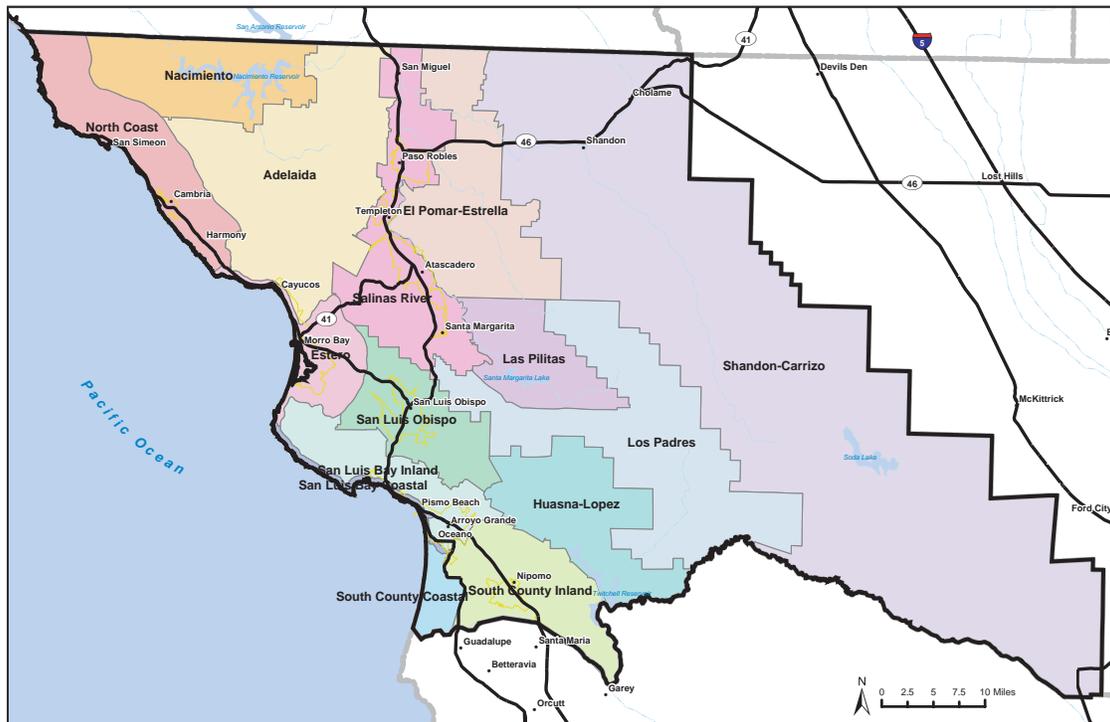


*Final Revised*  
**Affordable Housing Ordinances  
Environmental Impact Report**



*State Clearinghouse No. 2006021100*

Prepared for:  
County of San Luis Obispo

Prepared by:  
Rincon Consultants, Inc.

April 2008



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*Final Revised*

# Affordable Housing Ordinances Environmental Impact Report

*State Clearinghouse No. 2006021100*

*Prepared for:*

**County of San Luis Obispo**  
Department of Planning and Building  
San Luis Obispo, California 93401

*Contact:*

Jeff Oliveira, Environmental Resource Specialist  
(805)781-4167

*Prepared by:*

**Rincon Consultants, Inc.**  
1530 Monterey Street, Suite D  
San Luis Obispo, California 93401

April 2008





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*Original June 2007 Final EIR and all appendices to the Final EIR are available at the San Luis Obispo County Department of Planning and Building, at the address shown on the title page of this document.*





## COMMENTS and RESPONSES

### A. INTRODUCTION

In accordance with Section 15088 of the *California Environmental Quality Act (CEQA) Guidelines*, the County of San Luis Obispo, as the lead agency, has reviewed the comments received on the Revised Draft Environmental Impact Report (Revised DEIR) for the Affordable Housing Ordinances and has prepared written responses to the comments received. The Revised DEIR was circulated for a 45-day public review period that began February 6, 2008 and concluded on March 21, 2008. The comment letters included herein were submitted by public agencies, one private citizen, and one organization.

Each comment on the Revised Draft EIR that the County received is included in this section. Responses to these comments have been prepared to address the environmental concerns raised by the commentors and to indicate where and how the EIR addresses pertinent environmental issues.

The Original Final EIR, Revised Draft EIR and this Comments and Responses section collectively comprise the Revised Final EIR for the Affordable Housing Ordinances. Any changes made to the text of the Revised Draft EIR correcting information, data or intent, other than minor typographical corrections or minor changes, are noted in the Revised Final EIR as changes from the Revised Draft EIR.

In the Revised Draft EIR, the County requested that commentors limit their comments to issues related to the revised analysis and stated that responses to comments will focus on this revised analysis. As noted in *State CEQA Guidelines* Section 15088.5(f)(2):

*“When the EIR is revised only in part and the lead agency is recirculating only the revised chapters or portions of the EIR, the lead agency may request that reviewers limit their comments to the revised chapters or portions of the recirculated EIR. The lead agency need only respond to comments received during the recirculation period that relate to the chapters or portions of the earlier EIR that were revised and recirculated. The lead agency's request that reviewers limit the scope of their comments shall be included either within the text of the revised EIR or by an attachment to the revised EIR.”*

The comment letters have been numbered sequentially, and each issue within a comment letter, if more than one, has a letter assigned to it. Each comment letter is reproduced in its entirety with the issues of concern lettered in the right margin. References to the responses to comments identify first the letter number, and second, the lettered comment. Comment 3B, for example, would reference the second issue of concern within the third sequential comment letter.

The focus of the responses to comment is the disposition of environmental issues that are raised in the comments, as specified by Section 15088 (b) of the *State CEQA Guidelines*. Detailed responses are not provided to comments on the merits of the proposed project. However, when a comment is not directed to an environmental issue, the response indicates that the comment has been noted and forwarded to the appropriate decision-makers for review and consideration, and that no further response is necessary.



## B. REVISIONS TO THE REVISED DRAFT EIR

This section presents clarification and modifications to information contained in the Revised Draft EIR, based on the comments and responses presented in Section C (written comments) of this report. All text from the Revised Draft EIR is italicized (*Italicized*) so the context of the changes can be seen. Additions are underlined (underlined) where text is added and deletions are strike-through (~~strike-through~~) type. The numbers in parentheses refer to the applicable comment number from the comments and responses discussed in section C.

1. The Summary of Revised Analysis on page 2 of the Introduction to the Revised Draft EIR has been revised to include the following paragraph:

*The proposed project includes Title 27 of the San Luis Obispo County Code, Affordable Housing Fund, which establishes an Affordable Housing Fund in San Luis Obispo County to provide a permanent and annually renewable source of revenue to meet, in part, the housing needs of the County's very low, low, moderate income and workforce households (refer to Appendix D). The fund is an implementing mechanism for the Affordable Housing Ordinances and would increase and improve the supply of housing available to these households. This Title would not result in any additional environmental impacts or increase the magnitude of environmental impacts beyond levels identified in the Draft and Revised Draft EIR. The environmental impacts of the proposed ordinances, which this Title would implement, were evaluated in detail in the Draft and Revised Draft EIR.*

2. The second to last sentence in the first paragraph on page 4.10-1 has been revised as follows:

*The analysis is updated from the June 2007 Final EIR to address areas identified as being at Level of Severity III for water resources that could experience substantial development under the proposed project, including WPA-6 (Nipomo), WPA-3 (~~North Coast~~ Los Osos/Morro Bay) and WPA-1 (~~Los Osos/Morro Bay~~ North Coast).*

[Response 4A]

3. The first sentence of the WPA 3 – Los Osos/Morro Bay discussion in Section 4.10.0(a) (Water Delivery Systems) has been revised as follows:

*Water Planning Area 3 (WPA 3) encompasses ~~Morro Bay~~ Los Osos and those portions of ~~the community of Los Osos~~ Morro Bay that are within the Chorro Creek watershed.*

[Response 4B]

4. The last sentence of the WPA 3 – Los Osos/Morro Bay discussion in Section 4.10.1(a) (Water Delivery Systems) the Revised DEIR has been revised as follows in the Revised FEIR:



*Three water purveyors serve the Los Osos area: County Service Area #9, ~~Southern California~~ Golden State Water Company and S&T Mutual Water Company.*

[Responses 2N and 3B]

5. The second to last sentence of the WPA 5 – *Five Cities* discussion in Section 4.10.1(a) (Water Delivery Systems) the Revised DEIR has been revised as follows in the Revised FEIR:

*Purveyors include: the City of Arroyo Grande; the City of Grover Beach; the City of Pismo Beach; Oceano CSD; and the ~~Southern California~~ Golden State Water Company.*

[Responses 2N and 3B]

6. The second to last sentence of the WPA 6 – *Nipomo Mesa* discussion in Section 4.10.1(a) (Water Delivery Systems) the Revised DEIR has been revised as follows in the Revised FEIR:

*Purveyors include the Nipomo CSD and the ~~Southern California~~ Golden State Water Company.*

[Responses 2N and 3B]

7. The list of WPA 6 water purveyors in Section 4.10.1(a) (Water Delivery Systems) has been revised as follows in the Revised FEIR:

- *Arroyo Grande Mushroom Farm*
- *Black Lake Canyon Water Supply*
- *Callender Water Assn*
- *Country Hills Estates*
- *La Mesa Water Co*
- *Rancho Nipomo Water Co.*
- *Rural Water Co.*
- *Guadalupe Cooling*
- *Clearwater Nursery*
- *Cuyama Lane Water Co*
- *Dana Elementary School*
- *La Colonia Water Assn*
- *Greenheart Farms*
- *Heritage Lane MWC*
- *Hetrick Water Co.*
- *Ken Mar Gardens*
- *Laguna Negra (Tract 610)*
- *Mesa Mutual Water Co*
- *Rim Rock Water Co*
- *Santa Maria Speedway*
- *Speedling, Inc.*
- *True Water Supply*
- *Woodlands Mutual Water Co.*

[Responses 2O, 3B and 3C]

8. The fifth sentence of the third paragraph under *Analysis of Areas Identified at Elevated Levels of Severity* under Impact WR-1 has been revised as follows in the Revised FEIR:

*In addition to the Intertie project, the ~~NCS~~ Nipomo Mesa currently needs an additional 4,700 AFY (1,700 AFY more than is available from the City of Santa*



*Maria), and anticipates needing approximately 6,300 additional AFY in the future (Buell, January 2008).*

[Response 2Q]

9. The last two paragraphs of the *Significance after Mitigation* discussion under Impact WR-1 of the Revised DEIR have been revised as follows in the Revised FEIR:

*Physical impacts associated with the potential future construction of desalination plants in the Nipomo and/or North Coast areas as well as recycled water projects in the Los Osos/Morro Bay and/or North Coast areas have not been addressed in previous environmental documentation because no such projects have been proposed. Physical impacts associated with the proposed NCSW Waterline Intertie Project have been previously analyzed, although environmental documentation has not yet been certified for this project and cannot, therefore, be incorporated herein. Potential future impacts from ~~either~~ desalination, recycled water or an Intertie could include, but would not be limited to, impacts relating to agricultural, biological, and cultural resources, as well as impacts on water quality and noise. Since the precise location and capacity of potential desalination plants and recycled water infrastructure have not been determined, and because documentation regarding the impacts of the Waterline Intertie Project has not been certified, precise environmental impacts associated with such facilities would be too speculative to address at this time. In addition, the timing of potential future desalination and recycled water projects has not yet been determined, nor is the timing of the Waterline Intertie Project certain. Environmental impacts associated with desalination plant construction and operation as well as recycled water infrastructure installation would be evaluated in a separate environmental documentation prepared pursuant to the California Environmental Quality Act (CEQA).*

*Remaining potential water sources for WPA 3 and WPA 1 would not result in residual environmental impacts because they include water conservation, and/or increased withdrawals, ~~and recycled water~~, which would not require construction or installation of new facilities.*

[Response 1D]



### C. COMMENTORS on the DRAFT EIR

Commentors on the Revised Draft EIR include public agencies, one private citizen, and one organization. These are shown in Table 1.

**Table 1. Commentors on the Revised Draft EIR**

<b>Letter No.</b>	<b>Commentor</b>	<b>Agency/Organization</b>	<b>Date</b>
<b><i>Public Agencies</i></b>			
1	Glenn Marshall, Development Services Engineer	San Luis Obispo County, Department of Public Works	February 26, 2008
2	Bruce Buel, General Manager	Nipomo Community Services District	March 18, 2008
3	Mike Winn	Nipomo Community Services District	February 15, 2008
<b><i>Private Citizens or Organizations</i></b>			
4	Carole Maurer	Los Osos Community Advisory Council	March 17, 2008
5	Bill White	Private Citizen	March 24, 2008



Letter 1



**SAN LUIS OBISPO COUNTY  
DEPARTMENT OF PUBLIC WORKS**

Paavo Ogren, 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](mailto:pwd@co.slo.ca.us)

**MEMORANDUM**

**Date:** February 26, 2008  
**TO:** Jeff Oliveira, Environmental Resource Specialist  
**FROM:** Glenn Marshall, Development Services Engineer  
**SUBJECT:** PUBLIC WORKS COMMENTS FOR THE REVISED DRAFT EIR, AFFORDABLE HOUSING ORDINANCE [LRP05-00010]

Thank you for the opportunity to provide comments on the Draft Environmental Impact Report for the subject project. Following are a compilation of Public Works comments:

**DEVELOPMENT SERVICES DIVISION: |A**

1. No comments

**ENVIRONMENTAL DIVISION: |B**

1. No comments

**TRANSPORTATION DIVISION; |C**

1. No comments

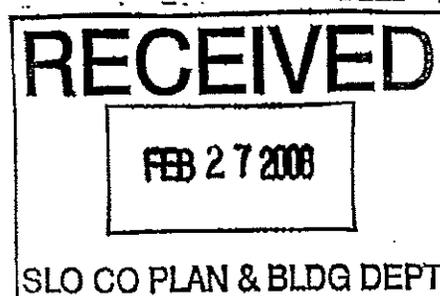
**UTILITIES DIVISION**

1. Page 4.10-22; first complete paragraph: "Remaining potential water sources for WPA 3 and WPA 1 would not result in residual environmental impacts because they include water conservation, increased withdrawals, and recycled water, which would not require construction or installation of new facilities." What does "increased withdrawals" mean? Also, use of recycled water may indeed involve construction and/or installation of appropriate infrastructure.

Please call 781-1596, or write the above address, if I may be of further assistance. Thank you for the opportunity to respond and please keep me advised of future updates to this project.

Sincerely,

Glenn D. Marshall  
Development Services Engineer



D

*Letter 1*

**COMMENTOR:** Glenn Marshall, Development Services Engineer, San Luis Obispo County, Department of Public Works

**DATE:** February 26, 2008

**RESPONSE:**

Response 1A

The commentor's statement that the Development Services Division of the San Luis Obispo County Department of Public Works has no comments on the Revised DEIR is noted.

Response 1B

The commentor's statement that the Environmental Division of the San Luis Obispo County Department of Public Works has no comments on the Revised DEIR is noted.

Response 1C

The commentor's statement that the Transportation Division of the San Luis Obispo County Department of Public Works has no comments on the Revised DEIR is noted.

Response 1D

The commentor references the last paragraph of the *Significance after Mitigation* discussion under Impact WR-1 and requests clarification of the discussion of "increased withdrawals". Increased withdrawals refer specifically to a methodology identified for the WPA 3 to augment the water supply in the region. As noted in the second paragraph under *WPA 3 (Los Osos/Morro Bay)* in the Impact discussion, "well fields are being modified to increase withdrawals in eastern portions of the basin and reduce pumping in western portions, with an emphasis on pumping from the upper rather than the lower aquifer." "Increased withdrawals" therefore refers to increased pumping from existing wells in the upper aquifer to offset withdrawals from the lower aquifer.

The commentor additionally notes that the use of recycled water may involve construction and/or installation of appropriate infrastructure. The last two paragraphs of the *Significance after Mitigation* discussion on page 4.10-19 through 4.10-20 have been revised as follows:

*Physical impacts associated with the potential future construction of desalination plants in the Nipomo and/or North Coast areas as well as recycled water projects in the Los Osos/Morro Bay and/or North Coast areas have not been addressed in previous environmental documentation because no such projects have been proposed. Physical impacts associated with the proposed NCSO Waterline Intertie Project have been previously analyzed, although environmental documentation has not yet been*



*certified for this project and cannot, therefore, be incorporated herein. Potential future impacts from ~~either~~ desalination, recycled water or an Intertie could include, but would not be limited to, impacts relating to agricultural, biological, and cultural resources, as well as impacts on water quality and noise. Since the precise location and capacity of potential desalination plants and recycled water infrastructure have not been determined, and because documentation regarding the impacts of the Waterline Intertie Project has not been certified, precise environmental impacts associated with such facilities would be too speculative to address at this time. In addition, the timing of potential future desalination and recycled water projects has not yet been determined, nor is the timing of the Waterline Intertie Project certain. Environmental impacts associated with desalination plant construction and operation as well as recycled water infrastructure installation would be evaluated in a separate environmental documentation prepared pursuant to the California Environmental Quality Act (CEQA).*

*Remaining potential water sources for WPA 3 and WPA 1 would not result in residual environmental impacts because they include water conservation, and/or increased withdrawals, ~~and recycled water~~, which would not require construction or installation of new facilities.*



**NIPOMO COMMUNITY**



**SERVICES DISTRICT**

BOARD MEMBERS

MICHAEL WINN, PRESIDENT  
JAMES HARRISON, VICE PRESIDENT  
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ED EBY, DIRECTOR  
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STAFF

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LISA BOGNUDA, ASSISTANT GENERAL MANAGER  
JON SEITZ, GENERAL COUNSEL

148 SOUTH WILSON STREET POST OFFICE BOX 326 NIPOMO, CA 93444 - 0326  
(805) 929-1133 FAX (805) 929-1932 Website address: NCSD.CA.GOV

March 18, 2008

Jeff Oliveira, Environmental Resource Specialist  
SLO County Planning and Building Department  
SLO County Government Center  
San Luis Obispo, CA 93408

2008 MAR 19 PM 3:15  
SLO CNTY  
PLANNING/BUILDING  
DEPT

**SUBJECT:** COMMENTS ON THE REVISED DRAFT AHO EIR (ED06-253; LRP2005-00010)

**ATTACHMENTS:**

- A. Depletion of Nipomo Mesa Water Conservation Area and the URL
- B. Portions of the Land Use and Circulation Element of the San Luis Obispo County General Plan, South County Inland Identifying County Wide General Goals as Applied to the South County Inland Area
- C. Excerpts from the Framework for Planning of the Land Use Element (Inland Portion) – Resource Management System Identifying Level III Action Requirements
- D. A September 4, 2007, letter to the Honorable Penny Rappa, Chairman of the San Luis Obispo County Planning Commission submitting questions related to water demand on the groundwater basin underlying the Nipomo Mesa Water Conservation Area

A

Dear Jeff,

NCSD would like to thank the County for providing additional environmental analysis of the water impacts related to adoption and implementation of the Affordable Housing Ordinances (AHO).

