January 2004).

The Santa Margarita Urban Area is currently served by County Service Area (CSA) 23. Based on the *Annual Resource Summary Report* (2003), existing wells within the service area are not adequate to serve the existing water demand within the Urban Reserve Line (URL), and the CSA is currently at Level of Severity III. A technical memorandum on the “Groundwater Resources of CSA 23 – Santa Margarita,” prepared by Todd Engineers (October 2004), however, indicates that a sufficient supply may exist for the needs of CSA 23 but that “additional agricultural and/or residential development of the surrounding Santa Margarita Ranch based on groundwater is uncertain and additional demands will reduce the reliability of the alluvial aquifer as a source of groundwater” (for CSA 23). CSA No. 23 has also identified off-site sources for water, including the recently approved Nacimiento Water Project. The County of San Luis Obispo has entitlement to 17,500 acre-feet of Lake Nacimiento water, and the proposed project involves the distribution of the water via pipelines to areas of the County with inadequate groundwater supply, such as Santa Margarita. Another source of off-site water for Santa Margarita may be the State Water Project. The State Water Project is controlled by the California Department of Water Resources, and provides water throughout California. A supplement to the State Water Environmental Impact Report (certified 1993) is currently being prepared for CSA 23 to evaluate acquiring State Water as a source of off-site water. Lastly, opportunities for CSA No. 23 to work with the Ranch to provide emergency supplemental water in conjunction with State Water are being explored.

Impacts.

Surface Water. Potential impacts to surface water are discussed in Sections 4 (Biological Resources), 6 (Geology and Soils), and 13 (Wastewater), and may include the discharge of pollutants including sediment, fuels, oils, pesticides, fertilizers, and sewage effluent into surface and ground water.

Water Supply.

Agricultural Residential Cluster

The applicant is proposing to utilize the Santa Margarita Ranch Mutual Water Company for domestic water supply. Proposed water service improvements associated with the residential development would include two water storage tanks (188,000 gallons each), looped water mains, and service line connections to each proposed parcel. Other existing wells, ponds and reservoirs would continue to be used for cattle water, crop irrigation, and recreation. The *Draft Ground Water Supply Impacts Study* assumed the water demand for the proposed residential uses associated with the agricultural residential cluster would be 0.9 acre-feet per year (afy) per parcel, which totals approximately 100 afy for 112 single family residences. The report also concludes that use of groundwater by the proposed project would potentially lower ground water levels and production capacity in other wells in the vicinity, and the use of wells near streams and riparian vegetation can influence stream flow and water supply available for riparian vegetation (Cleath and Associates; January 2004). The applicant proposes to encourage water conservation measures including residential drip irrigation and use of drought-tolerant landscape plants. Additional water supply could be provided by the installation of additional wells, the Nacimiento Water Project and, through a cooperative agreement with CSA No. 23, the State Water Project.

Future Development Scenario

The applicant proposes to utilize the Santa Margarita Mutual Water Company and/or established onsite groundwater sources to serve the proposed development. The Nacimiento Water Project and, through a cooperative agreement with CSA No. 23 - the State Water Project, may be considered as alternative sources of water supply for the future development scenario.

Mitigation/Conclusion.

Agricultural Residential Cluster

The impact of the proposed residential cluster including proposed agricultural uses on water supply must

be assessed as part of the project EIR. A hydro-geological report is required to assess available water supply, existing and future cumulative demands, and identify feasible measures to obtain the water supply necessary to support the proposed project without impairing water use by surrounding areas. Consultation with the County Public Works Department is required to assist in the identification of water supply impacts and development of mitigation measures. In addition to water conservation measures proposed by the applicant, additional enforceable conservation measures and use of recycled water may be appropriate.

Future Development Scenario

The impact of the proposed future development scenario, cumulative development of the area (including agricultural uses) on water supply must be assessed as part of the Program EIR. A hydro-geological report and consultation with affected agencies are required as described above. In addition to water conservation measure, establishment of developer’s mitigation fee program may be necessary to mitigate the project’s affect on water supply.

15. LAND USE - Will the project:	Inconsiste nt	Potentially Inconsiste nt	Consiste nt	Not Applicab le
a) Be potentially inconsistent with land use, policy/regulation (e.g., general plan [county land use element and ordinance], local coastal plan, specific plan, Clean Air Plan, etc.) adopted to avoid or mitigate for environmental effects?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Be potentially inconsistent with any habitat or community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Be potentially inconsistent with adopted agency environmental plans or policies with jurisdiction over the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be potentially incompatible with surrounding land uses?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting/Impacts. The Ranch consists of 14,000 acres of ranch land, currently supporting a range of agricultural uses including a vineyard, crop land, grazing land, farm support quarters, agricultural accessory structures, private air strip, and an equestrian facility. Adjacent land uses include: Highway 101, scattered single-family residences, and agricultural land uses to the west; the Salinas River, scattered single-family residences, agricultural uses, and quarries to the east; the community of Garden Farms, the City of Atascadero, single-family residences, and agricultural accessory uses to the north; and, primary undeveloped areas and trails associated with the Los Padres Forest to the south. There is a potential for land use incompatibility between existing agricultural operations and proposed residential and commercial development, and between the proposed future development scenario and the community of Santa Margarita.

The proposed project is subject to planning area standards listed in the Salinas River Area Plan (Rural Area Standards, Santa Margarita), the County Land Use Ordinance, the County General Plan, and the Clean Air Plan.

Mitigation/Conclusion. The land use impacts of the proposed project must be assessed as part of the project and Program EIR. A plans and policies consistency analysis shall also be included. The EIR shall identify the uses that are consistent, and the uses that are not consistent with the Salinas River Area Plan. The EIR shall also identify the General Plan Amendments that would be necessary to bring the proposed use into compliance with the Salinas River Area Plan (i.e. change in land use designation). Mitigation measures including buffer areas, setbacks, and design modifications may be required to avoid or minimize land use incompatibility or inconsistency impacts.

16. MANDATORY FINDINGS OF SIGNIFICANCE - Will the project:

Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
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- a) *Have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?*

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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- b) *Have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current project's, and the effects of probable future projects)*

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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- c) *Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?*

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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For further information on CEQA or the county's environmental review process, please visit the County's web site at "www.sloplanning.org" under "Environmental Review", or the California Environmental Resources Evaluation System at "http://ceres.ca.gov/topic/env_law/ ceqa/ guidelines/" for information about the California Environmental Quality Act.

H:\SM Ranch\NOP\FinalNOP.wpd

Exhibit A - Initial Study References

The following checked (“_”) reference materials have been used in the environmental review for the proposed project and are hereby incorporated by reference into the Initial Study. The following information is available at the County Planning and Building Department.

<input type="checkbox"/> Project File for the Subject Application	<input type="checkbox"/> Salinas River Area Plan and Update EIR
<u>County documents</u>	<input type="checkbox"/> _____ Circulation Study
<input type="checkbox"/> Airport Land Use Plans	<u>Other documents</u>
<input type="checkbox"/> Annual Resource Summary Report	<input type="checkbox"/> Archaeological Resources Map
<input type="checkbox"/> Building and Construction Ordinance	<input type="checkbox"/> Area of Critical Concerns Map
<input type="checkbox"/> Coastal Policies	<input type="checkbox"/> Areas of Special Biological Importance Map
<input type="checkbox"/> Framework for Planning (Coastal & Inland)	<input type="checkbox"/> California Natural Species Diversity Database
<input type="checkbox"/> General Plan (Inland & Coastal), including all maps & elements; more pertinent elements considered include:	<input type="checkbox"/> Clean Air Plan
<input type="checkbox"/> _____ Agriculture & Open Space Element	<input type="checkbox"/> Fire Hazard Severity Map
<input type="checkbox"/> _____ Energy Element	<input type="checkbox"/> Flood Hazard Maps
<input type="checkbox"/> _____ Environment Plan (Conservation, Historic and Esthetic Elements)	<input type="checkbox"/> Natural Resources Conservation Service Soil Survey for San Luis Obispo County
<input type="checkbox"/> _____ Housing Element	<input type="checkbox"/> Regional Transportation Plan
<input type="checkbox"/> _____ Noise Element	<input type="checkbox"/> Uniform Fire Code
<input type="checkbox"/> _____ Parks & Recreation Element	<input type="checkbox"/> Water Quality Control Plan (Central Coast Basin - Region 3)
<input type="checkbox"/> _____ Safety Element	<input type="checkbox"/> Other
<input type="checkbox"/> Land Use Ordinance	<input type="checkbox"/> Other
<input type="checkbox"/> Real Property Division Ordinance	
<input type="checkbox"/> Trails Plan	
<input type="checkbox"/> Solid Waste Management Plan	

In addition, the following project-specific information and/or reference materials have been considered as a part of the Initial Study:

Althouse and Meade. July 23, 2003. *Inventory of Wildlife and Plant Species*.

Althouse and Meade. September 10, 2003. *Inventory of Wildlife and Plant Species on the Six Rancho Parcels of the Santa Margarita Ranch*.

Applied EarthWorks, Inc. December 2000. *Archaeological Survey of Selected Portions of the Santa Margarita Ranch*.