B

By way of background, the NCSD was formed in 1965 and is governed by a five member elected board. The NCSD has been pumping from the underlying groundwater basin since 1965. The NCSD's wells currently extract approximately 3,000 plus acre feet per year and supply approximately 4,000 connections. The County's Urban Reserve Line ("URL") is almost in its entirety located within the NCSD boundaries and the Nipomo Mesa Water Conservation Area ("NMWCA"). Further, the NCSD's boundaries and the URL are within the NMWCA as referenced in County Ordinance 3090. Attachment A depicts the boundaries of the NCSD, the URL and the NMWCA.

C

The provisions of the Original LUO Amendment regarding revised development standards would create the potential of five hundred thirty-eight (538) additional lots within the NMWCA primarily within

D

the County's URL located within the NCSD boundaries (Original LUO EIR pp. 213). The provisions of the Original LUO Amendment minimum density requirements would add approximately three hundred thirty-seven (337) new dwelling units located within the NMWCA primarily within the County's URL (See LUO EIR pp. 2-18). At 2.3 people per household and 164 gallons per person per day, the 875 additional units allowed by these programs could result in an extra 370 acre feet per year of water demand within the NMWCA. It is unknown how many units would be added within the NMWCA from the five thousand fifty-one (5,051) "bonus units" or the adoption of the inclusionary housing ordinance. According to the RD AHO EIR, the NMWCA has an existing deficit of 9,620 acre feet per year.

D

NCSD agrees with the new conclusion set forth in the Revised Draft AHO Environmental Impact Report (RD AHO EIR) that adoption and implementation of the Affordable Housing Ordinances would result in significant adverse water related environmental impacts, however, the RD AHO EIR, does not provide the information needed to fully understand those impacts to the groundwater basin underlying the NMWCA and within the URL (see Exhibit "A"). Additionally, the new conclusions set forth in the RD AHO EIR raise serious questions regarding the consistency of the proposed AHO with the existing General Plan and the Resource Management System that must be addressed before the Final EIR can be certified. NCSD requests additional analysis so that the decision makers would get a clearer picture of the water related impacts and the feasibility of mitigating these impacts prior to considering adoption.

E

With these goals in mind, NCSD hereby submits the following comments on the Revised Draft Affordable Housing Ordinances EIR (RD AHO EIR):

1. The RD AHO EIR fails to describe SLO County Ordinance 3090 and the limitations that Ordinance 3090 places on Land Use Ordinance Amendments within the Nipomo Mesa Water Conservation Area (see Exhibit "A"). NCSD requests that the RD AHO EIR be revised to add a description of the limitations on Land Use Ordinance (General Plan) Amendments imposed by SLO County Ordinance 3090 and its application to the proposed project.
2. The RD AHO EIR provides estimates of the total additional water demand that could occur if the ordinance were fully implemented but fails to quantify the increased water demands in each planning area "since there are no specific plans for individual development projects" (Page 4.10-17). The County, however, must quantify the most intensive impact that could result from implementation and given the sensitivity of the water resource limitations in select planning areas, it must assume that the project will be implemented at full build-out. NCSD has previously requested information related to water impacts within the NMWCA (see Exhibit "D"). The NCSD respectfully requests that the requested information be included in the Final RD AHO EIR. NCSD requests that the RD AHO EIR be revised to quantify the increased water demand resulting from implementation of each of the ordinances in each of the affected planning areas.
3. NCSD requests that the RD AHO EIR be revised to specify, as a mitigation measure, the amendments to each of the ordinances that would ensure that increased densities will not occur in planning areas with Water Resource Levels of Severity II or III until such time as the County certifies a Severity Level I for that planning area. The NCSD requests that this mitigation measure be analyzed in the RD AHO EIR.

F

G

H

4. The original Draft AHO EIR proposed findings of compliance with the General Plan's Appendix B Goals for water supply by concluding that implementation of the AHO would not create significant adverse water impacts. Given the new conclusions in the RD AHO EIR, these findings must be revisited prior to certification of the Final EIR. I
5. The original Draft AHO EIR proposed findings of compliance with the Resource Protection Goals set forth in Exhibit B to the South County Area Plan – Inland Area by concluding that implementation of the AHO would not create significant adverse water impacts. Given the new conclusions in the RD AHO EIR, these findings must be revisited prior to certification of the Final EIR. J
6. The NCSD requests that Appendix B be updated to include a consistency analysis between the increased water demand resulting from the LUO Amendment within Severity Level III boundaries and the following County-wide general goals (1), (2), (6), (11), (15), (16), (17), found in Exhibit "B". K
7. The original Draft AHO EIR proposed findings of compliance with the Resource Management Program's Level of Severity Guidelines by concluding that implementation of the AHO would not create significant adverse water impacts. Given the new conclusions in the RD AHO EIR, these findings must be revisited prior to certification of the Final EIR. Given the new conclusions in the RD AHO EIR these findings must be analyzed for consistency with the Resource Management Guidelines under the current certification of Severity Level III for the NMWCA (see Exhibit "C" Level III Action Requirements). L
8. The excerpts and information from WPA6 in the RD AHO EIR appear to be from an old (pre-2002) version of WPA6. NCSD requests that these excerpts and information be revised to reflect the version adopted in 2002. M
9. The RD AHO EIR refers to Southern California Water Company. These references should be corrected to read Golden State Water Company. N
10. The listing of WPA6 private water purveyors set forth on pages 4.10-5 and 4.10-6 includes single property non-purveyors (Dana Elementary and Speedling, Inc.) but excludes Rural Water Company and the Woodlands Mutual Water Company. Purveyors are in mixed lists with overlying users in numerous places. NCSD requests that the listing be corrected for consistency throughout. O
11. The representations of water demand by WPA set forth in Tables 4.10-2 through 4.10-13 fail to list the Riparian Demand category required by state law. NCSD requests that the category be listed on each table, giving appropriate data where stream gauges exist and noting where the demand for that category is unknown. P
12. The third paragraph on page 4.10-18 incorrectly states water needs of the Nipomo Mesa (not NCSD). NCSD requests that the paragraph be re-written to indicate that the Nipomo Mesa needs 4,700 acre feet per year of supplemental water even if there is no additional growth. Q

Name: Jeff Oliveira  
Subject: Comments on RD AFO EIR  
Date: March 18, 2008

Nipomo Community Services District  
Page 4 of 4

13. Page 4.10 of the revised EIR uses an average water use factor of 160 gallons per capita per day (GPCD). Does the 160 GPCD already include mitigation measure WR-1(b)? In other words, will implementation of WR-1 (b) further decrease the 160 gallons GPCD referenced in the revised EIR?

R

If you have any questions regarding the above, please don't hesitate to call me.

Sincerely,

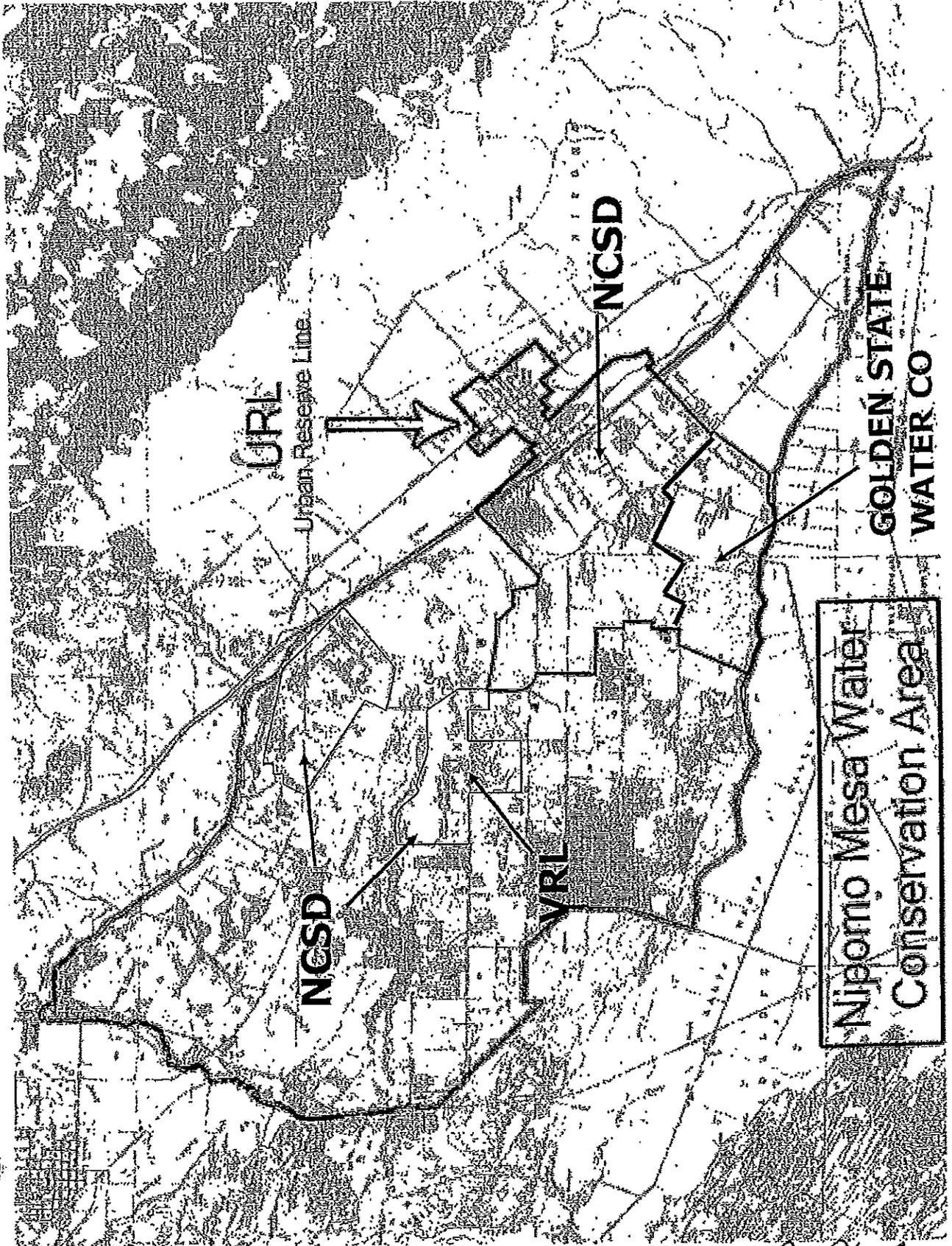
NIPOMO COMMUNITY SERVICES DISTRICT



Bruce Buel  
General Manager

CC: The Honorable Katcho Achadjian  
NCSD Board  
Jon Seitz, Shipsey and Seitz  
Chronological File

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C-27

**COUNTY OF SAN LUIS OBISPO**

---

THE LAND USE AND CIRCULATION ELEMENTS  
OF THE SAN LUIS OBISPO COUNTY GENERAL PLAN

---

**SOUTH COUNTY - INLAND**

---

ADOPTED BY  
THE SAN LUIS OBISPO COUNTY BOARD OF SUPERVISORS  
SEPTEMBER 22, 1980 - RESOLUTION 80-350

Revised June 26, 1997

## CHAPTER 1: INTRODUCTION

San Luis Obispo County is divided into two major planning areas: (1) the coastal zone, established as a result of the California Coastal Act of 1976; and (2) the inland area. Each of these two large areas is further broken down into more manageable "planning areas." The South County planning area is one such inland area and is illustrated in Figure 1-1 below.

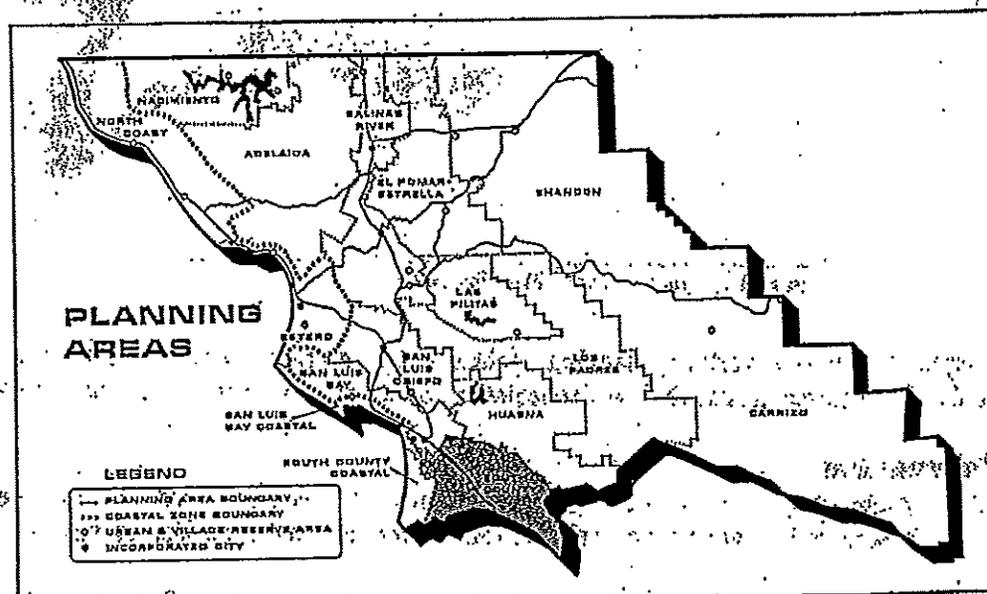


Figure 1-1: County Planning Areas

Inland South County planning area encompasses approximately 82,000 acres (128 square miles) in the rapidly growing, southwestern portion of the county. The area extends to the urban boundaries of the Five Cities on the north, the coastal range on the east, the Santa Maria River to the south and the coastal zone boundary along Highway 1 and the Southern Pacific Railroad on the west.

Land uses within this large area are diverse, ranging from urban and suburban development in the older townsites, to rural residential and agricultural uses in the foothill and Nipomo Mesa areas, and the scenic and natural characteristics of the coastal ridges and Pismo Dunes. Included in this area plan are the Nipomo urban area, the three village areas of Palo Mesa, Los Berros and Callender-Garrett and the South County rural area. See Figure 1-2.

### Countywide General Goals

Land use and circulation planning efforts in the inland area of the county are guided by 22 general goals which have been adopted by the Board of Supervisors and incorporated into

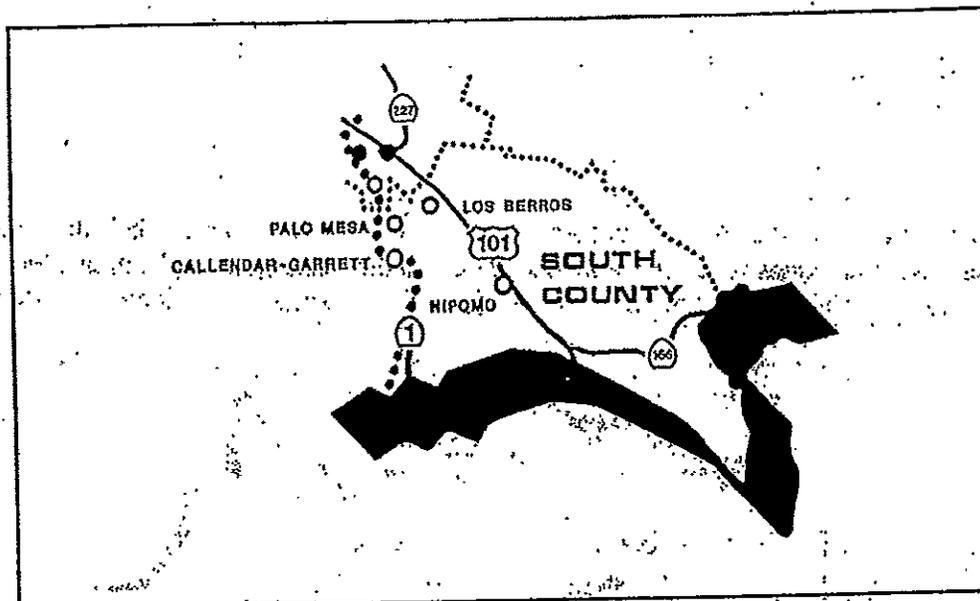


Figure 1-2: South County Planning Area

Chapter 1 of Framework for Planning - Inland Area. As these general goals are the "foundation goals" for all area plans, they are repeated here for easy reference. These general goals are:

**Environment**

1. Maintain and protect a living environment that is safe, healthful and pleasant for all residents by conserving non-renewable resources and replenishing renewable resources.
2. Balance the capacity for growth allowed by the Land Use Element with the sustained availability of resources.

**Air Quality**

3. Preserve and protect the air quality of the county by seeking to attain and maintain state and federal ambient air quality standards.
4. Determine, and mitigate where feasible, the potential adverse air quality impacts of new development.
5. Minimize the generation of air pollutants from projected growth by implementing land use policies and programs that promote and encourage the use of transportation alternative to the single-passenger vehicle and minimize travel distance and trip generation.

**Population Growth**

6. Provide for a sustainable rate of orderly development within the planned capacities of resources and services and the county's and citizens' financial ability to provide them.

### **Distribution of Land Uses**

7. Encourage an urban environment that is an orderly arrangement of building, structures and open space appropriate to the size and scale of development for each community.
8. Maintain a distinction between urban and rural development by providing for rural uses outside of urban and village areas which are predominately agriculture, low-intensity recreation, residential and open space uses, which will preserve and enhance the pattern of identifiable communities.
9. Identify important agricultural, natural and other rural areas between cities and communities, and work with landowners to maintain their rural character.
10. Encourage the protection of agricultural land for the production of food, fiber and other agricultural commodities.

### **Phasing of Urban Development**

11. Design and maintain a land use pattern and population capacity that is consistent with the capacities of existing public services and facilities, and their programmed expansion where funding has been identified.
12. Encourage the phasing of urban development in a compact manner, first using vacant or under-utilized "infill" parcels and lands next to existing development.

### **Residential Land Uses**

13. Locate urban residential densities within urban or village reserve lines near employment areas, while protecting residential areas from incompatible and undesirable uses.

### **Commercial and Industrial Land Uses**

14. Designate a pattern of strategically located commercial and/or industrial areas compatible with overall land use that is convenient to patrons, realistically related to market demand and the needs of the community, and near areas designated for residential uses.

### **Public Services and Facilities**

15. Provide additional public resources, services and facilities to serve existing communities in sufficient time to avoid overburdening existing resources, services and facilities.
16. Avoid the use of public resources, services and facilities beyond their renewable capacities, and monitor new development to ensure that its resource demands will not exceed existing and planned capacities or service levels.
17. Finance the cost of additional services and facilities from those who benefit by providing for dedications, in-lieu fees or exactions.

18. Locate new and additional public service facilities on existing public lands where feasible, allowing for sufficient buffers to protect adjacent rural and agricultural areas.

### **Circulation**

19. Integrate land use and transportation planning in coordination with cities to ensure that traffic and transportation demands can be safely and adequately accommodated.
20. Design a transportation system that provides safety within feasible economic and technical means, preserves important natural resources and features, promotes the aesthetic quality of the region and minimizes adverse environmental changes.

### **Administration**

21. Work toward minimizing administrative delays and costs to fee payers in the administration of the Land Use Element. Simplify development review procedures and provide incentives for development to locate where plan policies encourage it to occur.
22. Work closely with cities to provide continuity between city and county land use planning and to achieve common land use goals through reciprocal agreements.