Associated Transportation Engineers. August 25, 2004. *Draft Traffic and Circulation Study*.

Buena Geotechnical Services. October 23, 2003. *Preliminary Soils Investigation for Tract 2586*.

California Department of Conservation Division of Land Resources Protection. 2000. San Luis Obispo County Important Farmland Map 1998.

Cleath and Associates. October 8, 2003. *Geology and Geologic Hazards*.

Cleath and Associates. January 2004. *Draft Ground Water Supply Impacts Study*.

Engineering Development Associates. March 29, 2004. *Preliminary Drainage Report*.

Envicom Corporation. March 1994. *Santa Margarita Ranch Environmental Constraints Analysis.*

Fugro-McClelland (West), Inc. June 1993. *Final Program Environmental Impact Report for the Draft Salinas River Area Plan.*

Olberding Environmental, Inc. February 2000. *Wetland/U.S. Waters Delineation.*

Shaaf and Wheeler. July 1, 1987. *Flood Control and Drainage Investigation of the Santa Margarita Ranch and Surrounding Area.*



STATE OF CALIFORNIA
Governor's Office of Planning and Research
State Clearinghouse and Planning Unit



Arnold
Schwarzenegger
Governor

Jan Boel
Acting Director

Notice of Preparation

November 19, 2004

To: Reviewing Agencies
Re: Santa Margarita Ranch Ag Cluster Subdivision
SCH# 2004111112

Attached for your review and comment is the Notice of Preparation (NOP) for the Santa Margarita Ranch Ag Cluster Subdivision draft Environmental Impact Report (EIR).

Responsible agencies must transmit their comments on the scope and content of the NOP, focusing on specific information related to their own statutory responsibility, within 30 days of receipt of the NOP from the Lead Agency. This is a courtesy notice provided by the State Clearinghouse with a reminder for you to comment in a timely manner. We encourage other agencies to also respond to this notice and express their concerns early in the environmental review process.

Please direct your comments to:

James Caruso
San Luis Obispo County
County Government Center, Room 310
San Luis Obispo, CA 93408-2040

with a copy to the State Clearinghouse in the Office of Planning and Research. Please refer to the SCH number noted above in all correspondence concerning this project.

If you have any questions about the environmental document review process, please call the State Clearinghouse at (916) 445-0613.

Sincerely,

Scott Morgan
Project Analyst, State Clearinghouse

Attachments
cc: Lead Agency

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**Document Details Report
State Clearinghouse Data Base**

SCH# 2004111112
Project Title Santa Margarita Ranch Ag Cluster Subdivision
Lead Agency San Luis Obispo County

Type NOP Notice of Preparation
Description Subdivision of a 6,050 acre site into 111 clustered lots (1.0 - 2.5 acres each), 3,633 open space easement, a 2,417 acre remainder, two wineries, two ranch headquarters.

Lead Agency Contact

Name James Caruso
Agency San Luis Obispo County
Phone (805) 781-5702 **Fax**
email
Address County Government Center, Room 310
City San Luis Obispo **State** CA **Zip** 93408-2040

Project Location

County San Luis Obispo
City
Region
Cross Streets State Highway 58 / W. Pozo Road
Parcel No. 070-09-036-038
Township N/A **Range** N/A **Section** N/A **Base** N/A

Proximity to:

Highways 58
Airports N/A
Railways UPRR
Waterways Rinconada Creek, Trout Creek, Yerba Buena Creek, Santa Margarita Creek, Salinas River
Schools Santa Margarita
Land Use Multiple Uses including vineyards, grazing and housing.
The General Plan designation is Agriculture.

Project Issues Aesthetic/Visual; Agricultural Land; Air Quality; Archaeologic-Historic; Cumulative Effects; Drainage/Absorption; Forest Land/Fire Hazard; Geologic/Seismic; Growth Inducing; Landuse; Noise; Population/Housing Balance; Public Services; Recreation/Parks; Septic System; Soil Erosion/Compaction/Grading; Solid Waste; Toxic/Hazardous; Traffic/Circulation; Vegetation; Water Quality; Water Supply; Wetland/Riparian; Wildlife

Reviewing Agencies Resources Agency; Regional Water Quality Control Board, Region 3; Department of Parks and Recreation; Native American Heritage Commission; Office of Historic Preservation; Department of Health Services; Office of Emergency Services; Department of Fish and Game, Region 3; Department of Water Resources; Department of Conservation; California Highway Patrol; Caltrans, District 5; Air Resources Board, Major Industrial Projects; Department of Toxic Substances Control

Date Received 11/19/2004 **Start of Review** 11/19/2004 **End of Review** 12/20/2004

Resources Agency

Resources Agency
Napell Gayou

Dept. of Boating & Waterways
Suzl Betzler

California Coastal Commission
Elizabeth A. Fuchs

Colorado River Board
Gerald R. Zimmerman

Dept. of Conservation
Roseanne Taylor

California Energy Commission
Environmental Office

Dept. of Forestry & Fire Protection
Allen Robertson

Office of Historic Preservation
Hans Kreuzberg

Dept. of Parks & Recreation
B. Noah Tilghman

Environmental Stewardship Section
Reclamation Board
DeeDee Jones

Santa Monica Mountains Conservancy
Paul Edelman

S.F. Bay Conservation & Dev't. Comm.
Steve McAdam

Dept. of Water Resources
Resources Agency
Naddall Gayou

Fish and Game
Scott Flint

Dept. of Fish & Game
Environmental Services Division
Donald Koch

Dept. of Fish & Game 1
Region 1

Dept. of Fish & Game 2
Region 2

Dept. of Fish & Game 3
Robert Floerke
Region 3

Dept. of Fish & Game 4
William Laudemilk
Region 4

Dept. of Fish & Game 5
Don Chadwick
Region 5, Habitat Conservation Program

Dept. of Fish & Game 6
Gabrina Gatchel
Region 6, Habitat Conservation Program

Dept. of Fish & Game 6 I/II
Tammy Allen
Region 6, Inyo/Mono, Habitat Conservation Program

Dept. of Fish & Game M
George Isaac
Marine Region

Other Departments

Food & Agriculture
Steve Shaffer

Dept. of Food and Agriculture
Dept. of General Services
Robert Steppy

Environmental Services Section
Wayne Hubbard

Dept. of Health/Drinking Water
Wayne Hubbard

Independent Commissions, Boards

Delta Protection Commission
Debbie Eddy

Office of Emergency Services
John Rowden, Manager

Governor's Office of Planning & Research
Stella Clearinghouse

Native American Heritage Comm.
Debbie Treadway

Public Utilities Commission
Ken Lewis

State Lands Commission
Jean Saffro

Tahoe Regional Planning Agency (TRPA)
Cherry Jacques

Business, Trans. & Housing

Caltrans - Division of Aeronautics
Sandy Hesnard

Caltrans - Planning
Terri Pencovic

California Highway Patrol
John Olejnik

Office of Special Projects
Housing & Community Development
Cathy Greenwell

Housing Policy Division

Dept. of Transportation

Dept. of Transportation 1
Mike Eagan
District 1

Dept. of Transportation 2
Don Anderson
District 2

Dept. of Transportation 3
Jaif Pulverman
District 3

Dept. of Transportation 4
Tim Sable
District 4

Dept. of Transportation 5
David Murray
District 5

Dept. of Transportation 6
Marc Blimbaum
District 6

Dept. of Transportation 7
Cheryl J. Powell
District 7

Dept. of Transportation 8
John Pagano
District 8

Dept. of Transportation 9
Gayle Rosender
District 9

Dept. of Transportation 10
Tom Dumas
District 10

Dept. of Transportation 11
Mario Orso
District 11

Dept. of Transportation 12
Bob Joseph
District 12

Cal EPA

Air Resources Board
Airport Projects
Jim Leimer

Transportation Projects
Kurt Karpenos

Industrial Projects
Mike Tolstrup

California Integrated Waste Management Board
Sue O'Leary

State Water Resources Control Board
Jim Hockenberry
Division of Financial Assistance

State Water Resources Control Board
Student Intern, 401 Water Quality Certification Unit
Division of Water Quality

State Water Resources Control Board
Steven Herrera
Division of Water Rights

Dept. of Toxic Substances Control
CEQA Tracking Center

Regional Water Quality Control Board (RWQCB)

RWQCB 1
Cathleen Hudson
North Coast Region (1)

RWQCB 2
Environmental Document Coordinator
San Francisco Bay Region (2)

RWQCB 3
Central Coast Region (3)

RWQCB 4
Jonathan Bishop
Los Angeles Region (4)

RWQCB 5S
Central Valley Region (5)

RWQCB 5F
Central Valley Region (5)
Fresno Branch Office

RWQCB 5R
Central Valley Region (5)
Redding Branch Office

RWQCB 6
Lahontan Region (6)

RWQCB 6V
Lahontan Region (6)
Victorville Branch Office

RWQCB 7
Colorado River Basin Region (7)

RWQCB 8
Santa Ana Region (8)

RWQCB 9
San Diego Region (9)

Other



U.S Department
of Transportation
Federal Aviation
Administration

Western-Pacific Region
Airports Division
San Francisco Airports District Office

831 Mitten Road, Suite 210
Burlingame, CA 94010-1300

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December 2, 2004

Mr. James Caruso
Project Manager
Department of Planning and Building
Environmental Division
1050 Monterey Street, Room 384
San Luis Obispo, CA 93408

Dear Mr. Caruso:

RE: Santa Margarita Ranch Tentative Tract Map and
Conditional Use Permit, Tract 2586

Thank you for notifying our office of the proposed improvements located in the County of San Luis Obispo. We have reviewed the project description for impacts to Federal Aviation Administration (FAA) programs. However, insufficient data has been provided for the FAA to make a determination regarding hazards to aviation as they relate to aviation safety and efficiency for airspace at San Luis Obispo County Regional Airport (SBP).