### **Purpose of the South County Area Plan**

This plan has been prepared to envision the future of the South County and, based on that vision, to serve as a guide for future development which will balance the social, economic, environmental and governmental resources and activities affecting the quality of life within the South County planning area in a comprehensive and cohesive manner.

To this end, all other county-sponsored or reviewed goals, policies, plans, programs and development projects that are subordinate to the Land Use Element and that affect the South County should support, implement and be consistent with this area plan. It should be recognized, however, that the area plan is subject to higher legal authority including but not limited to case law, federal and state statutes and regulations and other countywide elements and ordinances of the County General Plan.

### **Current Conditions**

In 1993, the South County planning area provides for large areas of agriculture and an adequate supply of suburban and rural residential, commercial, industrial and recreation opportunities near and within the community of Nipomo. Economic growth has not kept pace with residential development. As a result, residents rely on jobs and shopping that are primarily located outside of the area.

Through public workshops and a community survey, area residents have expressed a pride in the secluded nature of the rural Nipomo Mesa and a concern that development should also

maintain that quality. Most people want an increase in local shopping and job opportunities, and they support initiating a local economic development program.

Acceptable levels of service for roads, schools, police and fire protection have been difficult to maintain as population growth in the planning area has occurred. Air quality has occasionally been worse than state standards due to increased vehicle traffic, oil refinery emissions and dust from farming. The rural, open countryside is threatened in some areas by unimaginative subdivisions and insensitive development siting and design. The rural open countryside can be preserved through site design standards provided in this plan.

However, the climate and ambience of the South County is unique and very positive for attracting a broad range of housing and employment. Opportunities exist to plan for long-range additional development within this setting, primarily to provide local employment and to attract a broad range of income levels and professions.

There is still a great resource in the vacant land that exists within the South County communities. Nipomo can provide a greater concentration and mix of uses within the center of town. A closer proximity between businesses and residential areas will reduce the need to commute with resulting beneficial air quality effects. An expansion of the commercial downtown area and encouragement for industrial, business and office parks will provide enough land for business attraction and the potential of achieving a local jobs/housing balance.

## Vision

The vision of this plan revolves around three significant findings made during the studies leading to the evolution of this area: (1) the desire to protect the essentially rural character of the area and protect the continuation of economic agriculture; (2) the recognition that the current economic base is not capable of providing the public services desired; and (3) the desire of the Nipomo community to be self-governing. Further, the vision of this plan vision recognizes limited water resources that are incapable of supporting unlimited growth.

South County in 2013 has achieved a successful economic climate and yet maintained rural character. A relationship has evolved between an active economy and an older natural ambience that is evident throughout the planning area. A peaceful rural atmosphere still prevails around and between Nipomo and the villages, as illustrated in Figure 1-3. A unique combination of seclusion and activity is apparent along the roads and streets in the planning area.

Through the efforts of community organizations and government agencies, an economic strategic plan has been prepared and implemented. Several active programs have successfully attracted business and office park development now located at the north and south ends of Nipomo and at the Woodlands property near Highway 1. Downtown development has expanded beyond the historical area onto the west side of Highway 101.

Attractive buildings within Nipomo demonstrate the success of an approved community design plan.



Figure 1-3: Rural Character

Attention to pedestrian convenience and safety in the design of streets and development have made Nipomo a welcoming and popular place to walk, ride bikes and have fun shopping, socializing and entertaining. This active urban setting has captured the interest of several major businesses as well as a full complement of smaller service and retail. Housing is available for all incomes due to a variety of development incentives. Professional people, service and farm workers co-exist well due to a blending of their different needs in the neighborhoods and in employment areas.

The Nipomo Mesa and its environs are also an appealing destination for recreation that contribute to the economic base. The rural landscape has attracted recreational development associated with destination resorts and rural residential living. Recreational opportunities, including golf courses, have been developed between Nipomo and Arroyo Grande. A major recreational resort offering championship golfing has successfully developed west of Nipomo, appealing to visitors from more urban areas both within and outside of California. Industrial research and development parks are located within this resort.

## Appendix

### ***EXCERPTS FROM FRAMEWORK FOR PLANNING OF THE LAND USE ELEMENT (INLAND PORTION) - RESOURCE MANAGEMENT SYSTEM***

#### **Levels of Severity for Monitored Resources**

The Resource Management System uses three levels of alert (called levels of severity) to identify potential and progressively more immediate resource deficiencies. The alerts are intended to occur while sufficient time is available for avoiding or correcting a shortage before a crisis develops. The management framework is designed to deal with neighborhood-level problems, such as a needed collector street, community-wide problems, such as the need for public sewers, as well as an areawide problem such as an overdraft of a groundwater basin. Threshold population levels or dates corresponding to the three levels of severity have been defined in each area plan for the basic resources of each area and community. A summary of the current estimated levels of severity are listed in Appendix D.

Level of Severity III occurs when resource use exceeds the capacity of the resource. For instance, when a groundwater basin is overdrafted or a road segment is operating beyond its design capacity, those particular resources operate at Level III. Criteria for Levels I and II precede the threshold for Level III by providing lead times necessary for avoiding or correcting particular resource deficiencies. The criteria for each level are not absolute, as particular community conditions or circumstances may logically support alternative criteria. Instead, they offer general guidelines for determining when resource management measures should be enacted. The criteria are described in a later section of this chapter entitled "Resource Issues and Alert Criteria for Levels of Severity" and are summarized in Table F (Amended 1990, Ord. 2443).

When resource monitoring indicates a threshold population may have been reached for a level of severity, the Planning Department notifies the Board of Supervisors with an advisory memo. Implementation of a public works project or management techniques would then occur only after public hearings on the validity of resource information being used, preparation of a resource capacity study, and action by the board, including the adoption of ordinances if necessary to address specific community resource problems.

### Level III Procedure

The procedure for a Level III alert is as follows:

1. An advisory memo is sent to the Board of Supervisors for consideration and referral to the Planning Commission as in the Level II procedure. The board should adopt appropriate interim actions to avoid panic or speculation on the outcome of the RMS procedure (Amended 1990, Ord. 2443).
2. The Planning Commission holds a public hearing on the advisory memo. As at Level II, the commission has a maximum of 40 days to hold the public hearing and report to the board.
3. After receiving the Planning Commission report, the board holds a public hearing to consider relevant resource data, public testimony, and to determine whether Level III exists.

If Level III is found not to exist, the board may direct staff to: maintain Level II procedures; modify Level II findings, or take whatever other action is deemed necessary by the board.

### Level III Action Requirements

If Level III is found to exist, the board shall make formal findings to that effect, citing the basis for the findings, and shall (Amended 1990, Ord. 2443):

1. Institute appropriate measures (including capital programs) to correct the critical resource deficiency, or at least restore Level II so that severe restrictions will be unnecessary. In many cases, other agencies or districts will control decisions about necessary measures. The Board of Supervisors shall only seek cooperative assistance for a certain time period, beyond which measures may be considered to enact county ordinances or standards affecting resource usage such as development restrictions.
2. Adopt growth management or other urgency measures to initiate whatever restrictions are necessary to minimize or halt further resource depletion. Any such restrictions shall be reduced or removed only after a public hearing where the Board of Supervisors determines that Level III no longer exists and any dangers to public health or safety have been eliminated.
3. A moratorium on land development or other appropriate measures shall be enacted in the area that is affected by the resource problem until such time that the project provides additional resource capacity to support such development (Amended 1990, Ord. 2443; 1995, Ord. 2740).

### Resource Management System Coordination

Resource inventories and resource capacity studies should clearly describe short and long-term capital improvement programs of affected agencies, to indicate feasible projects that can be funded realistically within critical time periods. The studies also should be coordinated with the urban service and urban

**NIPOMO COMMUNITY****BOARD MEMBERS**

MICHAEL WINN, PRESIDENT  
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BRUCE BUEL, GENERAL MANAGER  
 LISA BOGNUDA, ASSISTANT ADMINISTRATOR  
 JON SEITZ, GENERAL COUNSEL

148 SOUTH WILSON STREET POST OFFICE BOX 326 NIPOMO, CA 93444 - 0326  
 (805) 929-1133 FAX (805) 929-1932 Website address: NCS.D.CA.GOV

September 4, 2007

The Honorable Penny Rappa, Chairperson  
 San Luis Obispo County Planning Commission  
 SLO County Government Center  
 San Luis Obispo, CA 93408

**SUBJECT: NCS.D QUESTIONS TO COUNTY PLANNING STAFF RE AHO FEIR**

Dear Chairperson Rappa,

Following my presentation to your Commission at your August 30, 2007 hearing on the proposed Affordable Housing Ordinances, you requested that I submit my questions in writing. I have forwarded the attached Memorandum to your staff under separate cover, but I wanted you (and Commissioner Mehlschau) to have your own copy (attached). NCS.D believes that the answers to the questions set forth in the attached Memorandum will assist both the Commission and the District understand the proposal and its impacts.

If you have any questions, please don't hesitate to call me at the NCS.D Office.

Sincerely,

NIPOMO COMMUNITY SERVICES DISTRICT

  
 Bruce Buel  
 General Manager

CC: The Honorable Katcho Achadjian  
 The Honorable Gene Mehlschau  
 NCS.D Board of Directors  
 Jon Seitz, District Counsel  
 Ted Bench, SLO County Planning  
 Chuck Stevenson, SLO County Planning  
 Chronological File ✓



# NIPOMO COMMUNITY SERVICES DISTRICT

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## MEMORANDUM

TO: TED BENCH & CHUCK STEVENSON  
FROM: BRUCE BUEL  
DATE: AUGUST 31, 2007  
RE: NCSD QUESTIONS RE AFFORDABLE HOUSING ORDINANCE

Following are the questions that I asked at the 8/30/07 Planning Commission Meeting regarding Agenda Item 1 – Affordable Housing Ordinances (AHO):

Regarding FEIR Pg 2-9:

1. Confirm that 75% of the new dwelling units created by adoption of the revised AHO would be exempt from the County's Growth Management Ordinance.

Regarding FEIR Pg 2-13:

2. Quantify the water demand to serve the new dwelling units created by the HE 1-4 provisions in the revised AHO in the South County Inland Planning Area (SCIPA).
3. Quantify the sewer flow resulting from the new dwelling units created by the HE 1-4 provisions in the revised AHO in the South County Planning Area.
4. Quantify the number of new dwelling units created by the HE 1-4 provisions in the revised AHO in the Nipomo Mesa Water Conservation Area (NMWCA).
5. Quantify the number of new dwelling units created by the HE 1-4 provisions in the revised AHO in the Nipomo Community Services District (NCSD).

Regarding FEIR Pg 2-14:

6. Quantify the number of new dwelling units created by the Bonus Unit provisions in the revised AHO in the SCIPA.
7. Quantify the number of new dwelling units created by the Bonus Unit provisions in the revised AHO in the Nipomo Community Services District (NCSD).

Regarding FEIR Pg 2-18:

8. Quantify the water demand to serve the new dwelling units created by the HE 1.10 provisions in the revised AHO in the SCIPA.
9. Quantify the sewer flow to serve the new dwelling units created by the HE 1.10 provisions in the revised AHO in the SCIPA.
10. Quantify the number of additional dwelling units created by the HE 1.10 provisions in the revised AHO in the NMWCA.
11. Quantify the number of additional dwelling units created by the HE 1.10 provisions in the revised AHO in NCSD.

\\RIOGRANDE\DATA\DOCUMENTS\STAFF FOLDERS\BRUCE\MEMOS\070831AHOquestions.DOC

*Letter 2*

**COMMENTOR:** Bruce Buel, General Manager, Nipomo Community Services District

**DATE:** March 18, 2008

**RESPONSE:**

Response 2A

The commentor's list of attachments to their Revised DEIR comment letter is noted. Refer to Responses 2B through 2S.

Response 2B

The commentor's support of additional environmental analysis of water impacts is noted.

Response 2C

The commentor's background information regarding the Nipomo Community Services District (NCSD) is noted.

Response 2D

The commentor's summary of the provisions of the Original LUO Amendment is noted.

Response 2E

The commentor notes that the NCSD agrees with the new conclusion in the Revised DEIR that the Affordable Housing Ordinances (AHO) would result in Class I, *significant and unavoidable*, water resource impacts. However, the commentor argues that the Revised DEIR fails to provide sufficient background information to fully understand the nature of the impact. The commentor provides this background in the comments that follow. Refer to Responses 2F through 2R.

The commentor additionally claims that the proposed AHO may be inconsistent with the existing General Plan. The comment does not directly identify any issues of concern with the Revised DEIR analysis. However, it should be noted that mitigation measure WR-1(a) prohibits additional residential development within areas designated as Level of Severity III (WPA 1, WPA, 3 and WPA-6) unless the local agency responsible for ensuring adequate water supply determines that there is available water to meet long-term needs of the area in question. Refer also to Appendix B (Policy Consistency) to the Original Final EIR.

Response 2F

The commentor references San Luis Obispo County Ordinance 3090 and requests that the Revised DEIR analysis include a description of the limitations imposed by this ordinance.



Ordinance 3090, as adopted by the County Board of Supervisors on May 23, 2006, amends Section 22.112.020 of the San Luis Obispo County Land Use Ordinance (LUO) relating to the Nipomo Mesa Water Conservation Area. Specifically, the ordinance states that:

“Applications for general plan amendments and land divisions in the Nipomo Mesa Water Conservation area shall include documentation regarding estimated existing and proposed non-agricultural water demand for the land division or development that could occur within the General Plan Amendment. If this documentation indicates that the proposed non-agricultural demand exceeds the demand without the requested amendment or land division, the application shall include provisions for supplemental water as follows:

- a. General Plan Amendments. Where the estimated non-agricultural water demand resulting from the amendment would exceed the existing non-agricultural demand, the application shall not be approved unless supplemental water to off-set the proposed development’s estimated increase in non-agricultural demand has been specifically allocated for the exclusive use of the development resulting from the general plan amendment, and is available for delivery to the Nipomo Mesa Water Conservation Area.
- b. Land Divisions. Where the estimated non-agricultural water demand resulting from the land division would exceed the existing non-agricultural demand, a supplemental water development fee shall be paid for each dwelling unit or dwelling unit equivalent, at the time of building permit issuance, in the amount then currently imposed by county ordinance, not to exceed \$13,200. If the development resulting from the land division is subject to payment of supplemental water development fees to an entity other than San Luis Obispo County, the amount of these other fees shall be deducted from the County fee”

[LUO Section 22.112.020(F)(1)]

In accordance with the above stated requirements, the Revised DEIR estimates existing and future non-agricultural water demand that would result from implementation of the proposed AHO [refer to Section 4.10.1(c) (Existing Water Demand) and Table 4.10-1 for existing water demand; refer to the discussion under Impact WR-1 for projected AHO water demand]. As noted under Impact WR-1, many of the County’s water planning areas (WPA) do not have sufficient water allotments to meet the projected non-agricultural demand of the proposed AHO. As a result, and in accordance with Ordinance 3090 [LUO Section 22.112.020(F)], the Revised DEIR requires proof of an adequate, safe and continuous supply of water to the proposed project [mitigation measure WR-1(a) (Proof of Water Supply)].

As noted in the Revised DEIR, short- and long-term supplemental supplies have been identified for some areas; however, the exact timing and success of these supplies cannot be assured. As a result, impacts would remain significant and unavoidable.

It should also be noted that the proposed project consists of three sets of Affordable Housing Ordinances that implement three respective programs from the San Luis Obispo County



General Plan Housing Element (amended July 20, 2004). The project does not require or include a General Plan Amendment, nor does it include divisions of land. As a result, Ordinance 3090 does not directly apply to the proposed AHO.

#### Response 2G

The commentor requests additional quantification of water impacts within each water planning area (WPA). As noted by the commentor, there are no specific plans for individual projects at this time. As a result, estimating the water demand for individual WPAs would be speculative, as the precise location and distribution of development is unknown. Speculation is specifically prohibited by *State CEQA Guidelines* § 15145. In addition, as noted by the commentor, the Revised DEIR analyzes full buildout of the proposed AHO and discloses a Class I, *significant and unavoidable*, impact related to water resources.

#### Response 2H

The commentor recommends requiring a mitigation measure which would prohibit increased densities in water planning areas (WPA) rated as having a RSR Level of Severity (LOS) II (indicating that the projected water demand over the next seven years equals or exceeds the estimated dependable supply) or III (indicating that existing water demand equals or exceeds the dependable supply). Refer to mitigation measure WR-1(a) (Proof of Water Supply), which prohibits additional residential development within areas designated as LOS III unless proof of adequate water supply is provided. The LOS II severity rating does not indicate an existing water deficit. Accordingly, mitigation to prohibit development within such areas is not warranted.

#### Response 2I

The commentor requests that Appendix B (Policy Consistency) to the original Final EIR be updated because consistency with General Plan goals is identified therein “by concluding that implementation of the AHO would not create significant adverse water impacts.” The policy consistency conclusions do not rely upon an assertion that implementation of the AHO would not create significant adverse water impacts. Where applicable, Appendix B states that the proposed AHOs “identify water supply as a resource to be considered when allocating residential development”. In addition, the proposed Affordable Housing Ordinances prioritize residential development within urban areas that are not designated environmentally sensitive habitat and contain adequate water supply, water systems, sewage and roads. Proof of water supply is required in specific areas prior to building permit issuance. Additionally, the proposed Affordable Housing Ordinances (AHO) consider water supply and systems. The AHO requires the use of drought tolerant landscaping, low water use fixtures and proof of water supply prior to building permit issuance.

#### Response 2J

Refer to Response 2I.



Response 2K

The commentator requests that Appendix B (Policy Consistency) to the original Final EIR be updated to include a list of countywide general goals. All of these goals except two (Goals 15 and 17) are already addressed in Appendix B. Goal 15 relates to the provision of “additional public resources, services and facilities to serve existing communities in sufficient time to avoid overburdening existing resources, services and facilities.” Mitigation measure WR-1(a) (Proof of Water Supply) requires proof of an adequate, safe and continuous supply of water prior to development, and specifically prohibits additional residential development within areas designated as Level of Severity III (WPA 1, WPA, 3 and WPA-6) unless the local agency responsible for ensuring adequate water supply determines that there is available water to meet long-term needs of the area in question. This measure ensures consistency with Goal 15. Goal 17 is not relevant to the proposed AHO because it relates generally to the financing of new public facilities and the project does not include new public facilities.

Response 2L

Refer to Response 2I.

Response 2M

The commentator claims that information related to WPA 6 appears to be out of date and recommends inclusion of a “version adopted in 2002.” The source of information for WPA 6 in the EIR was the *Water Supply in the Nipomo Mesa Area* (San Luis Obispo County, November 2004) and the *San Luis Obispo 2006 Annual Resources Summary Report*.

Response 2N

The commentator-requested revision has been incorporated into the Revised Final EIR in three applicable locations:

Section 4.10.1(a) (Water Delivery Systems) under the WPA 3 – *Los Osos/Morro Bay* discussion:

*Three water purveyors serve the Los Osos area: County Service Area #9, ~~Southern California~~ Golden State Water Company and S&T Mutual Water Company.*

Section 4.10.1(a) (Water Delivery Systems) under the WPA 5 – *Five Cities* discussion:

*Purveyors include: the City of Arroyo Grande; the City of Grover Beach; the City of Pismo Beach; Oceano CSD; and the ~~Southern California~~ Golden State Water Company.*

Section 4.10.1(a) (Water Delivery Systems) under the WPA 6 – *Nipomo Mesa* discussion:

*Purveyors include the Nipomo CSD and the ~~Southern California~~ Golden State Water Company.*

The above revisions do not change the analysis or conclusions of the Revised DEIR.