It is recommended that San Luis Obispo County follow the notification requirements of Federal Aviation Regulation (FAR) Part 157, *Notice of Construction, Alteration, Activation, and Deactivation of Airports*. The subject FAR contains notification requirements for all persons seeking to alter, activate or deactivate a landing area including an airport, heliport, helistop, vertiport, gliderport, ballonport, or ultralight facility.

If the proposed development includes a multi-storied structure or heliport facility the project proponent should notify the FAA by the use of form 7460-1, *Notice of Proposed Construction or Alteration*, or form 7480-1 *Notice of Landing Area Proposal*. The submittal of the forms, which are readily available via www.faa.gov, will facilitate an airspace evaluation and FAA determination regarding hazards to aviation.

The building proponent should also be made aware of the State of California, Division of Aeronautics requirements. Coordination with the State of California, Department of Transportation is recommended to confirm procedures for obtaining permits. We recommend the use of the *State of California Airport Land Use Planning Handbook*.

If you have any questions you may contact Mr. Ron Biaoco, Civil Engineer at (650) 876-2778, extension 626.

Sincerely,



Aimee L. Kratovil
Environmental Protection Specialist
San Francisco Airports District Office
831 Mitten Road, Room 210
Burlingame, CA 94010
Phone: (650) 876-2778 extension 612
Fax: (650) 876-2733

cc: Klaasje Nairne



United States
Department of
Agriculture

Forest
Service

Los Padres
National Forest
Santa Lucia
Ranger District

1616 North Carlotti Drive
Santa Maria, CA 93454
(805) 925-9538
TDD: (805) 925-7388

File Code: 1560

Date: December 16, 2004

Department of Planning and Building
County Government Center
San Luis Obispo, CA 93408

ATTN: James Caruso, Project Manager

Dear James Caruso,

This letter is in response to your Notice Of Preparation of a Draft Environmental Impact Report for Santa Margarita Ranch Tentative Tract Map and Conditional Use Permit, Tract 2586.

The Los Padres National Forest, Santa Lucia Ranger District, is adjacent to this project. District employees are very interested in the future uses of this area. Although the Forest Service has no jurisdiction or permitting responsibilities for the project, the Forest will be affected by the future development. The following potential direct and indirect effects should be considered.

1) The project is adjacent to the Santa Lucia Wilderness. No motorized access in this area is allowed. Past experience with similar developments demonstrates that the residents will want to access the National Forest adjacent to their homes. ~~We recommend a planned trail system to provide non-motorized access to the Forest.~~ We would like to work with the County and the Developer so that any trail system leading to the Forest will be both efficient and environmentally sound. Whatever non-motorized trail access is developed from the development to the National Forest should also be open to the general public. This will concentrate use on one managed trail system, and will ensure that no one group has exclusive access to the Forest.

2) Ground water use associated with the project area could lower the water table and thus affect the amount and levels of water on the National Forest, which is above the project area in the watershed. Extracting ground water could negatively impact the water dependent vegetation and wildlife uphill from the project. The extent of this impact should be analyzed if ground water extraction is proposed.

3) Fire is a natural component of the ecosystem in this area. All planning should consider the space needed for creating fire safe zones on private land. National Forest lands should not be considered available for manipulation in order to achieve protection goals for defensible space.

If you want additional information on the adjacent Forest, the four Southern California Forests, including the Los Padres National Forest, are currently undergoing revision to the Land and Resource Management Plan. This document will be completed by October 1, 2005. Management of the land adjacent to the project will not change between the old and new Forest Plans, because it is wilderness. Information regarding this plan and any other questions can be

essential impact
rec
refer to
Bio
job safety



obtained by contacting the Santa Lucia Ranger District. Please contact myself or Michael Crain,
Lands and Recreation Officer at 1616 N. Carlotti Drive, Santa Maria, CA 93454, 805-925-9538.

Thank you for the opportunity to comment on this project.

A handwritten signature in black ink, appearing to read 'Kathleen Phelps', written in a cursive style.

KATHLEEN PHELPS
District Ranger



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
 NATIONAL MARINE FISHERIES SERVICE
 Southwest Region
 777 Sonoma Ave., Room 325
 Santa Rosa, CA 95404-6528

December 23, 2004

In Response refer to:
 151422SWR2004SR20188:JEA

Mr. James Caruso, Project Manager
 Department of Planning and Building
 County Government Center
 San Luis Obispo, California 93408

Dear Mr. Caruso:

Thank you for the opportunity to comment on the Notice of Preparation of a Draft Environmental Impact Report (DEIR) for the Santa Margarita Ranch Tentative Tract Map and Conditional Use Permit, Tract 2586. The proposed project consists of 1) an agricultural residential cluster subdivision, and 2) a future development scenario on the Santa Margarita Ranch (the Ranch). The Ranch totals approximately 14,000 acres, and is located east of Highway 101, surrounded by the community of Santa Margarita, San Luis Obispo County, California.

The project proposes to utilize the Santa Margarita Ranch Mutual Water Company for domestic water supply and establish onsite groundwater sources to serve the proposed future development. Over 20 groundwater wells have been drilled on the Ranch since 1994. The project has the potential to adversely impact stream flow in the tributaries flowing through the Ranch. These streams are Santa Margarita Creek, Yerba Buena Creek, Trout Creek and Rinconada Creek, tributaries to the Salinas River.

The National Marine Fisheries Service (NOAA Fisheries) is concerned increased use of ground water will adversely impact South-Central California Coast Evolutionarily Significant Unit (ESU) steelhead, listed as threatened under the Endangered Species Act (ESA) of 1973. Steelhead are present in the tributaries flowing through the Ranch. Populations of steelhead within the South-Central California Coast ESU are at critically low levels. Any adverse impacts to them must be minimized to assure that these species do not become extinct. Decreasing flows in the affected streams can delay the migration of upstream adults and downstream juveniles within the system. Decreased flows can attribute to increased water temperatures and a decrease in water quality, both detrimental to salmonids. NOAA Fisheries recommends the DEIR address water usage plans so there will be *no decrease* in streamflows and groundwater levels. We recommend the DEIR analyze alternative water supply options that do not utilize local groundwater or streamflow as a water source.

NOAA Fisheries is also concerned the proposed project will increase soil erosion and increase sedimentation in the streams. Increased sedimentation impacts spawning and rearing habitat of steelhead. The DEIR should address these potential impacts to a listed species.

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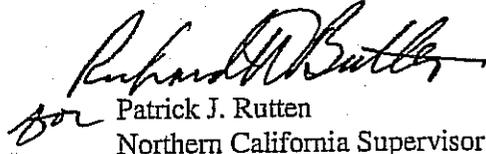
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NOAA Fisheries would like the opportunity to review and comment on the DEIR when complete. Please add us to your notification mailing list. If you have any questions concerning the above comments, please contact Ms. Joyce Ambrosius at (707) 575-6064 or joyce.ambrosius@noaa.gov.

Sincerely,


for Patrick J. Rutten
Northern California Supervisor
Protected Resources Division

cc: J. Lecky, NOAA Fisheries
T. Gaffney, NOAA OLE
K. Urquhart, CDFG, Monterey
S. Henry, USFWS, Ventura

DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

San Luis Obispo Area
675 California Boulevard
San Luis Obispo, CA 93401
(805) 593-3300
(800) 735-2929 (TT/TDD)
(800) 735-2922 (Voice)



December 16, 2004

File No.: 745.10257.9552

Mr. James Caruso
San Luis Obispo County
County Government Center, Room 310
San Luis Obispo, CA 93408-2040

Subject: Santa Margarita Ranch Ag Cluster Subdivision, SCH #200411112

Per your request, the California Highway Patrol San Luis Obispo Area has conducted a review of the Notice of Preparation for the Santa Margarita Ranch Ag Cluster Subdivision draft Environmental Impact Report (EIR). This review is conducted from the perspective of traffic impact and management efforts required to meet that impact. The following analysis is provided for your review:

- The Santa Margarita community is a rural community of approximately 1,100 residents located primarily along State Route (SR) 58 approximately one mile east of US 101. The main ingress/egress route is SR 58. Traffic concentration occurs during the early morning and late afternoon commute hours and is commensurate with normal traffic expectations for a small rural commute and farming community.
- The Santa Margarita Ranch Ag Cluster Subdivision will create 111 new homes in the area just south, and with the sphere of influence, of the Santa Margarita community. Additionally, two wineries, a ranch headquarters and other facilities will be built. Future developments call for an additional 550 new homes to be built in the area. During the construction phase for this development heavy commercial vehicles and equipment will access the site via SR 58 through town to Pozo Road. This will have a significant impact on roadway use patterns, potential damage to existing roadway surfaces due to continuous exposure to the heavy weights of the construction equipment, etc.
- The potential is for the residential population to increase by as much as 400 new residents, or approximately 36 percent, with a similar potential percentage increase in motorist traffic along SR 58, Pozo Road to the south and El Camino Real to the northeast. With the eventual addition of 550 future single-family residences, a golf course, guest ranch, lodge, restaurant, and a bed and breakfast inn, population and related traffic will potentially increase by 100 percent.
- The current traffic model in the community is not sufficient to accurately predict the impact this project will have on the Santa Margarita community and its surrounding roads. However, past

Traffic



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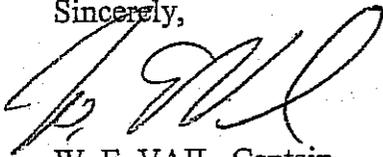
histories of other areas that have sustained similar transformations indicate the area will experience the following:

Traffic

- o Increased traffic during the traditional commute hours as the resident travel to work or school and the return at the end of their day.
 - o Sustained daily traffic along the access roads to the golf course, restaurants and other commercial enterprise venues.
 - o Sustained traffic within the housing community itself generated b the residents.
 - o The potential increase in traffic collisions, traffic law enforcement needs and DUI incidents is imminent but not reasonably quantifiable without further study.
- The Santa Margarita community is within the jurisdiction of the Templeton Area of the CHP. However, the new development addressed in the EIR falls within the San Luis Obispo Area's jurisdiction. That situation may need to be addressed internally by the CHP to effective address on-going traffic issues once the project is completed and the new residences and businesses are occupied.

Thank you for allowing us the opportunity to review this EIR. If you have any questions or concerns regarding this review, please feel free to contact either Lieutenant Dennis Martinez or me at (805) 593-3300.

Sincerely,



W. E. VAIL, Captain
Commander
San Luis Obispo Area

cc: Special Projects Section

M e m o r a n d u m

Date: November 24, 2004

To: San Luis Obispo Area

From: **DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**
Special Projects Section

File No.: 52.A12804.nop.doc

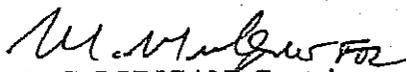
Subject: ENVIRONMENTAL DOCUMENT REVIEW AND RESPONSE
SCH#2004111112

The Special Projects Section (SPS) recently received a "Notice of Preparation" outlining the information contained in the attached profile.

After a preliminary review, we believe this project will not have a significant impact on statewide departmental operations. However, because of your geographical proximity to the site, you are in a better position to provide a more accurate assessment of any traffic-related matters that may affect your local Area operations. Information and procedures outlined in the *Transportation Planning Manual*, HPM 41.1, Chapter 6, "Environmental Impact Documents," should serve as a guideline when reviewing transportation-related documents. You may also wish to consider this project for Command Management Planning.

If you determine that departmental input is advisable, please provide your written comments to the lead agency shown on the project profile sheet. Your comments must be received no later than December 17, 2004. Please forward a copy of your written comments to SPS.

If you have any questions, please call Ms. Kristen Metzinger at (916) 657-7222.


L. C. DUNCAN, Captain
Commander

Attachment

cc: Coastal Division



ARNOLD SCHWARZENEGGER
GOVERNOR

DEPARTMENT OF CONSERVATION
STATE OF CALIFORNIA

December 23, 2004

DIVISION OF
LAND RESOURCE
PROTECTION

801 K STREET
SACRAMENTO
CALIFORNIA
95814

PHONE
916/324-0850

FAX
916/327-3430
TDD
916/324-2555

INTERNET
consrv.ca.gov

Mr. James Caruso
San Luis Obispo County
County Government Center, Room 310
San Luis Obispo, CA 93408-2040

Subject: Notice of Preparation for Program Environmental Impact Report
for the Santa Margarita Ranch Ag Cluster Subdivision - SCH#
2004111112, San Luis Obispo County

Dear Mr. Caruso:

The Department of Conservation's (Department) Division of Land Resource Protection (Division) received the NOP for the referenced project on November 23, 2004, and staff has reviewed the document. The Division monitors farmland conversion on a statewide basis and administers the California Land Conservation (Williamson) Act and other agricultural land conservation programs. We offer the following comments and recommendations with respect to the project's impacts on agricultural land and resources.

Project Description

Santa Margarita Ranch LLC is applying for approval of a Vesting Tentative Tract Map and Agricultural Land Residential Cluster Conditional Use Permit for a proposed "agricultural residential cluster". The project area is located east of Highway 101 near the town of Santa Margarita in San Luis Obispo County and consists of 14,000 acres of rangeland and vineyards. Existing land uses include an equestrian facility, a private air strip, vineyard, irrigated and non-irrigated row crops, grazing land dry land farming, recreation and special events facility, a single family residence farm support quarters, agricultural accessory structures and private cabins. Of the 14,000 acres, 9,600 acres are within the boundaries of the historic Rancho Santa Margarita.

There are two components involved with the proposed project: a three phased agricultural residential cluster development, and "a future development scenario." The agricultural residential cluster development involves 111 clustered lots (1.0 to 2.5 acres each) on 3776 acres, four

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open space parcels consisting of 3,633 acres, and a remainder parcel of 2,417 acres that is not presently scheduled for development. The applicant is also proposing construction of two wineries, two ranch/farm headquarters (each 2.5 acres) one primary residence and several farm support buildings to be approved at a future date under separate entitlements. The future development scenario includes the balance of 550 single family residential units allowed by the General Plan on 402 lots and the additional following uses: a golf course, club house and pro shop; guest ranch, lodge, and restaurant and gift shops; a bed and breakfast inn, café, amphitheatre, crafts studios, galleries and shops, interpretive center and gift shops, nine wineries (additional or total) with tasting rooms and permitted special events; neighborhood park and swimming pool; three (additional or total) ranch headquarters; one cattle feed lot; one livestock sales yard and café; three places of worship and a retreat center.

Assessor Parcel Numbers 070-091-036,037,038; 070-157-005, 006; 070-095-001; 070-132-009; 070-094-001; 070-095-002; 070-081-005, 006, 007, 008, 010, 011, 012, 030; 070-241-028, 029, 031, 032, 033, 034; and 070 251-004, 013, 014, 015, 106 are involved in the project.

The NOP's Table 1 and a map indicating areas where potential 40-year Williamson Act contracts may be established (3,600 acres), but no discussion is provided in the scope of the document.

The NOP indicates that two wineries would be constructed during the agricultural cluster development phase, and in the future development scenario nine would be constructed. In Table 1 summarizing the project it is stated that seven wineries would be constructed. The numbers of ranch headquarters are also confusing. Project description discrepancies should be resolved in the DEIR.

Agricultural Setting of the Project

The maps included in the NOP are unreadable because the font is so small. The DEIR should describe the project setting in terms of the actual and potential agricultural productivity of the land. The Division's Important Farmland Map for San Luis Obispo County should be utilized to identify agricultural land within the project site and in the surrounding area that may be impacted. Acreages for each land use designation should be identified for both areas. Likewise, the County's Williamson Act Map should be included that clearly delineates any Williamson Act contracted land within the project area or directly adjacent to the project area. The maps can be utilized to identify potentially impacted contract, Farmland Security Zone (FSZ) and agricultural preserve land by acreage and whether it is prime or nonprime agricultural land according to definition in Government Code §51201(c). These maps, as well as any other maps or figures should be easily decipherable in the DEIR.

In addition, we recommend including the following items of information to characterize the agricultural land resource setting of the project.

- Current and past agricultural use of the project area. Include data on the types of crops grown, crop yields and farm gate sales values.
- To help describe the full existing agricultural resource value of the soils of the site, we recommend the use of economic multipliers to assess the total contribution of the site's potential or actual agricultural production to the local, regional and state economies. State and Federal agencies such as the UC Cooperative Extension Service and USDA are sources of economic multipliers.

Project Impacts on Agricultural Land

The Department recommends that the following be included in the DEIR in the analysis of project impacts.

- Type, amount, and location of farmland lost to project implementation. The conversion of Prime Farmland, Unique Farmland or Farmland of Statewide Importance is considered a potentially significant adverse impact.
- A discussion of the growth-inducing impacts that result from the removal of barriers to development and results in an incentive to shift to a more intensive land use such as urban development. The NOP indicates that there may be establishment of Williamson Act contracts, but does not discuss whether the contracts will be established on strictly agricultural lands or on proposed residential developments. If there any Williamson Act contract termination involved in the project, it should be discussed in the DEIR, as well as whether new contracts are being proposed.
- Indirect impacts on current and future agricultural operations; e.g., land-use conflicts, increases in land values and taxes, vandalism, population, traffic, water availability, etc.
- Growth-inducing impacts, including whether leapfrog development is involved.
- Incremental project impacts leading to cumulatively considerable impacts on agricultural land. These impacts would include impacts from the proposed project as well as impacts from past, current and probable future projects. The Division's farmland conversion tables may provide useful historical data.
- Impacts on agricultural resources may also be quantified and qualified by use of established thresholds of significance (CEQA Guidelines §15064.7). The Division has developed a California version of the USDA Land Evaluation and Site Assessment (LESA) Model, a semi-quantitative rating system for establishing the environmental significance of project-specific impacts on farmland. The model may also be used to rate the relative value of alternative project sites. The LESA Model is recommended by CEQA and is available from the Division at the contact listed below.