### Response 2O

In accordance with the commentor's recommendation, the list of WPA 6 water purveyors in Section 4.10.1(a) (Water Delivery Systems) has been revised as follows:

- *Arroyo Grande Mushroom Farm*
- *Black Lake Canyon Water Supply*
- *Callender Water Assn*
- *Country Hills Estates*
- *La Mesa Water Co*
- *Rancho Nipomo Water Co.*
- *Rural Water Co.*
- *Guadalupe Cooling*
- *Clearwater Nursery*
- *Cuyama Lane Water Co*
- *Dana Elementary School*
- *La Colonia Water Assn*
- *Greenheart Farms*
- *Heritage Lane MWC*
- *Hetrick Water Co.*
- *Ken Mar Gardens*
- *Laguna Negra (Tract 610)*
- *Mesa Mutual Water Co*
- *Rim Rock Water Co*
- *Santa Maria Speedway*
- *Speedling, Inc.*
- *True Water Supply*
- *Woodlands Mutual Water Co.*

The above revisions do not change the analysis or conclusions of the Revised DEIR. Refer also to Response 3B.

### Response 2P

The commentor notes that water demand in Tables 4.10-2 through 4.10-13 must legally include a riparian demand category. These tables do not include a category for riparian demand because this data has not been reliably determined or adopted. Stream flows for most riparian corridors in the County are unmeasured and undocumented. Including riparian demand in these tables without reliable, adopted data would result in speculation, which is specifically prohibited by *State CEQA Guidelines* § 15145.

### Response 2Q

The fifth sentence of the third paragraph under *Analysis of Areas Identified at Elevated Levels of Severity* under Impact WR-1 has been revised as follows:

*In addition to the Intertie project, the ~~NCSD~~ Nipomo Mesa currently needs an additional 4,700 AFY (1,700 AFY more than is available from the City of Santa Maria), and anticipates needing approximately 6,300 additional AFY in the future (Buell, January 2008).*

This revision does not change the analysis or conclusions of the Revised DEIR.

### Response 2R

A factor of 160 gallons per capita per day (gpcd), as referenced by the commentor, is not used in the Revised DEIR. Rather, a factor of 164 gpcd is used in the analysis of impacts, as presented following the WR-1 impact statement. It is assumed the commentor intended to reference this demand factor as utilized in this discussion.



As cited in the discussion under Impact WR-1, the source of the demand factor is Table 3 of the Urban Demand Chapter of the County Water Plan (2001) for average community use. Because the County Water Plan (2001) cannot feasibly account for mitigation measures in the Revised DEIR, this factor does not include measure WR-1(b) (Water Conservation Measures). This mitigation measure would, therefore, incrementally reduce per capita water demand to below 164 gpcd. As acknowledged in the *Significance after Mitigation* discussion, this would incrementally decrease overall water demand associated with future development from the Affordable Housing Ordinances.

Response 2S

The commentor includes attachments referenced in other comments. Refer to Responses 2B through 2R.



DELIVERED BY MISS WIM  
Feb. 15, 2008

### Issues Outstanding re the SEIR for the County AHO

Although the EIR for the SLO County Affordable Housing Ordinance (AHO) has been improved in the Supplemental Environmental Report (SEIR), there are what I consider some remaining defects. Since its consideration by the Planning Commission was continued until their 24 April 2008 meeting, I hope that those issues can be resolved before then; and I will confine my remarks to those affecting Nipomo and its associated Mesa. Those issues are listed here in ascending order, from the trivial to relatively serious:

A

1) References to "Southern California Water Company" should be changed throughout to "Golden State Water Company". "Speedling, Inc." (p. 4.10-6) is misspelled.)

B

2) Purveyors for Water Planning Area 6 (WPA 6) (p. 4.10-5) correctly list Nipomo CSD and what is now Golden State Water Company, but it omits Rural Water Company--the third PUC-regulated water company in the Nipomo Mesa Water Conservation Area. The list of private water companies that follows (see comment 3 following) leaves out the largest--the Woodlands Mutual Water Company.

C

3) The term "purveyor" should be checked by County Counsel, unless it has been already. In terms of the Santa Maria Groundwater litigation, "purveyors" are appropriators of water, with rights secondary to overlying users. The NCSD, Golden State, and Rural fall into this category. Mutual water companies, here notably the Woodlands Mutual Water Company but including many others, are not regulated by the PUC but have overlying rights and do serve water, but they cannot and must not convey water outside their various domains. These are included in the SEIR lists of purveyors, and I'm not sure that that is correct. But then some farms, homes, schools, and private companies have wells for their own use, and those are also listed as purveyors; and I believe that is clearly incorrect.

D

Perhaps the characterizations of "purveyors" throughout should be limited to incorporated Cities, CSDs, and PUC-regulated public water companies. Or the mutual water companies--Atascadero Mutual Water

Company is the county's largest--could be listed separately. But homes, companies, and schools with private wells--most of them unmetered and not selling water to anyone--should be omitted or handled distinctly differently.

D

4) The various Water Planning Area demand tables (Tables 4.10-2 through 4.10-13) have a State-mandated category omitted: Riparian Demand. Though the various WPA reports from which the data were derived do contain the required demand category, they have zeros in them as placeholders. (We all know some number is real, but we don't have good numbers everywhere.) How the SEIR can be complete without this data is problematic. My understanding from County Planner James Caruso is that this defect will be remedied in the Conservation Element revision under way. Stream gauge data is available for some riparian corridors in the county, but many streams are unmeasured and undocumented. It would seem to me that at the very least we should return the Riparian Demand categories to the SEIR data, insert clearly identified placeholders where there is no documentation, and note when the defects are expected to be remedied.

E

5) Most substantively, I note the many references in the SEIR to *Vineyard Citizens for Responsible Growth, Inc. v. City of Rancho Cordova (2007)*. Despite this, I am not sure that the mitigations listed adequately satisfy the requirements of CEQA.

F

[More to follow]

*Letter 3*

**COMMENTOR:** Mike Winn, Nipomo Community Services District

**DATE:** February 15, 2008

**RESPONSE:**

Response 3A

Refer to Responses 3B through 3F.

Response 3B

Refer to Response 2N.

In addition, the list of WPA 6 water purveyors in Section 4.10.1(a) (Water Delivery Systems) has been revised to correct the typo identified by the commentor (refer also to Response 2O):

*Speedling, Inc.*

Response 3C

Refer to Response 2O.

Response 3D

The commentor discusses the term “purveyor” and argues that the term should only apply to incorporated Cities, CSDs and PUC-regulated public water companies, and that mutual water companies should be listed separately. The semantic distinction raised by the commentor is noted, but would not alter the analysis or conclusions made in the Revised DEIR.

Response 3E

Refer to Response 2P. Including riparian demand in these tables without reliable, adopted data would result in speculation, which is specifically prohibited by *State CEQA Guidelines* § 15145.

Response 3F

Mitigation measures identified in the EIR were designed to meet all requirements of the CEQA Statutes and Guidelines.



## Letter 4



<camaurer@sbcglobal.net>  
03/17/2008 11:26 AM

To <jollvelra@co.slo.ca.us>  
cc "Dick Parker" <parkerkp47@sbcglobal.net>, "Bill Garfinkel"  
<bll.garfinkel@sbcglobal.net>, "Keith Swanson"  
<swandlego@gmail.com>, "Fred Dellagatta"  
bcc

Subject RDEIR Affordable Housing Ordinance

Jeff -

One of our LOCAC members has reviewed the RDEIR for the Affordable Housing Ordinance and has questioned the definition of the water planning area for Los Osos. There doesn't seem to be a consistent and accurate description of the Water Planning area for Los Osos (WPA-1, WPA-3?). As such, it is not clear if the water consumption numbers are correct and accurately reflect the area that actually includes Los Osos. This will make it difficult for the people of Los Osos to comment on this report and determine what the real impact of buildout will be on the water deficit. Here are some discrepancies:

- At the top of page 4.10-1, the summary of Water Resources indicates that WPA-3 is North Coast and WPA-1 is Los Osos/Morro Bay.
- On that same page further down, it says that WPA-1 is North Coast, specifically San Simeon and Cambria.
- On page 4.10-5 it says that Water Planning Area 3 (WPA-3) encompasses Morro Bay and those portions of the community of Los Osos that are within the Chorro Creek watershed. Can you please explain what portions of Los Osos are in the Chorro Creek watershed? If this is the correct definition of WPA-3, where is the rest of Los Osos not in the Chorro Creek watershed? It is our understanding that all of our drainage is into the Bay or the Los Osos Creek (Incl. Eto Lake, etc.).
- How do the consumption figures for the area that supposedly includes Los Osos compare with the Cleath Report, done a few years ago?

I was thinking about including this topic on our March 27 LOCAC agenda but I don't want to spread this document around yet if it is in error. I see that there is a tentative hearing at the Planning Commission on April 24, which is the same day as our April monthly LOCAC meeting. If that's still the case, our March 27 meeting is the only chance we'll have to review this as a group and formally respond. Do you have a revised version of this RDEIR that includes a complete and accurate description of the Water Planning Area for Los Osos that would be available for electronic distribution by this Thursday, March 20? And, can you reliably state that the water analysis for WPA-3 is correctly including the Los Osos figures? If so, I'll go ahead and put this item on our agenda, which should be distributed to the press and Listserv today, and expect a revised RDEIR document that I can reference in the final agenda. If a revision is not available, then I guess we'll just need to comment as individuals.

Thank you.  
Carole Maurer, LOCAC Chairperson

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Letter 4

**COMMENTOR:** Carole Maurer, Los Osos Community Advisory Council

**DATE:** March 17, 2008

**RESPONSE:**

Response 4A

The top of page 4.10-1 incorrectly refers to water planning area (WPA) 1 as “Los Osos/Morro Bay” and WPA 3 as “North Coast.” As a result, the second to last sentence in the first paragraph of Section 4.10, *Water Resources*, has been revised as follows:

*The analysis is updated from the June 2007 Final EIR to address areas identified as being at Level of Severity III for water resources that could experience substantial development under the proposed project, including WPA-6 (Nipomo), WPA-3 (~~North Coast~~ **Los Osos/Morro Bay**) and WPA-1 (~~Los Osos/Morro Bay~~ **North Coast**).*

Because this mistake is limited to the introductory paragraph of the section, the mistake does not affect the analysis in Section 4.10, *Water Resources*. No additional revisions are necessary.

Response 4B

The first sentence of the WPA 3 – *Los Osos/Morro Bay* discussion in Section 4.10.0(a) (Water Delivery Systems) has been revised as follows:

*Water Planning Area 3 (WPA 3) encompasses ~~Morro Bay~~ **Los Osos** and those portions of the ~~community of Los Osos~~ **Morro Bay** that are within the Chorro Creek watershed.*

Response 4C

The commentor does not specify the report to which they refer (other than identifying the author). However, the water demand figures for WPA 3 (Los Osos/Morro Bay) are from 2007 (Water Master Plan) and would therefore likely be more up-to-date than data from “a few years ago”. Refer also to Response 4A.

Response 4D

The comment is noted. Refer to Responses 4A through 4C.



### Letter 5

March 24, 2008

Mr. Jeff Oliveira  
County of San Luis Obispo  
Department of Planning and Building  
San Luis Obispo, CA 93401

2008 MAR 24 PM 3:42  
San Luis Obispo  
Planning Department

**RE: Revised Draft EIR (ED06-253, LRP2005-00010), Affordable Housing Ordinances**

Viewing Table 4.10-1 "Existing Water Supply and Projected Demand" with respect to WPA #9, it appears that the single supply of groundwater (48,000 af-yr) has been "triple-counted" in reaching the amounts in the "Balance [Deficiency]" column for each of WPA #9a, #9b, and #9c.

The table shows a net Balance for the three WPA #9 sub-areas of 27,470 (-28,690+36,280+19,880) using the single 48,000 af-yr supply three times. However, when the 48,000 af-yr is counted only once, there's a net Deficiency of 68,530 (27,470-(2 x 48,000)) for these three sub-WPAs.

This calculation of a much more serious net Deficiency for WPA #9 than portrayed in Table 4.10-1 is supported, as I read it, by a paragraph on page WPA 9a-12 from the Master Water Plan Update dated 3/30/2001 (not to mention the negative tone regarding data sufficiency). To quote:

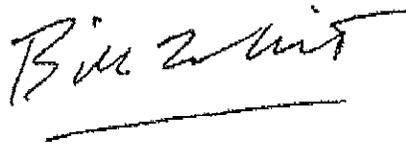
*The Paso Robles ground water basin has been broken into three different sub-basins (WPAs 9a, 9b, and 9c) based on geologic structure, hydrology and water use. The level of investigation done by previous studies (DWR, 1979 and DWR 1958) performed for the entire Paso Robles ground water basin does not appear to provide sufficient detail for planning purposes. The entire Paso Robles basin yield of 47,000 AF/yr is shared among the three subbasins and the percentage of yield each has access to is undetermined.*

**IN SUMMARY:**

- 1) In its current form, Table 4.10-1 shows a net Deficiency for all WPAs of 16,290 af-yr (sum of all amounts in "Balance [Deficiency]" column) and individual deficiencies in 8 of 12 WPAs/sub-WPAs at buildout. It is unclear (and unacceptable) to me why the current General Plan has been approved with deficient water supply at buildout. The proposed Affordable Housing Ordinance, with increased density/building provisions, exacerbates this untenable deficit draw on finite groundwater supplies.
- 2) If my understanding and calculations regarding supply in WPA #9 are correct, then a) the net Deficiency for all the WPAs/sub-WPAs is a full 96,000 af-yr worse, or a deficit of 112,290 af-yr, and b) WPA #9(a-c) is critically at risk.

Due to the additional net deficit water position caused by the proposed AHO, Class I impacts are appropriate. If my understanding of the net deficit calculation, as outlined above, is correct then I am particularly concerned about the implications for WPA #9(a-c). For this critical situation, a Statement of Overriding Considerations would not be appropriate.

Bill White  
4815 Almond Drive  
Templeton, CA 93465  
(805) 227-0318



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*Letter 5*

**COMMENTOR:** Bill White, Private Citizen

**DATE:** March 24, 2008

**RESPONSE:**

Response 5A

As noted by the commentor, WPA 9 has three sub areas: 9a, 9b and 9c. Each sub area draws from the Paso Robles Groundwater Basin and thus includes the 48,000 afy of estimated supply from this basin. The purpose of this table, however, is to portray each sub area individually, considering that the percentage yield of each sub area is undetermined, as noted in the Master Water Plan Update. As a result, the balance calculation for each WPA 9 sub area accurately represents current data. If water demand for the three sub areas is considered collectively, the water deficit in this basin would be greater, as noted by the commentor. However, the calculations in Table 4.10-1 support the Level of Severity (LOS) classifications listed in the last column of the table, which are from the 2006 Annual Resources Summary Report. In addition, it should be noted that water supply impacts are identified as Class I, *significant and unavoidable*, in the EIR.

Response 5B

Refer to Response 5A. The commentor's opinion regarding the current San Luis Obispo County General Plan is noted. The impacts of the proposed affordable housing ordinances (AHO) related to water supply are Class I, *significant and unavoidable*. However, it should be noted that mitigation measure WS-1(a) prohibits additional residential development within areas designated as Level of Severity III (WPA 1, WPA, 3 and WPA-6) unless the local agency responsible for ensuring adequate water supply determines that there is available water to meet long-term needs of the area in question.

Response 5C

Refer to Response 5A.

Response 5D

The commentor's agreement with the Class I, *significant and unavoidable*, impact determination for water supply is noted.



## INTRODUCTION to the REVISED DRAFT EIR

This document presents a revised analysis of the issue of Water Resources for the Affordable Housing Ordinances EIR. The purpose of this revision is to address concerns raised by the Nipomo Community Services District (NCSD) subsequent to the public comment period for the Draft EIR, which began on March 2, 2007 and concluded on April 30 2007. In a letter dated August 22, 2007, and at public hearings to consider certification of the Final EIR, the NCSD expressed concerns about the analysis of water resources as it related to the Nipomo community, particularly with regard to WPA 6, the water planning area that includes Nipomo, and in the service area of the NCSD. The analysis is revised to address that agency's specific concerns, and more generally concerns related to possible future development in areas identified as being within a Level of Severity III for water resources, as defined by San Luis Obispo County.

### LEGAL AUTHORITY

This document has been prepared in accordance with the California Environmental Quality Act (CEQA), and the *State CEQA Guidelines*. It is intended to serve as an information document for the public and to guide County decisionmakers.

Procedurally, this document, along with the currently proposed Final EIR (June 2007), constitute a Revised Draft EIR. Since the June 2007 Final EIR has not yet been certified, the conditions for the preparation of a Supplement or Subsequent EIR (pursuant to *State CEQA Guidelines* Section 15162 and 15163) do not apply. Instead, the preparation of this document is guided by *State CEQA Guidelines* Section 15088.5, which addresses the recirculation of an EIR prior to certification. The document is being recirculated to address significant new information as defined in the following provisions of Section 15088.5(a) of the *Guidelines*:

*"A lead agency is required to recirculate an EIR when significant new information is added to the EIR after public notice is given of the availability of the draft EIR for public review under Section 15087 but before certification. As used in this section, the term "information" can include changes in the project or environmental setting as well as additional data or other information. New information added to an EIR is not "significant" unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (including a feasible project alternative) that the project's proponents have declined to implement. "Significant new information" requiring recirculation includes, for example, a disclosure showing that:*

- (1) A new significant environmental impact would result from the project or from a new mitigation measure proposed to be implemented.*
- (2) A substantial increase in the severity of an environmental impact would result unless mitigation measures are adopted that reduce the impact to a level of insignificance.*

The new information in the revised analysis relates both to more refined water data than was originally made available, and the severity of potential impacts with respect to water resources that could result from the project's implementation.



With regard to specific requirements about recirculation and public review, *State CEQA Guidelines* Sections 15088(c) and (d) state the following:

*“If the revision is limited to a few chapters or portions of the EIR, the lead agency need only recirculate the chapters or portions that have been modified. Recirculation of an EIR requires notice pursuant to Section 15087, and consultation pursuant to Section 15086.”*

The County requests that commentors to this document limit their comments to issues related to the revised analysis. Responses to comments will also focus on this revised analysis. As noted in *State CEQA Guidelines* Section 15088.5(f)(2):

*“When the EIR is revised only in part and the lead agency is recirculating only the revised chapters or portions of the EIR, the lead agency may request that reviewers limit their comments to the revised chapters or portions of the recirculated EIR. The lead agency need only respond to comments received during the recirculation period that relate to the chapters or portions of the earlier EIR that were revised and recirculated. The lead agency's request that reviewers limit the scope of their comments shall be included either within the text of the revised EIR or by an attachment to the revised EIR. “*

The revised portion of the existing EIR, specifically the section addressing Water Resources, will be circulated for public review for 45 days, in accordance with CEQA requirements. The June 2007 Final EIR will also be available at the San Luis Obispo County Planning and Building Department for review, although apart from the water analysis, no other aspect of that document has changed since its original preparation. A Revised Final EIR will be prepared that includes the original June 2007 Final EIR, modified by the revised water analysis, with responses to public and agency comments that arise through the public review period for this revised document. The Revised Final EIR will also include any changes to the Revised Draft EIR that may arise from these comments. The process will culminate with the Planning Commission and Board of Supervisors hearings to consider certification of the Revised Final EIR, and a decision whether or not to approve the proposed project.

## **SUMMARY OF REVISED ANALYSIS**

As noted above, the revised analysis focuses on the issue of water resources. The key changes to the original analysis include the following:

- Updated water availability and use data, particularly as it relates to WPA-6 (the Nipomo area), which is identified as being at a Level of Severity III for water resources. The analysis is also updated for other Level of Severity III areas that could see substantial development under the proposed project, including WPA-1 (North Coast) and WPA-3 (Los Osos/Morro Bay). The updated analysis responds to the principles described in *Vineyard Citizens for Responsible Growth, Inc. v. City of Rancho Cordova* (2007).
- Change in the level of severity of impact for water resources, from a Class II (significant but mitigable) impact, to a Class I (significant and unavoidable) impact. This conclusion relates specifically to areas identified as being within a Level of Severity (LOS) III for water resources.



The proposed project includes Title 27 of the San Luis Obispo County Code, Affordable Housing Fund, which establishes an Affordable Housing Fund in San Luis Obispo County to provide a permanent and annually renewable source of revenue to meet, in part, the housing needs of the County's very low, low, moderate income and workforce households (refer to Appendix D). The fund is an implementing mechanism for the Affordable Housing Ordinances and would increase and improve the supply of housing available to these households. This Title would not result in any additional environmental impacts or increase the magnitude of environmental impacts beyond levels identified in the Draft and Revised Draft EIR. The environmental impacts of the proposed ordinances, which this Title would implement, were evaluated in detail in the Draft and Revised Draft EIR.

## **INCORPORATION BY REFERENCE**

Pursuant to CEQA § 15150, several documents are incorporated in their entirety by reference, and their conclusions, unless otherwise specified in this Revised DEIR, still apply. The environmental documents incorporated by reference are summarized below:

- Final Environmental Impact Report for the State Water Project Coastal Branch, Phase II and Mission Hills Extension, SCH# 1990010613. This document addressed the proposed construction of new State Water Project (SWP) facilities that would transport SWP water to San Luis Obispo and Santa Barbara Counties. The facilities analyzed in the program-level analysis included the Coastal Branch, Phase II and the Mission Hills Extension. The Coastal Branch, Phase II runs along the southern edge of the community of Santa Margarita.
- Final Environmental Impact Report for the State Water Project Coastal Branch (Phase II) Local Distribution Lines and Facilities, SCH# 1992100959. This document evaluates the site-specific impacts of the construction and operation of local distribution water pipelines, a water treatment plant, and supporting facilities that are associated with the State Water Project Coastal Branch, Phase II. This document tiers from the Final Environmental Impact Report for the State Water Project Coastal Branch, Phase II and Mission Hills Extension (discussed above). Nine local water distribution pipelines are analyzed in this document, including the North County Pipeline, which extends for approximately 17 miles from the Coastal Branch pipeline at SR 58 just east of the town of Santa Margarita to Paso Robles.
- Supplement to the SWP Coastal Branch Phase II and Mission Hills Extension Final EIR (State of California Division of Planning, October 1994) addressed technical design changes and realignment of Reach 5 of the project, which includes the Nipomo area.

The above documents are available for review at the County of San Luis Obispo Department of Planning and Building Environmental Coordinators Office, 976 Osos Street, San Luis Obispo, CA 93408.





## 4.10 WATER RESOURCES

This section analyzes the potential water resource impacts associated with the proposed Affordable Housing Ordinances. The purpose of the analysis is to evaluate existing water supplies, based primarily on County Water Planning Areas (WPA), comparing these to anticipated water demand generated by future development accommodated under the proposed ordinances. The analysis is updated from the June 2007 Final EIR to address areas identified as being at Level of Severity III for water resources that could experience substantial development under the proposed project, including WPA-6 (Nipomo), WPA-3 (~~North Coast~~ Los Osos/Morro Bay) and WPA-1 (~~Los Osos/Morro Bay~~ North Coast). The updated analysis responds to the principles described in *Vineyard Citizens for Responsible Growth, Inc. v. City of Rancho Cordova* (2007).

### 4.10.1 Setting

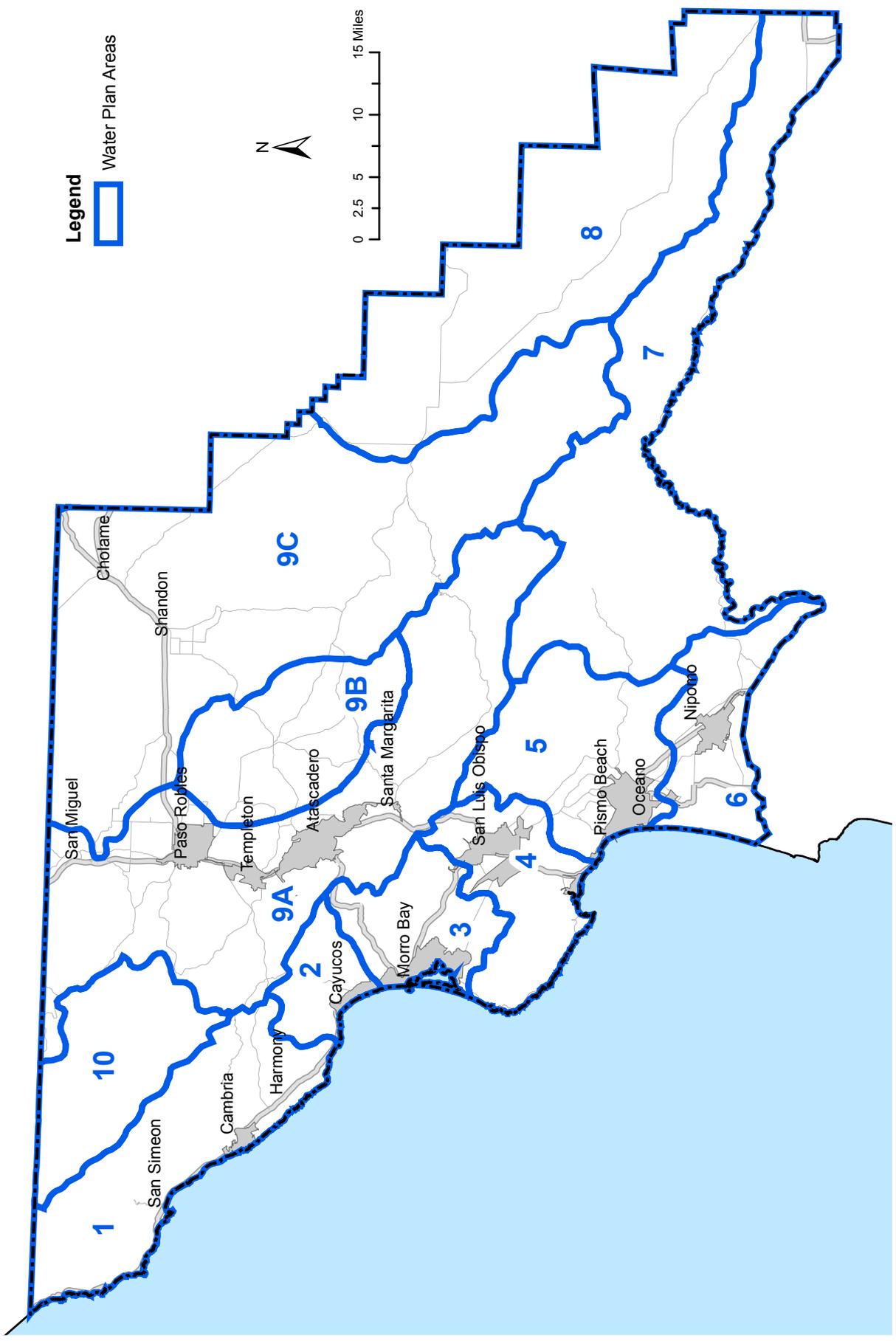
**a. Water Delivery Systems.** County-operated water delivery systems encompass two key components: infrastructure, which consists of individual service lines and mains, pumps, lift stations, and storage facilities such as tanks and reservoirs; and the energy required to move large amounts of water over the many miles of pipelines that service the County. Water service utilities in unincorporated areas of the County are provided by county service areas (CSA), community service districts (CSD), or private water companies.

A county service area (CSA) is a special taxing area which bears a special assessment or service charge for particular types of extended services, including (but not limited to) water service. CSAs are managed by the Board of Supervisors. Under the Board's direction, CSAs may levy taxes, establish zones of benefit, incur bonded indebtedness and enter into contracts. There are seven CSAs in San Luis Obispo County. A community service district (CSD) is a local governing body authorized to provide a variety of public services, with the exception of land use planning. A CSD typically has an elected governing body with full financial and operational responsibilities. There are thirteen CSDs in San Luis Obispo County.

Water distribution infrastructure is divided into a complex network of connected and independent facilities dispersed amongst the County's twelve different Water Planning Areas (WPA). WPAs represent the geographic organization of the County. Water demand, agricultural water needs, sources of supply, and other information are organized by WPA. Prior to the 2001 Water Master Plan Update, countywide water management plans have been organized by County Planning Area, a designation which does not coincide with watershed or groundwater basin boundaries. The following WPAs are intended foremost to recognize important hydrogeologic units throughout the County (refer to Figure 4.10-1 for WPA locations). The following discussion is based on the most recent County published data available.

WPA 1 - North Coast. Water Planning Area 1 (WPA 1) is situated in the northwest corner of the County and includes the communities of San Simeon and Cambria. The northern boundary of WPA 1 is the San Luis Obispo/Monterey County line. The Santa Lucia Range provides the WPA boundary along the northeast side, while the watershed divide between Villa Creek (WPA 1) and Cayucos Creek (WPA 2) forms the boundary to the south. Other creeks within this WPA include: San Carpoforo, Arroyo Hondo, Arroyo de los Chinos, Arroyo de la





Source: County of San Luis Obispo

Water Planning Areas

Figure 4.10-1  
County of San Luis Obispo

Cruz, Burnett, Oak Knoll, Arroyo Laguna, Little Pico, North Fork Pico, South Fork Pico, San Simeon, Steiner, Santa Rosa, and Perry. Water purveyors include Cambria CSD, San Simeon Acres CSD, and the 7X Youth Ranch.

WPA 2 – Cayucos. Water Planning Area 2 (WPA 2) includes coastal watersheds from Cayucos Creek to Toro Creek. The unincorporated community of Cayucos has three water purveyors, which provide services to the local urban area: Morro Rock Mutual Water Company, Paso Robles Beach Water Company, and County Service Area #10 [together, the Cayucos Area Water Organization (CAWO)].

WPA 3 – Los Osos/Morro Bay. Water Planning Area 3 (WPA 3) encompasses ~~Morro Bay~~ Los Osos and those portions of the ~~community of Los Osos~~ Morro Bay that are within the Chorro Creek watershed. WPA 3 extends along State Route 1 (Cuesta College, Camp San Luis Obispo, Dairy Creek Golf Course, and the California Men’s Colony). Three water purveyors serve the Los Osos area: County Service Area #9, ~~Southern California~~ Golden State Water Company and S&T Mutual Water Company.

WPA 4 – San Luis Obispo/Avila. Water Planning Area 4 (WPA 4) includes San Luis Obispo Creek watershed as well as the area from Avila Beach to Montana De Oro State Park. WPA 4 extends into Edna Valley up to the Pismo Creek watershed divide. Purveyors include the City of San Luis Obispo and Avila Beach CSD.

WPA 5 – Five Cities. Water Planning Area 5 (WPA 5) includes the Five Cities area from Pismo Creek to Arroyo Grande Creek watersheds. WPA 5 also encompasses Lopez Lake watershed. Purveyors include: the City of Arroyo Grande; the City of Grover Beach; the City of Pismo Beach; Oceano CSD; and the ~~Southern California~~ Golden State Water Company. Private purveyors include the following:

- *Ball Tagawa Growers*
- *Biddle Regional County Park*
- *Blue Sky Water Assn.*
- *Branch Elementary School*
- *Deer Valley*
- *Fowler Mobile Home Estates*
- *Grande Mobile Home Manor*
- *Lopez Recreational Area*
- *Mesa Dunes MH Estates*
- *Mutual Water Assn*
- *Newsom Spring MWC*
- *Nunes Water Supply*
- *Oak Park Manor*
- *Sweet Springs Mobile Park*
- *Talley Farms Labor Housing*
- *Terra De Oro Water Co.*
- *Varian Ranch MWC*
- *Vista De Las Flores Wtr Co*
- *Woodland Park*
- *Circle II (Tract 1323)*

WPA 6 – Nipomo Mesa. Water Planning Area 6 (WPA 6) includes that portion of San Luis Obispo County that lies within the Santa Maria River watershed. Purveyors include the Nipomo CSD and the ~~Southern California~~ Golden State Water Company. Private water purveyors include the following:

- *Arroyo Grande Mushroom Farm*
- *Black Lake Canyon Water Supply*
- *Callender Water Assn*
- *Country Hills Estates*
- *Greenheart Farms*
- *Heritage Lane MWC*
- *Hetrick Water Co.*
- *Ken Mar Gardens*



- *La Mesa Water Co*
- *Rancho Nipomo Water Co.*
- *Rural Water Co.*
- *Guadalupe Cooling*
- *Clearwater Nursery*
- *Cuyama Lane Water Co*
- *Dana Elementary School*
- *La Colonia Water Assn*
- *Laguna Negra (Tract 610)*
- *Mesa Mutual Water Co*
- *Rim Rock Water Co*
- *Santa Maria Speedway*
- *Speedling, Inc.*
- *True Water Supply*
- *Woodlands Mutual Water Co.*

WPA 7 – Cuyama. Water Planning Area 7 (WPA 7) encompasses the portion of San Luis Obispo County that lies within the Cuyama River watershed (i.e. Twitchell Reservoir).

WPA 8 – California Valley. Water Planning Area 8 (WPA 8) consists of the Carrizo Plain area of the County. Purveyors include the California Valley CSD, the CDF-Simmler Fire Station, California Valley Water, and the Carrisa Plains Elementary School.

WPA 9A – Salinas. Water Planning Area 9A (WPA 9A) generally consists of the Salinas River watershed along the U.S. Highway 101 corridor from Santa Margarita Lake north to San Miguel. Purveyors include the city of Paso Robles and the following:

- *Templeton Community Service District*
- *Garden Farms County Water District*
- *County Waterworks District No. 1, San Miguel*
- *County Waterworks District No. 8, Santa Margarita*
- *Atascadero Mutual Water Company*
- *McNamara Water Supply*
- *Durand Water Co*
- *Adelaide Estates MWC*
- *Almira Water Assn*
- *Town Creek Water Supply*
- *McNamara Water Supply*
- *Via Condiás Water Supply*
- *Atascadero Lake*
- *Babe Ruth Trailer Park*
- *Los Robles M.H. Estates*
- *Mustang Mobile Village*
- *Rancho Colina M.H. Park*
- *Resthaven M.H. Park*
- *Rinconada Trailer Park*
- *Santa Margarita Lake Campground*
- *Cal-Shasta Club, Inc.*
- *Christmas Cove Co.*
- *Hazard Water Supply*
- *Atascadero State Hosp. Water*
- *Bee Rock Store Water Supply*
- *Bow Valley Aquiland Wtr. Supply*
- *Camp Wantala Water Supply*
- *El Paso de Robles School*
- *Ritchie’s Water Supply*
- *Moe Water Supply*
- *The Hillhouse Water Supply*
- *Pete Johnson Chevrolet*
- *Pleasant Valley Elementary School*
- *Port-a-Port West*
- *Pozo Saloon*
- *San Paseo Truck Stop*
- *Santa Lucia School*
- *Shan-Val Hills Vineyard*
- *Wine World Estates*
- *Mustang Springs MWC*

WPA 9B – Creston. Water Planning Area 9B (WPA 9B) encompasses the portion of the Paso Robles groundwater basin that also coincides with the Huerhuero Creek watershed. The northwestern boundary is generally the boundary between urban land uses of Paso Robles and the agricultural uses surrounding Creston. The southern boundary follows the watershed boundary of the Huerhuero Creek. Purveyors include the Black Mountain RV Resort.



WPA 9C – Shandon. Water Planning Area 9C (WPA 9C) encompasses the watershed bounded by the La Panza Range to the southwest and includes the Estrella Creek watershed to the north. Purveyors include County Service Area No. 16 and the following purveyors:

- *Green River MWC*
- *Phillips Elementary School*
- *Shandon Rest Stop*
- *Hearst Corp-Cholame Store*

WPA 10 – Nacimiento. Water Planning Area 10(WPA 10) consists of the portion of the County that drains into Lake Nacimiento. Purveyors include Heritage Ranch CSD and the Nacimiento Water Company.

Table 4.10-1 summarizes the existing water resource supply and projected demands for a 20-year planning horizon for each water planning area in the region. The information in the table was taken from the County’s Water Master Plan, [slocountywater.org](http://slocountywater.org) (2007), and *Water Supply in the Nipomo Mesa Area* (November 2004).

**b. Water Supply.** The following discussion of County water supply has been adapted from the San Luis Obispo County Water Master Plan, as augmented by additional information on [www.slocountywater.org](http://www.slocountywater.org) (2007), and *Water Supply in the Nipomo Mesa Area* (SLO County, November 2004). County water supply is divided among three main sectors: groundwater, surface impoundments, and allotments of State water wielded through the State Water Project.

WPA 1 – North Coast (North Coast Planning Area). Groundwater basins in WPA 1 include the San Carpoforo, Arroyo de la Cruz, Pico, San Simeon, Santa Rosa, and Villa basins. Estimates of groundwater availability indicate an annual yield of approximately 5,664 acre-feet (AFY). In addition to groundwater supplies from several coastal basins, WPA 1 benefits from stream flows with an estimated 4,737 AFY in appropriated stream flows. Approximately one-third of the appropriated flows are along the San Carpoforo Creek, half from San Simeon Creek, and the remainder from Santa Rosa Creek. Cambria CSD and the Hearst Corporation hold significant water rights in WPA 1.

WPA 2 – Cayucos (Portions of Estero and Adelaina Planning Areas). Three separate purveyors supply domestic water to the community of Cayucos: Morro Rock Mutual Water Company, Paso Robles Beach Water Company, and County Service Area #10. These purveyors share a common source of supply (Whale Rock Reservoir) and operate a common water treatment plant. In addition, WPA 2 includes the San Geronimo, Cayucos, Old, and Toro Basins. These basins are used principally for local domestic and agricultural purposes. Old Basin is the small alluvial deposit downstream of Whale Rock Dam which is also used by Cayucos water purveyors. Estimates of groundwater availability indicate a yield of approximately 1,191 acre-feet with a surface water supply of 2,224 acre-feet (Water Master Plan; [slocountywater.org](http://slocountywater.org), 2007). It should be noted that this estimate comes from data published in 1958.