Williamson Act Lands

It is unclear in the NOP whether the County intends to establish Williamson Act contracts on undeveloped lands to retain the agricultural resource values, or if it intends to attempt to establish contracts on lands that will be developed into residential units or other quasi-agricultural uses so that residents and businesses may financially benefit from the reduced tax structure.

The Department emphasizes that the purpose of the Williamson Act is to ensure the preservation of agricultural land for the production of food and fiber. In order to accomplish this purpose, land enrolled in Williamson Act contracts is enforceably restricted. Counties are bound to develop rules and ordinances that do not weaken the basic purpose of the Act. Housing for farm labor is deemed a compatible use, as are buildings incidental to the farming operation. However, to promote the use of agricultural preserve lands for residential development that are unrelated to agricultural use and maintenance of the land for agricultural endeavors would be inconsistent with the basic purpose of the Williamson Act.

Further, these basic concerns prompted the Attorney General to opine in 1971 and again in 1979 that subdividing contracted lands for the purpose of residential development is prohibited by the Williamson Act (62 Ops. Att'y Gen. 233 (1979); 54 Ops. Att'y Gen. 90 (1971)). It would be counter to the intent of the Williamson Act to "preserve" already-subdivided lands on which substantial residential development is planned or has taken place.

There is a small area in the south portion of the project area under contract. Is this land to be withdrawn from contract for development purposes? Generally, land can be withdrawn from Williamson Act contract only through the nine-year nonrenewal process. Immediate termination via cancellation is reserved for "extraordinary", unforeseen situations (See Sierra Club v. City of Hayward (1981) 28 Cal.3d 840, 852-855). Furthermore, it has been held that "cancellation is inconsistent with the purposes of the (Williamson) act if the objectives to be served by cancellation should have been predicted and served by nonrenewal at an earlier time, or if such objectives can be served by nonrenewal now" (Sierra Club v. City of Hayward). Given the extended phasing and time periods involved in the City's GP, it appears feasible to utilize the nonrenewal process if contract termination is necessary for GP development.

- If a cancellation is proposed, notification must be submitted to the Department when the County or City accepts the application as complete (Government Code §51284.1). The board or council must consider the Department's comments prior to approving a tentative cancellation. Required findings must be made by the board or council in order to approve tentative cancellation. Cancellation involving FSZ contracts include additional requirements. We recommend that the DEIR include

discussion of how cancellations involved in this project would meet required findings. However, notification must be submitted separately from the CEQA process and CEQA documentation. (The notice should be mailed to the Debbie Sareeram, Interim Director, Department of Conservation, c/o Division of Land Resource Protection, 801 K Street MS 18-01, Sacramento, CA 95814-3528.)

- Pursuant to Government Code §51243, if a city annexes land under Williamson Act contract, the city must succeed to all rights, duties and powers of the county under the contract unless conditions in §51243.5 apply to give the city the option to not succeed to the contract. A Local Agency Formation Commission (LAFCO) must notify the Department within 10 days of a city's proposal to annex land under contract (Government Code §56753.5). A LAFCO must not approve a change to a sphere of influence or annexation of contracted land to a city unless specified conditions apply (Government Code §§51296.3, 56426, 56426.5, 56749 and 56856.5).
- If any part of the site is to continue under contract, or remain within an agricultural preserve, after project completion, the DEIR should discuss the proposed uses for those lands. Uses of contracted and preserve land must meet compatibility standards identified in Government Code §51238 - 51238.3, 51296.7. Otherwise, contract termination (see above) must occur prior to the initiation of the land use, or the preserve must be disestablished.
- An agricultural preserve is a zone authorized by the Williamson Act, and established by the local government, to designate land qualified to be placed under contract. Preserves are also intended to create a setting for contract-protected lands that is conducive to continuing agricultural use. Therefore, the uses of agricultural preserve land must be restricted by zoning or other means so as not to be incompatible with the agricultural use of contracted land within the preserve (Government Code §51230). The DEIR should also discuss any proposed general plan designation or zoning within agricultural preserves affected by the project.

Mitigation Measures for Impacts to Agricultural Resources

The Department encourages the use of agricultural conservation easements on land of at least equal quality and size as partial compensation for the direct loss of agricultural land. If a Williamson Act contract is terminated, or if growth inducing or cumulative agricultural impacts are involved, we recommend that this ratio be increased. We highlight this measure because of its acceptance and use by lead agencies as mitigation under CEQA. The loss of agricultural land represents a permanent reduction in the State's agricultural land resources. Agricultural conservation easements will protect a portion of those remaining resources and lessen project impacts in accordance with CEQA Guideline §15370.

Mitigation using agricultural conservation easements can be implemented by at least two alternative approaches: the outright purchase of easements or the donation of mitigation fees to a local, regional or statewide organization or agency whose purpose includes the acquisition and stewardship of agricultural conservation easements. The conversion of agricultural land should be deemed an impact of at least regional significance, and the search for replacement lands conducted regionally or statewide, and not limited strictly to lands within the project's surrounding area.

Other forms of mitigation may be appropriate for this project, including the following:

- Protecting farmland in the project area or elsewhere in the County through the use of less than permanent long-term restrictions on use such as 20-year Farmland Security Zone contracts (Government Code §51296 et seq.) or 10-year Williamson Act contracts (Government Code §51200 et seq.).
- Directing a mitigation fee to invest in supporting the commercial viability of the remaining agricultural land in the project area, County or region through a mitigation bank that invests in agricultural infrastructure, water supplies, marketing, etc.
- The Department also has available listing of approximately 30 "conservation tools" that have been used to conserve or mitigate project impacts on agricultural land. This compilation report may be requested from the Division at the address or phone number below.

Although the direct conversion of agricultural land and other agricultural impacts are often deemed to be unavoidable by an agency's CEQA analysis, mitigation measures must nevertheless be considered. The adoption of a Statement of Overriding Consideration does not absolve the agency of the requirement to implement feasible mitigation that lessens a project's impacts. A principal purpose of an EIR is to present a discussion of mitigation measures in order to fully inform decision-makers and the public about ways to lessen a project's impacts. In some cases, the argument is made that mitigation cannot reduce impacts to below the level of significance because agricultural land will still be converted by the project, and, therefore, mitigation is not required. However, reduction to a level below significance is not a criterion for mitigation. Rather, the criterion is feasible mitigation that lessens a project's impacts. Pursuant to CEQA Guideline 15370, mitigation includes measures that "avoid, minimize, rectify, reduce or eliminate, or compensate" for the impact. For example, mitigation includes "*Minimizing impacts by limiting the degree or magnitude of the action and its implementation (§15370(b))*" or "*Compensating for the impact by replacing or providing substitute resources or environments (§15370(e))*."

All measures ostensibly feasible should be included in the DEIR. Each measure should be discussed, as well as the reasoning for selection or rejection. A measure brought to the attention of the Lead Agency should not be left out unless it is infeasible on its face.

The Act requires that for a use on contracted land to be compatible it must not significantly impair the agricultural capability of the contracted land. In addition, the use must not impair or displace agricultural uses of the contracted land. Finally, the use must not be likely to result in the removal of adjacent lands from agricultural use. A use not conforming to these principles would not qualify as a compatible use.

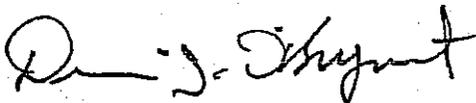
Finally, when presenting mitigation measures in the DEIR, it is important to note that mitigation should be specific, measurable actions that allow monitoring to ensure their implementation and evaluation of success. A mitigation consisting only of a statement of intention or an unspecified future action may not be adequate pursuant to CEQA.

Information about agricultural conservation easements, the Williamson Act and provisions noted above is available on the Department's website or by contacting the Division at the address and phone number listed below. The Department's website address is:

<http://www.conservation.ca.gov/dlrp/index.htm>

Thank you for the opportunity to comment on this NOP. The Department looks forward to receiving your response, including a copy of the DEIR. If you have questions on our comments or require technical assistance or information on agricultural land conservation, please contact Jeannie Blakeslee at 801 K Street, MS 18-01, Sacramento, California 95814; or, phone (916) 323-4943.

Sincerely,



Dennis J. O'Bryant
Acting Assistant Director

cc: State Clearinghouse

Cachuma Resource Conservation District
920 E. Stowell Road
Santa Maria, CA 93454



COUNTY OF SAN LUIS OBISPO

Department of Agriculture/Measurement Standards

2156 SIERRA WAY, SUITE A • SAN LUIS OBISPO, CALIFORNIA 93401-4556
ROBERT F. LILLEY (805) 781-5910
AGRICULTURAL COMMISSIONER/SEALER FAX (805) 781-1035

AgCommSLO@co.slo.ca.us

DATE: December 15, 2004

TO: Mr. Caruso, Senior Planner

FROM: Lynda L. Auchinachie, Agriculture Department *LLA*

SUBJECT: Santa Margarita Ranch Tentative Tract Map and Conditional Use Permit Notice of Preparation of a Draft Environmental Impact Report - S030115U (0784)

Thank you for the opportunity to comment on the proposed Santa Margarita Ranch Tentative Tract Map and Conditional Use Permit Notice of Preparation (NOP) of a Draft Environmental Impact Report (DEIR). The following comments and recommendations are based on current departmental policy to conserve agriculture resources and to provide for public health, safety and welfare while mitigating negative impacts of development to agriculture.

Agricultural Resources and Land Use

- o We concur with the issues identified as potentially significant for both the proposed agricultural residential cluster and future development scenario. As part of the proposed review process, the Agriculture Department recommends the preparation/assessment of a grazing management plan for the area proposed for residential cluster development. This area currently functions as a grazing unit and it is unclear how grazing will be managed and land use incompatibilities addressed with 111 homes located in this grazing area. *43*
- o The proposed agricultural residential cluster includes two wineries/tasting rooms with special events located on the open space areas. The Land Use Ordinance (LUO) limits the agricultural processing/accessory uses to those that are essential to the continuing agricultural production of food and fiber in the immediately surrounding area. Additionally, the processing/accessory facilities shall not occupy an aggregate area of the project site larger than five acres. The proposal raises issues that should be evaluated including: What size processing facility is necessary to process wine grapes in the immediate area? Are the proposed tasting rooms and special events allowed structural or non-structural uses in the defined open space areas? Do the proposed facilities occupy an area larger than five acres? *Ag/LU*

Land
Use

o The NOP identifies several uses that may occur on the open space portions of the residential cluster. The LUO restricts allowed uses on the open space portions of an agricultural cluster development. Such things as bed and breakfast facilities, mining, public safety facilities etc. do not appear to be allowed uses.

Water Resources

o We concur that the impact of the proposed development must be assessed as part of the project EIR to ensure long-term water resources for ongoing agricultural operations. The assessment should include potential impacts to the existing vineyard operation with the southern water reservoir located off site.

Project Description

A3

o The NOP project description indicates the proposed livestock market/sales yard operating only one Saturday per month. This type of facility is regionally significant and the Agriculture Department recommends the EIR assessment be based on the current operational pattern of every Saturday and the first Sunday of the month throughout the year. Additionally, the Agriculture Department recommends alternative sites be assessed to locate the livestock market and cafe. Such locations should include suitable areas near the quarry with access from the existing quarry road located off of El Camino Real.

o The feedlot proposal needs to be clarified. The existing facility has historically played an important role in the ongoing cattle operations on the ranch. Is this facility proposed for expansion or is the intent to continue historical usage?

If you have any questions, please do not hesitate to call me at 781-5914.



**AIR POLLUTION
CONTROL DISTRICT**
COUNTY OF SAN LUIS OBISPO

DATE: December 15, 2004
TO: James Caruso
San Luis Obispo County Department of Planning and Building
FROM: Andy Mutziger *ASM*
San Luis Obispo County Air Pollution Control District

SUBJECT: Notice of Preparation to an Environmental Impact Report for Santa Margarita Ranch (ED03-541)

Thank you for including the San Luis Obispo County Air Pollution Control District (APCD or District) in the environmental review process for this project. We have completed our review of this Notice of Preparation to an Environmental Impact Report (NOP to EIR) for the Santa Margarita Ranch. The applicant (Santa Margarita Ranch, LLC) has applied for an agricultural residential cluster (ARC) under a proposed Tentative Tract Map and Conditional Use Permit. This action triggers a settlement agreement condition between the applicant and the community group Santa Margarita Area Residents Together (SMART). This condition is that applicant shall submit a future development scenario for the areas within the original Rancho boundaries at the time that the applicant applies for any specific entitlement request. The proposed project will therefore cover two components, 1) a Project EIR for the proposed ARC project and 2) a Program EIR for the applicant's proposed future development scenario (FDS).

The ARC project consists of the following: a three phased 111 home ARC on the Santa Margarita Ranch, two wineries, two ranch/farm headquarters, one primary residence, and several farm support buildings to be approved at a future date under separate entitlements.

The FDS is required to be studied in this EIR and includes the balance of single family residential units allowed by the General Plan (550 - 36 - 112 = 402 lots) and the additional following uses: golf course, club house and pro shop; guest ranch, lodge, and restaurant; 12-room bed and breakfast inn, café, 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, three ranch/farm headquarters; one cattle feed lot, one livestock sales yard, three places of worship, and a retreat center.

Previous project submittals indicated that there could also be a mutual water company. We have the following comments on the proposal.

1. NAME OF CONTACT PERSON

Andy Mutziger
Air Pollution Control District
3433 Roberto Court
San Luis Obispo, CA 93401
(805) 781-5912

2. PERMIT(S) OR APPROVAL(S) AUTHORITY:

Portable equipment used during construction activities may require statewide registration or a District permit. Additionally, some future developments (e.g. standby generators, small scale manufacturing, boilers, IC engines, etc.) may require District permits and applicants will need to apply for an Authority to Construct. Please contact David Dixon of our Engineering Division at (805) 781-5912 prior to final permit approval of these types of projects by your agency.

Demolition and remodeling activities have potential negative air quality impacts, including issues surrounding proper demolition and disposal of asbestos containing material (ACM). Demolition and remodeling projects are subject to the requirements stipulated in the National Emission Standard for Hazardous Air Pollutants (NESHAP), which includes but is not limited to: 1) notification requirements to the District, 2) asbestos survey conducted by a Certified Asbestos Inspector, and, 3) applicable removal and disposal requirements of identified ACM. Please contact Tim Fuhs of the APCD Enforcement Division at 781-5912 prior to final approval of these types of projects by your agency.

3. ENVIRONMENTAL INFORMATION:

A complete air quality analysis should be included in the DEIR to adequately evaluate the new air quality impacts associated with the proposed project. This analysis should address both short-term and long-term emissions impacts from the project. The following is an outline of items that should be included in the analysis:

- a) A description of existing air quality and emissions in the impact area, including the attainment status of the District relative to State Air Quality Standards and any existing regulatory restrictions to development. The most recent Clean Air Plan (CAP) should be consulted for applicable information.
- b) A thorough emissions analysis should be performed on all relevant emission sources, using emission factors from the EPA document AP-42 "Compilation of Air Pollutant Emission Factors", EMFAC2000, or other approved sources. The emissions analysis should include calculations for estimated emissions of all criteria pollutants and toxic substances released from the anticipated land use mix on a quarterly and yearly basis. Documentation of emission factors and all assumptions (i.e. anticipated land uses, average daily trip rate from trip generation studies, etc.) should be documented in the appendix to the DEIR.
- c) The DEIR should include a range of alternatives to the proposed project that could effectively minimize air quality impacts. A thorough emissions analysis should be conducted for each of the proposed alternatives identified. The DEIR author should contact the District if additional information and guidance is required. All calculations and assumptions used should be fully documented in an appendix to the DEIR.
- d) A cumulative impact analysis should be performed to evaluate the combined air quality impacts of this project and impacts from existing and proposed future construction in the area. This should encompass all planned construction activities within one mile of the project.
- e) The data analyses requested above should address local and regional impacts with respect to maintaining applicable air quality standards at build out. Authors should consult the District to determine if a modeling analysis should be performed and included in the EIR.
- f) Temporary construction impacts, such as fugitive dust and combustion emissions from construction and grading activities, should be quantified and mitigation measures proposed. In addition, naturally occurring asbestos may exist at the site. A geological survey is required for the site, and if naturally occurring asbestos is found, the EIR should indicate that a plan will be developed to comply with the requirements listed in the Air Resources Board's Asbestos ATCM for Construction, Grading, Quarrying, and Surface Mining Operations.
- g) Mitigation measures should be recommended, as appropriate, following the guidelines presented in Sections 5 and 6 of the District's "CEQA Air Quality Handbook".

4. PERMIT STIPULATIONS/CONDITIONS:

The CEQA Air Quality Handbook provides various significance thresholds that should be referenced in the EIR for determining the significance of impacts and the level of mitigation necessary. The Handbook breaks the impacts into construction phase (Section 6) and operational phase (Section 2) emissions, with separate significance thresholds for each. The level of mitigation necessary will be based upon the new emissions emitted from the project.

5. ALTERNATIVES:

Any alternatives described in the DEIR should involve the same level of air quality analysis as described in bullet items 3.b and 3.c listed above.