WPA 3 – Los Osos/Morro Bay (Portions of Estero Planning Area). Three groundwater basins (Morro, Chorro, and Los Osos) provide water to municipal, agricultural, recreational, institutional and local domestic users within WPA 3. While these three basins have been



**Table 4.10-1 Existing Water Supply and Projected Demand**

Water Planning Areas	County Planning Areas	Quantity of Water Resources (af-yr) <sup>1</sup>				Demand <sup>2</sup>	Balance [Deficiency]	Level of Severity (LOS) <sup>3</sup>
		Surface	Groundwater	Reclaimed	Imported			
WPA #1: North Coast	North Coast Planning Area	4,737	5,664	0	0	U = 2,770 A = 540 R = 790	6,300	SPL = III SYS = III
WPA #2: Cayucos	Estero Area Plan	2,224	1,191	0	0	U = 750 A = 850 R = 680	1,170	SPL = II SYS = II
WPA #3: Los Osos/ Morro Bay	Estero Area Plan	5,262	3,700	275	1,313	U = 6,930 A = 7,490 R = 780	[6,240]	SPL = III SYS = III
WPA #4: SLO/Avila	San Luis Bay – Coastal Area Plan, San Luis Obispo Inland Area Plan,	8,073	5,900	0	100	U = 14,490 A = 6,060 R = 1,100	[7,680]	none
WPA #5: Five Cities	San Luis Bay – Coastal Area Plan, San Luis Obispo Bay Inland Area Plan, Huasna – Lopez Inland Area plan	10,657	9,320	0	1990	U = 11,990 A = 16,230 R = 3,940	[12,160]	none
WPA #6: Nipomo Mesa	South County Coastal/Inland Area Plans	0	19,900	0	0	U = 3,900 A = 22,540 R = 3,080	[9,620]	groundwater basin SPL = III <sup>4</sup>
WPA #7: Cuyama	Los Padres Inland Area Plan	0	8,000	0	0	U = 0 A = 20,520 R = 490	[13,010]	Groundwater basin = III
WPA #8: California Valley	Shandon-Carrizo Area Plan	0	600	0	0	U = 0 A = 210 R = 1,090	[700]	none
WPA #9a: Salinas	Salinas River Area Plan Las Pilitas Area Plan,	3,693	48,000	0	0	U = 41,120 A = 31,820 R = 7,440	[28,690]	Garden farms SPL = II, San Miguel & Templeton SYS = II, Santa Margarita SYS = III
WPA #9b: Creston	El-Pomar/Estrella Planning Area	263		0	0	U = 0 A = 5,750 R = 6,230	36,280	none
WPA #9c: Shandon	Shandon/Carrizo Inland Planning Areas	138		0	0	U = 0 A = 27,190 R = 1,070	19,880	none
WPA #10: Nacimiento	Nacimiento, Adelaida Inland Planning Area	1,200	0	0	0	U = 0 A = 0 R = 3,020	[1,820]	none

**Notes:**

- 1 Estimated urban water demands are based on General Plan buildout projections, which is beyond the 20 year time frame required by Integrated Regional Water Management guidelines.
- 2 Estimate rounded to nearest 10 ac-ft
- 3 San Luis Obispo 2006 Annual Resources Summary Report LOS Recommendation for water supply (SPL) and water system (SYS). Ratings are applies to County Planning Areas. LOS I = projected water demand over the next nine years equals or exceeds the estimated dependable supply, LOS II = projected water demand over the next seven years equals or exceeds the estimated dependable supply, LOS III = the existing water demand equals or exceeds the dependable supply
- 4 Certified by the County of San Luis Obispo on June 26, 2007

Sources: Water Master Plan; slocountywater.org, 2007; Water Supply in the Nipomo Mesa Area, SLO County, November 2004.



grouped together within this planning area, the three basins are very different in terms of their management issues, including seawater intrusion, high nitrate concentrations, and imported water recharge (Water Master Plan; slocountywater.org, 2007). Estimates of groundwater availability indicate an annual yield of approximately 3,700 AFY (Water Master Plan; slocountywater.org, 2007). Surface supplies to WPA 3 include water from Whale Rock Reservoir, seawater desalination, State Water supplies, and stream flow. Non-groundwater supply is estimated at approximately 5,262 AFY (Water Master Plan; slocountywater.org, 2007).

WPA 4 – San Luis Obispo/Avila (San Luis Obispo, San Luis Bay Coastal, and San Luis Bay Inland Planning Areas). The primary groundwater basin that provides water to WPA 4 is the San Luis Obispo Creek groundwater basin. Estimates of groundwater availability indicate an annual sustained yield of approximately 5,900 acre-feet (Water Master Plan; slocountywater.org, 2007). Surface supplies to WPA 4 include water from Salinas and Whale Rock Reservoirs (principally supplying the City of San Luis Obispo), Lopez Reservoir (to Avila Beach) plus State Water supplies (to Avila CSD, Avila Valley MWC, and others). A seawater desalination plant is operated at the Diablo Canyon Nuclear Power Plant to satisfy high quality process water needs at the plant. Non-groundwater supply is estimated at approximately 8,073 AFY (Water Master Plan; slocountywater.org, 2007).

WPA 5 – Five Cities (Portions of San Luis Bay Inland, Huasna/Lopez, and South County Inland Planning Areas). The Five Cities (Arroyo Grande, Pismo Beach, Shell Beach, Oceano, and Grover Beach) are all on groundwater wells and the Lopez system. The systems share common service area boundaries that do facilitate emergency interconnections; several system interties are in place today.

WPA 5 includes the Pismo Creek-Edna Valley Basin and the Arroyo Grande Plain and Tri-Cities Mesa portion of the Santa Maria Valley Basin. Management issues in these areas include the impact of Lopez Dam modifications, increasing demands on water resources, wastewater reuse, and localized high levels of nitrate concentrations. Sea water intrusion is a potential impact which could result from excessive pumping and inadequate recharge. Combined, these basins provide an estimated 9,320 to 10,320 AFY to the water planning area (Water Master Plan; slocountywater.org, 2007). Surface supplies to WPA 5 include water from Lopez Reservoir, State Water supplies, and stream flow. Non-groundwater supply is estimated at approximately 10,657 AFY (Water Master Plan; slocountywater.org, 2007).

WPA 6 – Nipomo Mesa (Portions of South County Coastal and South County Inland Planning Areas). WPA 6 includes the Nipomo Mesa and Oso Flaco portions of the Santa Maria Basin, which are within San Luis Obispo County. The water management issues in these areas include increasing overdraft conditions in the Nipomo Mesa area, well interference from groundwater pumping, water quality issues related to agricultural return flow and domestic wastewater return flow and saltwater intrusion. The portions of the Santa Maria Groundwater Basin within SLO County provide an estimated 19,900 AFY under worst case conditions, which includes areas underlying the Nipomo Mesa, Tri-Cities Mesa, and Santa Maria Valley (*Water Supply in the Nipomo Mesa Area*, SLO County, November 2004). Non-groundwater supplies consist of some reclaimed water being used for irrigation purposes. However, surface water yield for domestic purposes is assumed to be 0 AFY (Water Master Plan; slocountywater.org, 2007).



WPA 7 – Cuyama (Portions of Shandon-Carrizo, Los Padres, and Huasna/Lopez Area Plans). Water service to the Cuyama area is provided by small isolated water systems that lack interties. Within WPA 7, the Cuyama groundwater basin is in an overdraft condition. The basin provides an estimated safe yield of approximately 8,000 AFY to the water planning area. Surface water yield is assumed to be 0 AFY (Water Master Plan; slocountywater.org, 2007).

WPA 8 – California Valley (Portions of Shandon-Carrizo Planning Area). Water service to the California Valley area is provided by small isolated water systems that lack interties. Water is supplied to the California Valley through groundwater extraction from the Carrizo Plain basin. Estimates of groundwater availability indicate a safe seasonal yield of approximately 600 acre-feet. However, this estimate comes from data published in 1958. In addition, it should be noted that much of the Carrizo Plain basin has not been studied in detail, and true perennial yield values are not known. Surface water yield is assumed to be 0 AFY (Water Master Plan; slocountywater.org, 2007).

WPA 9A – Salinas (Portions of Salinas River, Los Padres, Las Pilitas, El Pomar-Estrella, Adelaida and Nacimiento Area Plans). The three largest communities in WPA 9A (Paso Robles, Atascadero, and Templeton) operate separate water distribution systems. Templeton CSD and Paso Robles have a system intertie at Highway 46 and Theater Drive. The distance between Templeton and Atascadero’s systems is approximately 1.5 miles. Similarly, Santa Margarita’s water system does not adjoin any other community systems, though the Salinas Pipeline (which delivers water to City of San Luis Obispo and Cal Poly) traverses the Santa Margarita service area. San Miguel does not adjoin any other community water system.

Water is supplied to WPA 9A through groundwater extraction from the Paso Robles, Pozo and Cholame basins. Estimates of groundwater availability indicate a yield of approximately 48,000 AFY (Water Master Plan, 2005). Groundwater supplies are augmented by an estimated 3,693 AFY of appropriated stream flows. Releases from Salinas Reservoir benefit groundwater basin recharge and help maintain a “live stream” flow in the Salinas River.

WPA 9B – Creston (Portions of El-Pomar/Estrella, Los Padres, Las Pilitas, and Shandon-Carrizo Area Plans). Water service to the Creston area is provided by small, isolated water systems that lack interties. Similar to WPA 9A, water is supplied to WPA 9A through groundwater extraction from the Paso Robles, Pozo and Cholame basins. Agricultural water uses are predominant. Estimates of groundwater availability indicate a yield of approximately 48,000 AFY (Water Master Plan; slocountywater.org, 2007). Groundwater supplies are augmented by an estimated 263 AFY of appropriated flows along Huerhuero Creek.

WPA 9C – Shandon (Portions of Shandon/Carrizo, El Pomar-Estrella, and Los Padres Area Plans). Water service to the Shandon area is provided by small, isolated water systems that lack interties. Similar to WPA 9A and 9B, water is supplied to WPA 9C through groundwater extraction from the Paso Robles, Pozo and Cholame basins. Agricultural water uses are predominant. Estimates of groundwater availability indicate a yield of approximately 48,000 AFY (Water Master Plan; slocountywater.org, 2007). Groundwater supplies are augmented by a 100 AFY entitlement in the State Water Project and 38 AFY of appropriated flows along the San Juan Creek and Estrella River systems.



WPA 10 - Nacimiento (Portions of Nacimiento and Adelaida Area Plans). No source of groundwater supply in WPA 10 has been identified (Water Master Plan, 2005). However, approximately 1,200 AFY of San Luis Obispo County Flood Control and Water Conservation District's entitlement at Lake Nacimiento benefits users in WPA 10 (Water Master Plan; slocountywater.org, 2007).

**c. Water Demand.** The following discussion of County water demand has been adapted from the San Luis Obispo County Water Master Plan, as most recently updated, supplemented with data from slocountywater.org (2007), and additional data provided by the Nipomo Community Services District (*Water Supply in the Nipomo Mesa Area*, November 2004). Existing demand can be separated into three main types of demand: urban, agricultural, and rural.

WPA 1 - North Coast (North Coast Planning Area). The total existing and future demands for WPA 1 are listed in Table 4.10-2. As discussed in Section 4.10.1(b) above, existing supplies total 10,401 AFY. Based on the existing demand of approximately 1,570 AFY, there appears to be a water surplus of approximately 8,831 AFY. However, limited supply is available in many small basins, and is often inaccessible to the urban demands (Water Master Plan; slocountywater.org, 2007). Larger demands are dependent upon single basins (e.g. Hearst Ranch, East/West Ranch, CCSD, and San Simeon Acres). In addition, seasonal peaking in demand coincides with summer shortages in supply (Water Master Plan; slocountywater.org, 2007).

**Table 4.10-2 WPA 1 Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	700	1,230	2,770
Agricultural	430	360	540
Rural	440	790	790
<b>Total</b>	<b>1,570</b>	<b>2,380</b>	<b>4,100</b>

Source: Water Master Plan; slocountywater.org, 2007.

WPA 2 - Cayucos (Portions of Estero and Adelaina Planning Areas). The total existing and future demands for WPA 2 are listed in Table 4.10-3. An increase in irrigation efficiency accounts for the reduction in projected agricultural demand. As discussed in Section 4.10.1(b) above, existing supplies total 3,415 AFY, resulting in a water surplus of approximately 1,685 AFY. A surplus of approximately 1,625 AFY is expected in 2020, while a surplus of approximately 1,165 is expected at buildout (Water Master Plan; slocountywater.org, 2007).

**Table 4.10-3 WPA 2 Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	470	580	750
Agricultural	740	530	820
Rural	520	680	680
<b>Total</b>	<b>1,730</b>	<b>1,790</b>	<b>2,250</b>

Source: Water Master Plan; slocountywater.org, 2007.



WPA 3 – Los Osos/Morro Bay (Portions of Estero Planning Area). The total existing and future demands for WPA 3 are listed in Table 4.10-4. As discussed in Section 4.10.1(b) above, existing supplies total 8,962 AFY, resulting in a water deficit of approximately 2,238 AFY. However, according to the Water Master Plan (2005), the deficit appears to be overstated because the Dairy Creek Reclamation project is not yet included in the supply totals. Nonetheless, a deficit of approximately 2,278 AFY is expected in 2020, while a deficit of approximately 6,238 is expected at buildout (Water Master Plan; slocountywater.org, 2007).

**Table 4.10-4 WPA 3 Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	3,700	5,170	6,930
Agricultural	6,880	5,290	7,490
Rural	620	780	780
<b>Total</b>	<b>11,200</b>	<b>11,240</b>	<b>15,200</b>

Source: Water Master Plan; slocountywater.org, 2007.

WPA 4 – San Luis Obispo/ Avila (San Luis Obispo, San Luis Bay Coastal, and San Luis Bay Inland Planning Areas). The total existing and future demands for WPA 4 are listed in Table 4.10-5. As discussed in Section 4.10.1(b) above, existing supplies total 13,973 AFY, resulting in a water deficit of approximately 237 AFY. A deficit of approximately 4,407 AFY is expected in 2020, while a deficit of approximately 7,677 AFY is expected at buildout (Water Master Plan, 2005). According to the Water Master Plan, the City of San Luis Obispo is considering options for future supply, including Nacimiento water, Salinas Dam water and water reuse. The City experienced severe shortages during drought.

**Table 4.10-5 WPA 4 Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	8,470	13,260	14,490
Agricultural	4,970	4,020	6,060
Rural	770	1,100	1,100
<b>Total</b>	<b>14,210</b>	<b>18,380</b>	<b>21,650</b>

Source: Water Master Plan; slocountywater.org, 2007.

WPA 5 – Five Cities (Portions of San Luis Bay Inland, Huasna/Lopez, and South County Inland Planning Areas). The total existing and future demands for WPA 5 are listed in Table 4.10-6. Anticipated changes in cropping acreage in the Five Cities WPA include an increase in vegetable, vineyard, and deciduous crops, coupled with declining irrigated pasture. The combined effect of these anticipated changes contributes to a fairly steady agricultural water demand.

As discussed in Section 4.10.1(b) above, existing supplies total 19,997 AFY, resulting in a water deficit of approximately 4,563 AFY. A deficit of approximately 6,373 AFY is expected in 2020, while a deficit if approximately 12,163 AFY is expected at buildout (Water Master Plan; slocountywater.org, 2007). According to the Water Master Plan, Edna Valley is experiencing rapid development of vineyards with some additional residential activity. As a result, competition for limited ground water resources will intensify. South County cities have



relatively large urban demand and some are projecting considerable growth, especially Pismo and Arroyo. Lopez Lake is currently under study for new yield estimates and the dam is slated for seismic improvements.

**Table 4.10-6 WPA 5 Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	7,040	10,200	11,990
Agricultural	14,460	12,230	16,230
Rural	3,060	3,940	3,940
<b>Total</b>	<b>24,560</b>	<b>26,370</b>	<b>32,160</b>

Source: Water Master Plan; slocountywater.org, 2007.

WPA 6 - Nipomo Mesa (Portions of South County Coastal and South County Inland Planning Areas). The total existing and future demands for WPA 6 are listed in Table 4.10-7. Anticipated future changes in cropping acreage in the Nipomo Mesa WPA include an increase in nursery and vegetable crops, coupled with declining citrus crops. The combined effect of these anticipated changes contributes to a fairly steady agricultural water demand (Water Master Plan; slocountywater.org, 2007). As discussed in Section 4.10.1(b) above, existing supplies total 19,900 AFY, resulting in an existing water deficit of approximately 9,620 AFY (*Water Supply in the Nipomo Mesa Area*, SLO County, November 2004). At projected buildout, the deficit would increase to 16,300 AFY without another source to augment existing supplies. Both the Nipomo Mesa and Oso Flaco portions of the Santa Maria Basin have been found to be in a state of overdraft (Nipomo Mesa Groundwater Resource Capacity Study and 2005 Santa Barbara County Groundwater Report, respectively).

**Table 4.10-7 WPA 6 Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	3,900	5,030	7,670
Agricultural	22,540	23,860	24,180
Rural	3,080	5,940	4,350
<b>Total</b>	<b>29,520</b>	<b>34,830</b>	<b>36,200</b>

Source: *Water Supply in Nipomo Mesa Area*, SLO County, 2004.

WPA 7 - Cuyama (Portions of Shandon-Carrizo, Los Padres, and Huasna/Lopez Area Plans). The total existing and future demands for WPA 7 are listed in Table 4.10-8. Anticipated changes in the future cropping acreage in the Cuyama WPA include an increase in vegetable and deciduous crops. Changing crop patterns combined with changes in irrigation efficiency contributes to a fairly steady agricultural water demand (Water Master Plan; slocountywater.org, 2007). As discussed in Section 4.10.1(b) above, existing supplies total 8,000 AFY, resulting in a water deficit of approximately 11,310 AFY. A deficit of approximately 9,310 AFY is expected in 2020, while a deficit of approximately 12,980 AFY is expected at buildout (Water Master Plan; slocountywater.org, 2007).



**Table 4.10-8 WPA 7 Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	0	0	0
Agricultural	18,890	16,820	20,490
Rural	420	490	490
<b>Total</b>	<b>19,310</b>	<b>17,310</b>	<b>20,980</b>

Source: Water Master Plan; slocountywater.org, 2007.

WPA 8 - California Valley (Portions of Shandon-Carrizo Planning Area). The total existing and future demands for WPA 8 are listed in Table 4.10-9. As discussed in Section 4.10.1(b) above, existing supplies total 600 AFY, resulting in a water deficit of approximately 330 AFY. A deficit of approximately 660 AFY is expected in 2020, while a deficit of approximately 700 AFY is expected at buildout (Water Master Plan; slocountywater.org, 2007).

**Table 4.10-9 WPA 8 Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	0	0	0
Agricultural	200	170	210
Rural	730	1,090	1,090
<b>Total</b>	<b>930</b>	<b>1,260</b>	<b>1,300</b>

Source: Water Master Plan; slocountywater.org, 2007.