6. REASONABLY FORSEEABLE PROJECTS, PROGRAMS OR PLANS:

ARC EIR

An important component of an EIR is a consistency analysis of a proposed project with respect to pertinent planning and environmental guidance documents (i.e. general and specific plans, clean air plans, etc.). The District's CAP is such a document and contains land use policies designed to lessen automobile dependence through greater pedestrian access, increased transit access, mixed use and compact zoning, and a balance of jobs and housing. Projects, with potential size and character to impact the assumptions made in the CAP, can impede the District's attempts to maintain the State ozone standard. Therefore, the consistency analysis obtained through the DEIR process is very important from a decision-making standpoint. Please refer to the District's CEQA Air Quality Handbook, Section 2.2, for additional instructions on performing the consistency evaluation.

Program EIR

The most appropriate standard for assessing the significance of potential air quality impacts for Program EIRs is the preparation of a consistency analysis where the proposed project is evaluated against the land use goals, policies, and population projections contained in the CAP. The rationale for requiring the preparation of a consistency analysis is to ensure that the attainment projections developed by the District are met and maintained. Failure to comply with the CAP could result in long term air quality impacts, which could delay or preclude attainment of the state ozone standard. Inability to maintain compliance with the state ozone standard could bear potential negative economic implications for the county's residents and business community. The District's CEQA Air Quality Handbook provides guidance for preparing the consistency analysis and recommends evaluation of the following questions:

- ◆ Are the population projections used in the plan or project equal to or less than those used in the most recent CAP for the same area?
- ◆ Is the rate of increase in vehicle trips and miles traveled less than or equal to the rate of population growth for the same area?
- ◆ Have all applicable land use and transportation control measures from the CAP been included in the plan or project to the maximum extent feasible?

The land use and circulation policy areas contained in Appendix E of the District's CAP are crucial to the consistency analysis and should be specifically addressed in the DEIR. Implementation of these land use planning strategies is the best way to mitigate air quality impacts at the Program EIR scale.

These land use planning strategies are:

- ◆ Planning Compact Communities
- ◆ Providing for Mixed Land Use
- ◆ Balancing Jobs and Housing
- ◆ Circulation Management Policies and Programs
 - Promoting Accessibility in the Transportation System
 - Promoting Walking and Bicycling
 - Parking Management
 - Transportation Demand Management
 - Communication, Coordination and Monitoring

The formation of compact, pedestrian friendly and more economically self-sufficient communities will reduce automobile trip generation rates and trip lengths.

7. RELEVANT INFORMATION:

As mentioned earlier, the Handbook should be referenced in the EIR for determining the significance of impacts and level of mitigation recommended. Additionally, emission factors from AP-42, EMFAC2000, or other approved sources should be used when performing emission calculations.

8. FURTHER COMMENTS:

Residential Wood Combustion

Acir
Under APCD Rule 504, only APCD approved wood burning devices can be installed in new dwelling units. These devices include:

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

If you have any questions about approved wood burning devices, please contact Tim Fuhs of our Enforcement Division at 781-5912.

Developmental Burning

Acir
The District prohibits developmental burning of vegetative material within San Luis Obispo County. Under certain circumstances where no technically feasible alternatives are available, limited developmental burning under restrictions may be allowed. This requires prior application, payment of fee based on the size of the project, District approval, and issuance of a burn permit by the District and the local fire department authority. The applicant is required to furnish the District with the study of technical feasibility (which includes costs and other constraints) at the time of application. If you have any questions regarding these requirements, contact Karen Brooks of our Enforcement Division at (805) 781-5912.

Traffic Impacts from Ag Cluster and Future Development Scenario

Air
The potential traffic impact on the town of Santa Margarita that would result from the final Ranch development could be substantial and should be planned for early in the process. Proper planning and design

of traffic flow will minimize congestion and the associated air quality impacts. In addition, there are safety issues that should also be considered (e.g., the impact of higher traffic flow at the sight impaired school crosswalk over Highway 58 at "H" Street and truck tipping potential as trucks turn onto El Camino Real from Highway 58). The District supports a solution that will enhance the Highway 58 traffic flow, thus minimizing motor vehicle emissions.

Program/Specific EIR

A qualitative analysis of the air quality impacts should be conducted. A consistency analysis with the CAP will determine if the emissions resulting from development under the Program EIR will be consistent with the emissions projected in the CAP, as described in item 6 of this letter. The qualitative analysis should be based upon criteria such as prevention of urban sprawl and reduced dependence on automobiles. A finding of Class I impacts could be determined qualitatively. The DEIR author should contact the District if additional information and guidance is required. All assumptions used should be fully documented in an appendix to the DEIR.

- To aid in the air quality analysis, the traffic study should include the total daily traffic volumes projected. The traffic study results can be used in the qualitative analysis by providing a tool for comparing trip generation between different alternatives and evaluating effectiveness of mitigation methods for reducing traffic impacts.

The APCD appreciates the direction that the Program EIR will provide for the Santa Margarita Ranch Future Development Scenario. That said, we contend that a Specific EIR for Santa Margarita Ranch should be the ultimate goal in order to provide quantified impacts and a mitigable development plan that includes significant opportunity for public input on the vision for the final Ranch buildout.

Again, thank you for the opportunity to comment on this proposal. If you have any questions or comments, or if you would like to receive an electronic version of this letter, feel free to contact me at 781-5912.

cc: Tim Fuhs, APCD Enforcement Division
Karen Brooks, APCD Enforcement Division
David Dixon, APCD Engineering Division

AJM/lmg

Attachment

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SAN LUIS OBISPO COUNTY DEPARTMENT OF PUBLIC WORKS

Noel King, Director

County Government Center, Room 207 • San Luis Obispo CA 93408 • (805) 781-5252

Fax (805) 781-1229

email address: pwd@co.slo.ca.us

December 17, 2004

MEMORANDUM

TO: James Caruso, Senior Planner

FROM: Richard Marshall, Development Services Engineer *RM*

SUBJECT: Notice of Preparation - Santa Margarita Ranch EIR

Thank you for the opportunity to provide information on the Notice of Preparation of an Environmental Impact Report on the subject project. Following is the information you requested:

1. Contact person: Richard Marshall, County Government Center, Room 207, San Luis Obispo, CA 93408, (805) 781-5280.
2. County Public Works will review required public improvements including streets and utilities, as well as drainage and flood hazard, under the provisions of the Real Property Division Ordinance and the Land Use Ordinance.
3. For our use, the report must address impacts on traffic and circulation, drainage and flood hazard. Our Traffic Engineer, Dave Flynn, has reviewed the Notice of Preparation and provided some additional comments to be considered in the evaluation of transportation and circulation impacts. His comments are attached for your use.

Additionally, our Utilities Division has reviewed the NOP and offers the following brief comments:

- *water* A complete analysis of the impact of the proposed development on the local groundwater basin needs to be conducted. This should be put into perspective with the needs of the existing community of Santa Margarita and how the proposed project will affect the water supply for the community.

WASTE
WATER

- A complete analysis of the proposed project's waste disposal systems should be conducted and should include the potential for impacts to the local groundwater basin, and how those impacts may or may not affect the groundwater quality of the Santa Margarita drinking water supply.

4. A list of "standard conditions" is available from our office if you need it.
5. I do not have any alternative projects to suggest for evaluation.
6. This department does not have any reasonably foreseeable projects, programs or plans in the area of this proposed development.
7. I do not have any other relevant information to suggest for use in preparation of the EIR.
8. I have no further comments on the NOP.

Please call 781-5280, or write the above address, if I may be of further assistance.

Attachment

File: Tract 2586

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**Santa Margarita Ranch, Tract 2586
Notice of Preparation of DEIR**

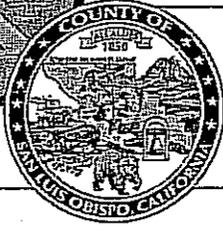
Traffic and Circulation Issues to Address

- Truck*
- Access location for residential cluster development should be sited at Route 58 and Pozo Road. This location is flat with sufficient sight distance. Intersection channelization will need to be incorporated based on Highway Design Manual layout criteria. Access at or along the vertical curves and sustained grades need to be discouraged.
 - Access intersections off Route 58/Pozo Road will need lighting.
 - The intersection of El Camino Real and Route 58 needs to have work addressed for channelization impacts for additional trips out to the development.
 - Pedestrian crossings at Route 58/Encina Avenue and Route 58/H Street would most likely trigger Caltrans warrants for in-pavement flasher systems and should be addressed for additional trips of development.
 - Development in Parcel F needs to have adequate sight distance and Highway Design Manual layout criteria for access. Channelization is needed.

“Future Development Scenarios” need to address the following

- For Parcel A development, will need to widen structure on El Camino Real at Santa Margarita Road to install left turn pocket and add streetlights at intersection. Particular attention needs to be paid to available corner sight distance.
- For development in the northerly portion of Parcel E which would take access off Wilhelmina Street will warrant channelization at Route 58/Wilhelmina Street intersection. Wilhelmina Street road width will need improvements.
- For Parcel B development, Adequate loop roadway needs to be developed from H Street into Route 58 at an appropriate location for sight distance and channelization on Route 58 onto these streets need to be provided. Streetlight of intersection.
- Route 58/Route 101 interchange needs to be studied for operation improvements with the additional trips. In particular, the trumpet interchange design does not support vehicles accessing properties to the west. Additional traffic will impact the safety operation of maneuvers in the interchange area and need to be worked out with Caltrans.