WPA 9A - Salinas (Portions of Salinas River, Los Padres, Las Pilitas, El Pomar-Estrella, Adelaida and Nacimiento Area Plans). The total existing and future demands for WPA 9A are listed in Table 4.10-10. As discussed in Section 4.10.1(b) above, existing supplies total 51,693 AFY, resulting in a water surplus of approximately 4,613 AFY. However, a deficit of approximately 4,317 AFY is expected in 2020 and a deficit of approximately 28,897 AFY is expected at buildout (Water Master Plan; slocountywater.org, 2007).

**Table 4.10-10 WPA 9A Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	14,450	25,830	41,120
Agricultural	27,180	22,740	31,820
Rural	5,450	7,440	7,440
<b>Total</b>	<b>47,080</b>	<b>56,010</b>	<b>80,380</b>

Source: Water Master Plan; slocountywater.org, 2007.

WPA 9B - Creston (Portions of El-Pomar/Estrella, Los Padres, Las Pilitas, and Shandon-Carrizo Area Plans). The total existing and future demands for WPA 9B are listed in Table 4.10-11. As discussed in Section 4.10.1(b) above, existing supplies total 48,263 AFY, resulting in a water surplus of approximately 40,163 AFY. A surplus of approximately 38,223 AFY is expected in 2020, while a surplus of approximately 36,283 AFY is expected at buildout (Water Master Plan; slocountywater.org, 2007).



**Table 4.10-11 WPA 9B Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	0	0	0
Agricultural	4,120	3,810	5,750
Rural	3,980	6,230	6,230
<b>Total</b>	<b>8,100</b>	<b>10,040</b>	<b>11,980</b>

Source: Water Master Plan; slocountywater.org, 2007.

WPA 9C – Shandon (Portions of Shandon/Carrizo, El Pomar-Estrella, and Los Padres Area Plans). The total existing and future demands for WPA 9C are listed in Table 4.10-12. As discussed in Section 4.10.1(b) above, existing supplies total 48,138 AFY, resulting in a water surplus of approximately 27,058 AFY. A surplus of approximately 25,178 AFY is expected in 2020, while a surplus of approximately 19,878 is expected at buildout (Water Master Plan; slocountywater.org, 2007).

**Table 4.10-12 WPA 9C Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	0	0	0
Agricultural	20,360	21,890	27,190
Rural	720	1,070	1,070
<b>Total</b>	<b>21,080</b>	<b>22,960</b>	<b>28,260</b>

Source: Water Master Plan; slocountywater.org, 2007.

WPA 10 – Nacimiento (Portions of Nacimiento and Adelaida Area Plans). The total existing and future demands for WPA 10 are listed in Table 4.10-13. As discussed in Section 4.10.1(b) above, existing supplies total 1,200 AFY, resulting in a water deficit of approximately 370 AFY. A deficit of approximately 1,820 AFY is expected in 2020 and at buildout (Water Master Plan; slocountywater.org, 2007).

**Table 4.10-13 WPA 10 Demand by Category**

Category of Demand	Existing Demand (AFY)	2020 Demand (AFY)	Buildout Demand (AFY)
Urban	0	0	0
Agricultural	0	0	0
Rural	1,570	3,020	3,020
<b>Total</b>	<b>1,570</b>	<b>3,020</b>	<b>3,020</b>

Source: Water Master Plan; slocountywater.org, 2007.

#### 4.10.2 Impact Analysis

**a. Methodology and Significant Thresholds.** In accordance with Appendix G of the State CEQA Guidelines, impacts would be significant if development in accordance with the Affordable Housing Ordinances (AHO) would result in any of the following:

- Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a



*lowering or the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted);*

- *Require or result in the construction of new water treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects;*
- *Fail to have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed; or*

Since the Affordable Housing Ordinances do not involve any immediate physical changes or projects, the above guidance is useful only in general terms. The County Resource Management System (RMS) tracks water supply and delivery systems throughout the County, and provides a more specific set of criteria in its evaluation process. The RMS defines the two highest levels of severity for water supply as follows:

- *Level of Severity II: When projected water demand over the next seven years equals or exceeds the estimated dependable supply.*
- *Level of Severity III: When the existing water demand equals or exceeds the dependable supply.*

For water delivery systems, the levels of severity are similar:

- *Level of Severity II: When the water delivery system is projected to reach design capacity within the next five years.*
- *Level of Severity III: When the water delivery system reaches its design capacity.*

For the purpose of the countywide evaluation in this EIR, significant water supply and infrastructure impacts would occur if the demands placed on an area from the increased building allocations proposed by the Affordable Housing Ordinances would exceed the availability of water supply or the capacity of the local serving agency to deliver water.

#### **b. Project Impacts and Mitigation Measures.**

**Impact WR-1** **The proposed Affordable Housing Ordinances would modify the current development standards, leading to increased population and associated water demand. In addition, projects may locate residences in areas of the County where demand for available water is currently at or over capacity. This would be a Class I, significant and unavoidable, impact.**

Projects in accordance with the proposed Affordable Housing Ordinances (AHO) would increase water demands from groundwater, surface impoundments, and State water sources. Several County planning areas do not have sufficient water resources to meet their planned buildout population, thus, any increase in water demand in these areas would result in a potentially significant impact. The characteristics and potential impact of each ordinance are discussed below.

*Program HE 1.4: Revised Residential Development Standards.* The overall effect of Program HE 1.4 would be the potential for an additional 2,285 housing units more than are currently developed on the same number of existing RSF and RMF parcels. However, this development would be consistent with the buildout potential anticipated under the County's General Plan, since the intent of the program is to encourage development densities closer to what are called for under the General Plan. These additional units would result in an associated population increase of approximately 5,370 residents (based upon a population generation factor of 2.35 persons per unit). Using an average water use factor of 164 gallons per capita per day (gpcd) (Table 3, Urban Demand Chapter of the County Master Water Plan 2001, average community use), development encouraged by Program HE 1.4 would be anticipated to demand 880,680 gallons per day (gpd), or approximately 986.5 acre-feet per year (AFY).

*Program HE 1.9: Require Development of Affordable Housing.* The overall effect of Program HE 1.9 would be an estimated 5,051 additional bonus units. These additional units would result in an associated population increase of approximately 11,870 residents (based upon a population generation factor of 2.35 persons per unit). Using an average water use factor of 164 gallons per capita per day (gpcd) (Table 3, Urban Demand Chapter of the County Master Water Plan 2001, average community use), development encouraged by Program HE 1.9 would be anticipated to demand 1,946,680 gallons per day (gpd), or approximately 2,180 acre-feet per year (AFY).

*Program HE 1.10: Establish Minimum Residential Multi-Family Densities.* The overall effect of Program HE 1.10 would be the potential for an additional 384 housing units on the identified RMF lots. However, this development would be consistent with the buildout potential anticipated under the County's General Plan, since the intent of the program is to encourage development densities closer to what are called for under the General Plan. These additional units would result in an associated population increase of approximately 902 residents (based upon a population generation factor of 2.35 persons per unit). Using an average water use factor of 164 gallons per capita per day (gpcd) (Table 3, Urban Demand Chapter of the County Master Water Plan 2001, average community use), development encouraged by Program HE 1.10 would be anticipated to demand 147,928 gallons per day (gpd), or approximately 165.7 acre-feet per year (AFY).

Overall, all three Programs would result in the same development potential compared to what could currently occur under the General Plan, but they would encourage densities more consistent with what is envisioned under the General Plan. Buildout consistent with the General Plan, as encouraged by the proposed ordinances, would permit an additional 7,720 units and an associated water demand of approximately 3,332.7 AFY. Since there are no specific plans for individual development projects in accordance with the proposed Affordable Housing Ordinances at this time, it is not possible to determine the distribution of development. A majority of the water planning areas (WPA) do not have sufficient water allotments to meet buildout demands.

Analysis of Areas Identified at Elevated Levels of Severity. According to the County 2006 Annual Resource Summary Report (RSR), WPA 2 and portions of WPA 9a (Garden Farms, San Miguel and Templeton) are rated as having a RSR Level of Severity II (indicating that the projected water demand over the next seven years equals or exceeds the estimated dependable supply). In addition, the following water planning areas are rated as having an RSR Level of



Severity (LOS) III (indicating that existing water demand equals or exceeds the dependable supply): WPA 1, WPA 3, WPA 6, WPA 7 and portions of WPA 9a (Santa Margarita). Of these LOS III water planning areas, WPA1, WPA 3 and WPA 6 could experience substantial housing supply increases as a result of the proposed AHO. WPA 6 (Nipomo Mesa) would experience the highest increase, followed by WPA 3 (Los Osos/Morro Bay) and WPA 1 (North Coast), respectively. Impacts associated with these water planning areas are discussed in greater detail below.

*WPA 6 (Nipomo Mesa)* was designated as Level of Severity III in June 2007, based on several technical studies performed to support this conclusion. These include the Nipomo Mesa Groundwater Resource Capacity Study (Papadopoulos and Associates, Inc., November 2004), which concluded that existing demand equals or exceeds the dependable supply for the groundwater basin which underlies the Nipomo Mesa. A Resource Capacity Study (RCS) prepared by the San Luis Obispo County Planning department (November 2004) confirmed this conclusion, and further recommended that a Severity Level III be adopted pursuant to the County's Resource Management System. With projected buildout demand in the Nipomo area, there would be a deficit of about 16,300 AFY within this basin (Table 4.10-7). In response to these reports, as well as a Science Applications International Corporation (SAIC) Technical Memorandum detailing groundwater storage decline (SAIC, May 2007), the County of San Luis Obispo certified a Severity Level III for water resources of the Nipomo Mesa Water Conservation Area (NMWCA) on June 26, 2007.

WPA 6 is currently supplied entirely by groundwater. As a result, alternate sources are not currently available for development in Nipomo in accordance with the proposed AHO. However, the Nipomo Community Services District (NCSO) is currently proceeding with plans to acquire supplemental water from the City of Santa Maria. This Waterline Intertie Project is expected to supply approximately 3,000 AFY to the NCSO and could be in operation within three years (Bruce Buell, Personal Communication, January 8, 2008). In addition to the Intertie project, the NCSO Nipomo Mesa currently needs an additional 4,700 AFY (1,700 AFY more than is available from the City of Santa Maria), and anticipates needing approximately 6,300 additional AFY in the future (Buell, January 2008). Due to its relatively quick development time, the Waterline Intertie Project is considered a short-term source for supplemental water. Additional long-term sources will also be required, without which future development within WPA-6 would result in a significant and potentially unmitigable impact.

An *Evaluation of Supplemental Water Alternatives* prepared for the NCSO identified several long-term supplemental water alternatives for the area (*Evaluation of Supplemental Water Alternatives – Technical Memorandum No. 1 Constraints Analysis*, Boyle Engineering Corporation, June 2007). These include:

- Santa Maria River Valley Groundwater
- State Water or Exchange through State Water Pipeline
- Desalinated Seawater or Brackish Water
- Brackish Agricultural Drainage
- Nacimiento Water Project
- Groundwater Recharge with Recycled Wastewater
- Exchange Treated Wastewater for Direct Use



Of the alternatives analyzed, two were determined to have “fatal flaws” that would prevent the NCS D from pursuing them as viable (Santa Maria Valley Groundwater and Nacimiento Water Project Extensions) while two were determined to be infeasible or ineffective (Oso Flaco Drainage and Groundwater Recharge or Reuse). However, two alternatives were identified as potentially viable: Seawater Desalination and State Water (specifically the acquisition and storage of off-peak or excess capacity). Seawater Desalination was further analyzed in September 2007 (*Evaluation of Desalination as a Source of Supplemental Water – Technical Memorandum No. 2 Work Plan for Project Implementation*, Boyle Engineering Corporation, September 28, 2007), while State Water was further analyzed in November 2007 (*Evaluation of Supplemental Water Alternatives – Technical Memorandum No. 3 Implementation of Water Supply from CCWA/State Water Pipeline*, Boyle Engineering Corporation, November 30, 2007). These supplemental analyses concluded that desalination would be the most reliable water supply available to the district. According to the NCS D, desalination will be pursued and may be available within 8 to 10 years (Boyle, September 2007; Buell, January 2008).

If water from these potential sources becomes available, there would be sufficient water to serve development envisioned under the proposed project, as well as other cumulative development within the area. However, it cannot be assured at this time that sufficient water from these sources will become available, so a significant impact could remain.

WPA 3 (*Los Osos/Morro Bay*) is designated in the 2006 RSR as a Level of Severity III and has a water deficit of approximately 2,238 AFY. As noted under Section 4.10.1(b), current water supply for WPA 3 includes groundwater and the following non-groundwater supplies: Whale Rock Reservoir, seawater desalination, State Water supplies, and stream flow.

In order to augment the water supply deficit for the region, a recycled water study was conducted to identify the potential for recycled water use from the future Los Osos wastewater treatment plant. The study projected 115 AFY of savings in potable water pumping by irrigating area schools, the Los Osos Community Park and the Sea Pines Golf Course (<http://www.losososutilities.org/index.html>). In addition, recommendations of a report prepared by Cleath Associates, upon which the Los Osos Community Services District (LOCS D) Water Management Plan is based, are currently being implemented by LOCS D and Golden State Water Company (2006 RSR). Well fields are being modified to increase withdrawals in eastern portions of the basin and reduce pumping in western portions, with an emphasis on pumping from the upper rather than the lower aquifer.

If water from these potential sources becomes available, there would be sufficient water to serve development envisioned under the proposed project, as well as other cumulative development within the area. However, it cannot be assured at this time that these strategies will succeed in reducing or eliminating the water supply deficit.

WPA 1 (*North Coast*) is designated in the 2006 RSR as a Level of Severity III. Existing water supply for WPA 1 includes both groundwater and stream flow sources. In December 2005, the Cambria Community Services District (CCSD) Board adopted an update to its Urban Water Management Plan (UWMP) that calls for continuation of aggressive water conservation measures, development of a recycled water system for non-potable uses, and seawater desalination for an additional potable water supply. The UWMP also outlines the CCSD’s tiered water rate structure as well as a drought surcharge rate that is implemented during summer



periods. As part of the North Coast Area Plan Update, community plans for Cambria and San Simeon Acres were adopted by the Board of Supervisors in April 2006. The update includes provisions that would substantially reduce Cambria's residential buildout potential. Concurrently, the CCSD is completing a buildout reduction program for retiring vacant residential lots. These initiatives will reduce the requirement for additional water, although water from desalination or some other source will be needed to serve Cambria's existing waiting list and provide long-term drought protection for existing customers (2006 RSR).

If water from these potential sources becomes available, there would be sufficient water to serve development envisioned under the proposed project, as well as other cumulative development within the area. However, it is not currently known when additional sources, including desalination, may be available to the area.

Overall, future supplies to WPA 6, WPA 3, and WPA 1 cannot be assured at this time. Should development occur in these or other areas where sufficient water supply may not be available, impacts would be potentially significant.

Mitigation Measures. As required by Title 18 of the San Luis Obispo County Code, future applicants shall pay applicable public facilities fees, including connection fees, which cover the system improvements that are needed to accommodate the additional requested service. These fees will help fund necessary infrastructure improvements to water collection/delivery networks for future projects that would occur under the Affordable Housing Ordinances. In addition, the following mitigation measures are required:

**WR-1(a) Proof of Water Supply.** Future applicants for projects subject to the Affordable Housing Ordinances shall provide proof of an adequate, safe and continuous supply of water to the proposed project.

Additional residential development within areas designated as Level of Severity III (WPA 1, WPA, 3 and WPA-6) shall not be allowed unless the local agency responsible for ensuring adequate water supply determines that there is available water to meet long-term needs of the area in question. This determination will be based on the outcome of water master planning efforts. If additional water is needed, the master planning efforts must identify potential sources, their feasibility, and a mechanism to ensure that such sources will be acquired.

**WR-1(b) Water Conservation Measures.** Future applicants subject to the Affordable Housing Ordinances shall implement water conservation measures, including, but not limited to:

- Use of low-flush (1.6-gallon per flush) toilets shall be required in all new construction;
- Installation of low flow (2 gpm) shower heads shall be required on all new residential units;
- Drought tolerant plants shall be used in landscaping;



- Landscaping shall use drip irrigation where feasible;
- Plant material shall be grouped by water needs;
- Extensive mulching (2-inch minimum depth) shall be used in landscaped areas, where feasible, to improve the water holding capacity of the soil by reducing evaporation and compaction; and/or
- Permeable surfaces such as turf block or intermittent permeable surfaces such as French drains shall be used for parking areas and driveways, where feasible and practical.

Significance after Mitigation. Implementation of WR-1(b) (Water Conservation Measures) would incrementally reduce overall water demand associated with future development from the Affordable Housing Ordinances. However, WR-1(a) (Proof of Water Supply) may be difficult to achieve in some areas due to the lack of dependable supply in portions of the County where water planning areas are rated as having an LOS II or III. Although short- and long-term supplemental supplies have been identified for some areas, the exact timing and success of these supplies cannot be assured at this time. As a result, impacts would remain significant and unavoidable.

Should additional water sources be available, however, implementation of WR-1(a) (Proof of Water Supply) may require extension of water lines and/or construction of desalination plant(s), which could result in residual environmental impacts. Physical impacts associated with State water lines have been addressed in several certified Environmental Impact Reports (EIRs). These EIRs have been incorporated by reference into the Affordable Housing Ordinances EIR: State Water Project (SWP) Coastal Branch Phase II and Mission Hills Extension Final EIR (State of California Division of Planning, May 1991), State Water Project Coastal Branch (Phase II) Local Distribution Lines and Facilities Final EIR (ERCE, March 1992), and a Supplement to the SWP Coastal Branch Phase II and Mission Hills Extension Final EIR (State of California Division of Planning, October 1994). The previous environmental documents incorporated by reference are summarized in Section 1.0, *Introduction to Revised Draft EIR*.

The documents listed above addressed impacts associated with State Water Project, and all included assessments of cumulative and growth inducing impacts. It should be noted, however, that connections to SWP water lines as well as installation of additional SWP connector pipelines and associated infrastructure in the Nipomo and/or Los Osos areas, as applicable, could result in residual environmental impacts not previously analyzed in the State Water EIRs. This may include, but would not be limited to, impacts relating to agricultural and biological resources, geologic hazards, and drainage/erosion. Since the precise location of potential State water pipelines has not been determined, precise environmental impacts associated with such improvements would be too speculative to address at this time. Environmental impacts associated with potential future connections to the State Water Project would be evaluated in a separate environmental document prepared pursuant to the California Environmental Quality Act (CEQA).

Physical impacts associated with the potential future construction of desalination plants in the Nipomo and/or North Coast areas as well as recycled water projects in the Los Osos/Morro Bay and/or North Coast areas have not been addressed in previous environmental documentation because no such projects have been proposed. Physical impacts associated with



the proposed NCSW Waterline Intertie Project have been previously analyzed, although environmental documentation has not yet been certified for this project and cannot, therefore, be incorporated herein. Potential future impacts from ~~either~~ desalination, recycled water or an Intertie could include, but would not be limited to, impacts relating to agricultural, biological, and cultural resources, as well as impacts on water quality and noise. Since the precise location and capacity of potential desalination plants and recycled water infrastructure have not been determined, and because documentation regarding the impacts of the Waterline Intertie Project has not been certified, precise environmental impacts associated with such facilities would be too speculative to address at this time. In addition, the timing of potential future desalination and recycled water projects has not yet been determined, nor is the timing of the Waterline Intertie Project certain. Environmental impacts associated with desalination plant construction and operation as well as recycled water infrastructure installation would be evaluated in a separate environmental documentation prepared pursuant to the California Environmental Quality Act (CEQA).

Remaining potential water sources for WPA 3 and WPA 1 would not result in residual environmental impacts because they include water conservation, and/or increased withdrawals, ~~and recycled water~~, which would not require construction or installation of new facilities.

**c. Subsequent CEQA Review Consideration: Program HE 1.10.** The parcels that have been identified to have the minimum density requirement under program HE 1.10 have been analyzed in relation to the above listed impacts and associated mitigation measures. Appendix C includes a table that presents each parcel and identifies which, if any, of the above listed mitigation measures would apply to a development project on that parcel.

**d. Cumulative Impacts.** Cumulative water resource impacts associated with future additional development from the Affordable Housing Ordinances would incrementally increase domestic water supply demand. In some cases, this additional demand could be added to areas of the County where existing water demand equals or exceeds the dependable supply. Therefore, the Affordable Housing Ordinances would have a cumulatively considerable impact on County water resources, since project-specific mitigation would not reduce potential impacts to a less than significant level.



# Appendix D

*Draft Affordable Housing Fund*



**County of San Luis Obispo**

**AFFORDABLE HOUSING FUND**

**TITLE 27 OF THE SAN LUIS OBISPO  
COUNTY CODE**

# TITLE 27 – AFFORDABLE HOUSING FUND

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## CHAPTER 27.01: PURPOSE

### Sections:

- 27.01.010 Purpose and Intent
- 27.01.020 Authority for Adoption

### **27.01.010 – Purpose and Intent**

- a. It is the intent of the County of San Luis Obispo to create an Affordable Housing Fund as a permanent and annually renewable source of revenue to meet, in part, the housing needs of the County's *very low, low, moderate income* and *workforce* households. There are households which are income eligible and also possess one or more of the following characteristics: (1) they are burdened by paying more than thirty-five percent (35%) of their gross income for housing costs; (2) they live in overcrowded conditions; (3) they live in substandard housing units; (4) they are homeless individuals and families; or (5) they consist of individuals and families with special housing needs such as the elderly, the developmentally disabled, the mentally ill, the physically disabled, single parent households and large families.
- b. The Affordable Housing Fund will serve as a vehicle for addressing very low, low, moderate income and workforce housing needs through a combination of funds as provided for in these regulations.
- c. It is the intent of the County to foster a mix of family incomes in projects assisted by the Affordable Housing Fund and to disperse affordable housing projects throughout the County, in accordance with its housing policies and its intent to achieve a balance of incomes in all communities so that no single neighborhood experiences a disproportionate concentration of housing units affordable to very low, low, moderate or workforce households.
- d. It is the purpose and intent of this part to preserve and maintain ownership and rental housing units which are affordable to low, very low, moderate income and workforce households and that are located throughout the County, including federally assisted units and units located in mobile home parks.
- e. It is the further intent of the County to foster and encourage the private sector to join with the public sector and the nonprofit sector to further the goals of this ordinance.

### **27.01.020 – Authority for Adoption**

This Title is adopted under the authority of the California Constitution Article XI, Section 7, and the San Luis Obispo County Code.

## **CHAPTER 27.02: ESTABLISHMENT OF FUNDS**

### Sections:

- 27.02.010 Establishment of the Affordable Housing Fund
- 27.02.020 Administration

### **27.02.010 Establishment of the Affordable Housing Fund**

- a. There is hereby established by the County Auditor-Controller in the County Treasury an interest-bearing fund entitled the San Luis Obispo County Affordable Housing Fund. The said Fund shall receive all fees collected pursuant to Title 22 Section 22.12.080.G.2 – In-lieu fee, Title 23 Section 23.04.096.g(2) – In-lieu fee, any other appropriations as determined from time to time by the County, and all other moneys received by the Affordable Housing Fund either from special funds or general fund appropriations, or from other sources. Separate accounts within the Affordable Housing Fund may be created from time to time to avoid commingling if required by law or as deemed appropriate to further the purposes of the fund.
- b. There is also hereby established within the Affordable Housing Fund, a Housing Impact Fee account. The said account shall receive all fees collected from commercial and industrial development pursuant to Title 22 Section 22.12.080.E.1 – Payment of housing impact fee, and Title 23 Section 23.04.096.e(1) - Payment of housing impact fee.
- c. Principal and interest from loan repayments, proceeds from grant repayments, forfeitures, reimbursements, and all other income from Affordable Housing Fund activities, plus all income from the activities of the Fund's separate accounts, shall be deposited into the Affordable Housing Fund. All funds in the account shall earn interest at least at the same rate as pooled investments managed by the Treasurer. All interest earnings from the account shall be reinvested and dedicated to the account. Transfer of interest earnings shall be made quarterly or upon direction of the County Administrator. Transferred funds shall accrue interest from the time of transfer.

### **27.02.020 Administration**

- a. The Affordable Housing Fund and all accounts within the Affordable Housing Fund shall be administered by the Director of Planning and Building (Planning Director), who shall have the authority to govern the Fund consistent with this Title, the appropriate ordinances and applicable county policies. The Director shall prescribe procedures for said purpose, subject to approval by the County Board of Supervisors.
- b. The Planning Director shall annually develop an Affordable Housing Fund Action Plan, subject to approval by the Board of Supervisors, to further define and prioritize the uses of the moneys in the Affordable Housing Fund.

## **CHAPTER 27.03: USE OF MONEYS**

### Sections:

- 27.03.010 Purpose
- 27.03.020 Use of the Moneys
- 27.03.030 Expenditure

#### **27.03.010 Purpose**

Moneys deposited in the Affordable Housing Fund along with any interest earnings on such moneys shall be used to increase and improve the supply of housing affordable to workforce, moderate, low and very low income households. Moneys may also be used to cover reasonable administrative expenses not reimbursed through processing or other fees, including: i) reasonable consultant and legal expenses related to the establishment and/or administration of the Affordable Housing Fund; ii) reasonable expenses for administering the process of calculating, collecting, and accounting for in-lieu and housing impact fees, and iii) county administrative costs for the development, permitting, and the ongoing monitoring of affordable housing projects constructed with Affordable Housing Fund moneys. No portion of the Affordable Housing Fund may be diverted to other purposes by way of loan or otherwise.

#### **27.03.020 Use of the Moneys**

Moneys in the Affordable Housing Fund shall be used in accordance with the priorities identified by the Affordable Housing Fund Action Plan described in Section 27.05.020.b. The said moneys shall be used to construct, rehabilitate or subsidize very low, low, moderate income and workforce housing and/or to assist other governmental entities, private organizations or individuals in the construction, rehabilitation or subsidy of very low, low, moderate income and workforce housing. The moneys shall serve affordable housing projects that are located within the planning or housing market area that generated the funds, particularly as needed to support the geographic nexus for the collection of housing impact fees. Moneys in the Affordable Housing Fund may be disbursed, hypothecated, collateralized or otherwise employed for these purposes from time to time as the Planning Director determines is appropriate to accomplish the purposes of the housing fund. These uses include, but are not limited to, assistance to housing development corporations, equity participation loans, grants, pre-home ownership co-investment, pre-development loan funds, participation leases, or other public/private partnership arrangements. The Affordable Housing Fund moneys may be extended for the benefit of rental or owner occupied housing or housing services.

#### **27.03.030 Expenditure**

Expenditures by the Planning Director from the Affordable Housing Fund shall be controlled, authorized and paid in accordance with general county budgetary policies. Every recipient shall enter into a written agreement with the County which sets forth the terms and conditions of the grant or loan. At a minimum, the agreement shall describe the allowable uses of the grant or loan funds, the dollar amount and disbursement method, compliance with the applicable County standards and policies for affordable housing including, but not limited to, Title 22 Section 22.12.070 – Housing Affordability Standards and Title 23 Section 23.04.094 – Housing Affordability Standards, and periodic reporting to assist the County in the monitoring of compliance with the agreement.

## **CHAPTER 27.04: COLLECTION OF FEES**

### Sections:

27.04.010	Application Review
27.04.020	Calculation of Fees
27.04.030	Collection and Deposit of Fees
27.04.040	Phase-in and Annual Adjustment of Fee Schedules

When a proposed development project is permitted by the County to satisfy a portion or all of its affordable housing requirements by payment of in-lieu fees and/or housing impact fees, pursuant to Title 22 Section 22.12.080 – Inclusionary Housing and/or Title 23 Section 23.04.096 – Inclusionary Housing, the Director of Planning and Building (Planning Director) shall review the project application(s), determine the amount of fees, and shall collect and deposit the said fees into the appropriate accounts of the Affordable Housing Fund.

### **27.04.010 – Application Review**

- a. The application for a residential development project shall not be complete unless the applicant submits an inclusionary housing proposal pursuant to Title 22 Section 22.12.080.J.1 – Residential development application, and/or Title 23 Section 23.04.096.j(1) – Residential development application. The applicant's inclusionary housing proposal shall be acceptable to the Planning Director and shall include: (1) a description of the residential project's inclusionary housing requirement, and (2) a statement by the applicant that describes his proposal for satisfying the inclusionary housing requirement by payment of in-lieu fees alone or in conjunction with other methods (with adequate detail).
- b. The application for nonresidential development shall not be complete unless the applicant submits a project description pursuant to Title 22 Section 22.12.080.J.2 – Commercial Development Application and/or Title 23 Section 23.04.096.j(2) – Commercial Development Application. The applicant's project description shall be acceptable to the Planning Director and shall include: (1) a statement of the number of gross square feet in the nonresidential project to be constructed, added or remodeled, (2) the intended use or uses for the nonresidential project by gross square feet; and (3) a statement by the applicant that describes his proposal for satisfying the nonresidential project's inclusionary housing requirement by payment of housing impact fees alone or in conjunction with other methods (with adequate detail).

### **27.04.020 Calculation of Fees**

- a. The Planning Director shall use Table 27.1 to calculate the in-lieu fees for residential development projects.

**Table 27.1 – Residential Development – In-Lieu Fee Schedule**

<b>Unit Size (SF)</b>	<b>Per Unit Fee</b>	<b>Fee on Five Units</b>
Under 900 SF Exempt		
900	\$8,550	\$42,750
1,000	\$9,500	\$47,500
1,100	\$10,450	\$52,250
1,200	\$11,400	\$57,000
1,300	\$12,350	\$61,750
1,400	\$13,300	\$66,500
1,500	\$14,250	\$71,250
1,600	\$15,200	\$76,000
1,700	\$16,150	\$80,750
1,800	\$17,100	\$85,500
1,900	\$18,050	\$90,250
2,000	\$19,000	\$95,000
2,100	\$19,950	\$99,750
2,200	\$20,900	\$104,500
2,300	\$21,850	\$109,250
2,400	\$22,800	\$114,000
2,500	\$23,750	\$118,750
2,600	\$24,700	\$123,500
2,700	\$25,650	\$128,250
2,800	\$26,600	\$133,000
2,900	\$27,550	\$137,750
3,000	\$28,500	\$142,500
3,100	\$29,450	\$147,250
3,200	\$30,400	\$152,000
3,300	\$31,350	\$156,750
3,400	\$32,300	\$161,500
3,500	\$33,250	\$166,250
3,600	\$34,200	\$171,000
3,700	\$35,150	\$175,750
3,800	\$36,100	\$180,500
3,900	\$37,050	\$185,250
4,000	\$38,000	\$190,000

Source: San Luis Obispo County Inclusionary Zoning Ordinance Financial Analysis. December 21, 2007.

Note: Table 27.1 fees shall be phased in and thereafter automatically adjusted annually, pursuant to 27.04.040.

- b. The Planning Director shall use Table 27.2 to calculate the housing impact fees for nonresidential development projects.

**Table 27.2 – Nonresidential Development – Housing Impact Fee Schedule**

<b>Nonresidential Land Use</b>	<b>Fee per square foot</b>
Commercial/Retail	\$4.21
Commercial Service/Offices	\$4.91
Hotel/Motel	\$4.21
Industrial/Warehouse	\$1.96
Other Non-Residential	\$3.68

Source: Commercial Linkage Fee Nexus Study. Submitted to San Luis Obispo County on December 21, 2007.

Note: Table 27.2 fees shall be phased in and thereafter automatically adjusted annually, pursuant to 27.04.040.

For purposes of this title, any commercial project that will remodel or convert an existing commercial/industrial structure into a different commercial/industrial use shall have a fee amount equal to the fees for the new use (as defined in Table 27.2) less any fees that were paid or would have been paid based on the original use of the building. For development with more than one type of commercial or industrial use, the Planning Director may calculate and collect the appropriate fee for each use type. If a proposed nonresidential project does not clearly fall within one or more of the land use categories listed in Table 27.2, the Planning Director shall determine the housing impact fee based on a case-by-case calculation of employee density. The Planning Director's determination of employee density shall be based on: data concerning anticipated employee density for the project submitted by the applicant; employment surveys or other research on similar uses submitted by the applicant or independently researched by the Planning Director; or any other data or information the Planning Director determines relevant. The Planning Director may exempt projects that clearly do not contribute to the demand for affordable housing, such as unmanned utility structures, parking garages, and ag exempt structures.

- c. The applicant may appeal the Planning Director's determination of fee amounts of in-lieu fees and/or housing impact fees pursuant to Title 22 Section 22.70.050 – Appeals and/or Title 23 Section 23.01.042 – Appeal and Title 23 Section 23.01.043 – Appeals to the Coastal Commission.

**27.04.030 Collection and Deposit of Fees**

The Planning Director shall collect the affordable housing fee(s) for each development project and subdivision pursuant to the fee collection process established in Title 22 Section 22.12.080 – Inclusionary Housing and/or Title 23 Section 23.04.096 – Inclusionary Housing. The fee(s) shall be based on the fee schedule in effect at the time that the construction permit is issued, or the date that a development project's inclusionary housing agreement is executed, or the date that a subdivision map is recorded. If a phased project or subdivision is proposed, the affordable housing fee shall be calculated and collected separately for each project phase and/or subdivision phase. The Planning Director shall deposit the in-lieu fees and/or housing impact fees into the appropriate accounts of the Affordable Housing Fund. The Planning

Director shall deposit the fees immediately after the fees are paid or as soon as reasonably possible.

**27.04.040 Phase-in and Annual Adjustment of Fee Schedules**

- a. The fee schedules in Tables 27.1 and 27.2 shall be phased in over a four year period. The amount, or percentage, of fees in Tables 27.1 and 27.2 that the County shall collect will be as follows:

**Table 27.3 – Phasing of Affordable Housing Fees**

Year	Year 1	Year 2	Year 3	Year 4
Percentage of fee collected	25%	50%	75%	100%

**Table 27.4 – Examples of Phasing of Fees**

Sample Project	Year 1	Year 2	Year 3	Year 4
In-Lieu Fee – 2,100 sf Residence	\$4,750	\$9,500	\$14,250	\$19,000
Housing Impact Fee - 10,000 sf Commercial Retail building	\$10,525	\$21,050	\$31,575	\$42,100

- b. The fees set forth in Tables 27.1 and 27.2 shall be automatically adjusted each year. The fee shall be increased or decreased annually by the percentage change in the Construction Cost Index for the San Francisco Bay Area for the prior year, as reflected in the third quarter Engineering News Record published by McGraw-Hill. The in-lieu and housing impact fees shall be adjusted and a new schedule published by the Planning Director on January 1 of each year. This adjustment will offset the effects of inflation related to construction cost increases or deflation-related cost decreases. If the Construction Cost index is discontinued, the Planning Director shall use a comparable index for determining the changes in the median home costs for San Luis Obispo County. The fee shall be periodically reviewed and updated at least every five (5) years to reflect any changes in the funding gaps for very low, low, moderate income and workforce households.
- c. In addition to the automatic annual adjustment, the amount of the fees established by this title may be revised periodically by resolution of the Board of Supervisors.

## **CHAPTER 27.05: OTHER RULES**

### Sections:

- 27.05.010 Refund
- 27.05.020 Annual Report and Action Plan
- 27.05.030 Adjustment or Waivers

### **27.05.010 Refund**

- a. Whenever a person or entity pays the fees established by to this chapter and thereafter fails to proceed with the development project in a timely manner so that the privilege of doing so has elapsed, or where there has been an error in the calculation or payment of the fees, the county shall refund any fees owed to the person or entity under the following circumstances:
  - 1. The person or entity submits a written request for a refund to the Planning Director in accordance with the time lines set forth in subsection (b) below.
  - 2. The county shall pay the principal amount of the fee.
  - 3. The county shall pay interest on the refund at the rate earned by the treasurer/tax collector on her pooled account, provided the county shall not pay interest where the cost of calculating and paying the interest exceeds the estimated amount of the interest. It shall be presumed that calculating and paying interest in an amount estimated to be less than twenty-five dollars exceeds the cost of doing so.
- b. In order to be eligible for a refund, the person or entity seeking a refund must make a written request within the following time lines:
  - 1. For an error in the calculation or payment of the fees, within ninety days of approval or within ninety days of imposition of the fee.
  - 2. For any development that has not proceeded in a timely manner, within ninety days of when the privilege of proceeding with the development has elapsed.

### **27.05.020 Annual Report and Action Plan**

- a. Within 60 days of the end of the County's fiscal year, the Planning Director shall report to the Board of Supervisors on the status of activities undertaken with the Affordable Housing Fund. This report, entitled the Affordable Housing Fund Annual Report, shall include a statement of income, expenses, disbursements and other uses of the Affordable Housing Fund. The report shall describe the number of individuals assisted and the number of housing units constructed or assisted during the fiscal year. The report shall also describe the assisted units, including the unit types (rental or ownership), targeted income levels, geographic location, the amount of assistance provided and the amount of local, state and federal funds leveraged. The report shall contain a discussion of how well the goals of the previous year's Affordable Housing Fund Action Plan were met. The Planning Director shall also recommend any changes to this Title, other ordinances, the San Luis Obispo County Housing Element, or other actions necessary to carry out the purposes of this Title, including any adjustments necessary to the fees or fee

administration. The report shall also contain the findings required by Government Code Sections 66001(d) and 66006(b) (or their successor provisions).

- b. Concurrent with preparation of the Annual Report the Planning Director shall also prepare an Affordable Housing Fund Action Plan and present it to the Board of Supervisors for approval. The Action Plan shall guide the use of the Affordable Housing Fund and its individual accounts, including the Housing Impact Fee account. This document shall plan for the current fiscal year or other appropriate time frame to ensure accurate and effective planning and budgeting of fund revenues. The Action Plan shall include:
  1. A description of all programs to be funded with funds from the Affordable Housing Fund and its individual accounts, specifying the intended beneficiaries of each program.
  2. The amount of funds budgeted for loans or grants to recipients who agree to participate in Board approved Programs.
  3. The amount of funds budgeted for administrative expenses. All disbursements from the Affordable Housing Fund shall be consistent with the Affordable Housing Fund Action Plan.

#### **27.05.030 Adjustment or Waivers**

Any request by an applicant for an adjustment or waiver of a portion or all of the inclusionary housing requirements for any development project shall be submitted to the Planning Director, pursuant to Title 22 Section 22.12.080.K – Adjustment or waivers, and/or Title 23 Section 23.04.096.k – Adjustment or waivers.