P:\traffic\smranchnoptraffic



CDF/San Luis Obispo County Fire Department

635 N. Santa Rosa • San Luis Obispo • California 93405

November 29, 2004

Mr. James Caruso
SLO County Building and Planning
County Government Center
San Luis Obispo, CA 93408

Project Number: Santa Margarita Ranch Tentative Tract Map and Conditional Use Permit
Tract 2586

Dear Mr. James Caruso,

I have reviewed the Notice of Preparation for the Santa Margarita Ranch Tentative Tract Map and Conditional Use Permit located on Avila Beach Drive across the street from the Avila Fruit Barn. I have attempted to answer your question with the following responses:

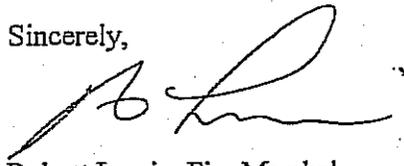
1. Robert Lewin, Fire Marshal
Battalion Chief
CDF/San Luis Obispo County Fire
635 N. Santa Rosa St.
San Luis Obispo, CA 93405
(805)543-4244
2. All applicable Fire Law including the California Fire Code, California Building Code, Title 19, Public Resource Codes and Health and Safety Codes
3. This project will impact the Fire Department with an increase in emergency calls. The impact could be beyond that which is mitigated by "fair share" fees. The EIR should evaluate response times, fire station needs, equipment and staffing levels.
4. No Alternatives suggested.
5. The project will have requirements that address the following based on individual building occupancies:
 - a. Fire Extinguishment Systems
 - b. Fire Alarm System
 - c. Portable Fire Extinguishers
 - d. Roof Access
 - e. A Commercial Hydrant System
 - f. Fire Dept. Access and Fire Lanes

- g. Addressing
h. Wildland/Urban Interface protection
i. Water system requirements
6. An evaluation on whether the project should join the community water system in order to insure an adequate "fire flow" and reduce the impact of a new system. The EIR should analyze the impact that the project will have on fire department response and whether it will impact the department beyond that mitigated by "fair share" fees. This may include the accumulative affect of needing fire department paramedics or a fire station.
7. Useful information may include the Safety Element of the General Plan and the Fire Management Plan.

Pub
Sent

If I can provide additional information or assistance on this mater please call me at (805)543-4244.

Sincerely,



Robert Lewin, Fire Marshal
Battalion Chief

Cc: file



**SAN LUIS OBISPO
COUNTY PARKS**

MEMO

TO: James Caruso

FROM: Jan Di Leo, Parks

DATE: November 30, 2004

SUBJECT: Santa Margarita Ranch Tentative Tract Map and Conditional User Permit, Tract 2586

This memo is regarding your NOP dated November 19, 2004

Name of Contact Person: Jan Di Leo, 781-4089

Permit Authority: Parks, Recreation, and Trails

Environmental Information: Various trails are shown through Santa Margarita Ranch. The environmental document should address parks, recreation, and trails.

*Permit Stipulations/
Conditions:*

The proposed project should consider the trails listed in the County Trails Plan for consistency purposes. At this point it would seem easier to identify overall trail connections versus waiting for individual developments. The connections may make more sense if planned early.

Alternatives: None at this time.

*Reasonably Foreseeable Projects,
Programs, or Plans:*

The proposed project should be reviewed consistent with the Agriculture and Open Space Element and the County's Trails Plan.

Relevant Information:

The County's *Trails Plan, Natural Areas Plan, Public Review Draft Park and Recreation Element.*

Further Comments:

None at this time.



December 19, 2004

Mr. James Caruso
County of San Luis Obispo
Department of Planning and Building
County Government Center
San Luis Obispo, CA 93401

RE: Comments on NOP prepared for Tract 2586; ED 03-541

Dear Mr. Caruso,

Attached is a marked up copy of the NOP prepared for the Santa Margarita Ranch Conditional Use Permit and Tract 2586. In addition to the comments included in this document The Ranch owners have the following overall comments to the document.

Water Section: The lead sentence of the third paragraph under the Water Section (Page 29) states that "The quality of groundwater underlying the Ranch is poor.....". This statement is inaccurate and it is unclear on what basis the statement is made. The Santa Margarita Ranch has numerous water well pump tests and quality samples for wells throughout the project site. Those tests will be available to the consultants to review and reference in the EIR.

Envicom Study: To our knowledge the *Santa Margarita Ranch Constraints Analysis* prepared by Envicom Corporation was never a public, certified, or peer reviewed document. It should either be removed as a reference document or referenced as a draft document. The NOP appears to be giving more validity to the Envicom study, which on the basis of science is inappropriate. Since the preparation of the Envicom Study several other more detailed and in depth studies have been conducted in the region and on the site that provide more accurate and current information/ analysis than that provided in the Envicom study.

Fugro EIR: The Fugro EIR should be referenced in the document. This is the only Certified EIR for this project site. There are already mitigation measures in place for proposed future development (i.e. open space requirements, limited areas of development, agricultural protection including the preservation of prime soils, etc.). It would seem appropriate to reference these existing mitigation measures in the applicable resource categories.

Feed Lot: No expansion of the feed lot is proposed beyond the historical 8-acre site. Please remove the expansion of the feed lot from the list of potential projects under the Future Development Scenario.

Voluntary Inclusion of Patent Parcels: The project description should include statement that for the scope of the Programmatic portion of the EIR, in addition to the

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Rancho Parcels, the Ranch has voluntarily included all patent parcels consistent with the diagram including in the Salinas River Planning Area for the "Ranch Property".

Agricultural Conservation Easements on Tract 2586: The project description prepared by the Ranch intentionally refers to the open space areas as Agricultural Conservation Easements. The project description in the NOP refers to these areas as Open Space Easements. Referring to these as Open Space Easements is misleading because it infers that the area will not be actively used. These Agricultural Conservation Easement areas are intended to be used for a variety of uses accessory to the on-site agricultural operations.

The Land Use Ordinance provides two means for guaranteeing open space (LUO Section 22.22.150.J.5.b). One option is through the recording of an open space easement, the second option, which is what the Ranch is intending to pursue, is the "dedication of fee or partial fee title, free and clear of any liens, to the county and a third party such as the Trust for Public Lands". The Ranch is proposing to establish the Santa Margarita Preserve. This Preserve, is proposed as a 501.C.3 non-profit conservation entity that will be the third party charged with oversight of the easement areas. The Preserve in conjunction with other non-profit agencies, such as the California Rangeland Trust, will hold the easement(s) and provide funding for the operation and management oversight of the easement areas.

Potential Agricultural Uses in ACE areas and 40 Year Williamson Act Lands. This application seeks to designate specific portions of the property with ACEs (Tract 2586) and identify other areas on the Ranch that could potentially be entered into 40 Year Williamson Act Contract (Reasonable Development Scenario). We would like to have included in the project description the range of potential uses within these areas. It is important to include the potential uses in the project description so that they are adequately evaluated in the EIR.

The following are uses that could occur within the ACE areas and lands subject to 40 Year Williamson Act Contract. The uses are derived from permitted and conditionally permitted uses in the Agriculture land use category (Table 2-2 of the Land Use Ordinance) and Table 2 (Agricultural and Compatible Uses for Lands Subject to Land Conservation Contracts) of the "Rules of Procedure to Implement the California Land Conservation Act of 1965" :

Ranch/farm headquarters, bed and breakfast, residential accessory structures including farm support quarters, caretaker residence, agricultural accessory structures, including road-side stands, and/or agricultural processing uses, crop production and grazing, animal raising and keeping, specialized animal facilities (hog ranches, dairies, dairy and beef cattle feedlots, chicken, turkey and other poultry ranches, riding academies, accessory equestrian exhibition facilities and large scale horse ranches, kennels), nursery specialties, range land or wildlife preserves, water storage or recharge, leachfield or spray disposal area, scenic area protection or buffers from hazardous areas, public outdoor recreation uses on non-prime lands, communication facilities, rural recreation and camping, fisheries and game preserves, forestry, mining, public utilities facilities, Public Safety Facilities accessory storage, pipelines and transmission lines, public utility facilities, public trails, farm equipment and supplies, passive recreation, temporary events, concrete, gypsum and plaster products, food and kindred products,

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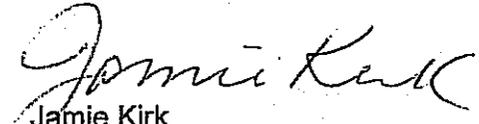
kirkconsulting@charter.net

Add
these
to
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paving materials, recycling collection stations, small scale manufacturing, stone and cut stone products, home occupation, mobile homes, residential care, single family residences, temporary dwellings, petroleum extraction, water wells and impoundments, eating and drinking places, temporary office, accessory storage, temporary construction yards, temporary construction trailer parks, airfields and landing strips, and warehousing, wholesaling and distribution.

Thank you for the opportunity to comment on the Notice of Preparation. If you have any questions, please feel free to contact me at 461-5765.

Sincerely,



Jamie Kirk
for the Santa Margarita Ranch Owners

