VII. ENVIRONMENTAL ANALYSIS

A. GROWTH INDUCING IMPACTS

Pursuant to §15126.2(d) of the State CEQA Guidelines, an EIR must address whether a project would directly or indirectly foster growth. Section 15126.2(d) reads as follows:

"An EIR shall discuss the ways in which the proposed project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. Included in this are projects, which would remove obstacles to population growth (a major expansion of wastewater treatment plant, might, for example, allow for more construction in service areas). Increases in the population may further tax existing community service facilities so consideration must be given to this impact. Also discuss the characteristic of some projects, which may encourage and facilitate other activities that could significantly affect the environment, either individually or cumulatively. It must not be assumed that growth in any area is necessarily beneficial, detrimental, or of little significance to the environment."

Growth may not necessarily result in significant physical changes to the environment; however, the type, magnitude, and location of growth can result in significant adverse environmental effects. The proposed project's growth inducing potential can be considered significant if it could result in unavoidable significant effects to one or more environmental issue areas.

The proposed project site is located within the South County Inland Planning Area under the Agriculture and Rural Lands land use categories.

1. Population Growth

As described in the San Luis Bay-Inland Area Plan, fringe areas north and east of the City of Arroyo Grande have experienced considerable growth in recent years with the creation of many rural residential home sites. Much of the total growth experienced in and around the City of Arroyo Grande appears to have resulted from a shift in the housing market from San Luis Obispo because the demand for housing has not been met.

Implementation of the proposed project would result in the potential for the following three types of population growth inducing impacts: 1) creation of short-term employment opportunities that would draw new residents to the County; 2) generation of new housing opportunities to attract new residents to the County; and, 3) an increased number of permanent residences in the Arroyo Grande area and an increased need for additional commercial services. The proposed project would provide a substantial number of short-term employment opportunities for existing residents (e.g., construction personnel); however, it would not provide a substantial number of direct long-term employment opportunities.

A total of 101 out of 102 residential lots of the proposed project are expected to result in the future construction of housing units. One lot would support the existing estate residence. This could increase the population of Arroyo Grande and surrounding areas by approximately 251 residents [101 housing units x 2.49 persons per household (based on U.S. Census, 2000)]. Based

on Arroyo Grande and surrounding areas estimated population of 24,482 residents (US Census, 2000), an additional 251 residents would account for an approximate one percent increase in population. The addition of 101 units of housing to Arroyo Grande's total of 3,904 housing units (US Census, 2000) would represent an increase of approximately 2.6 percent in the number of housing units in the greater Arroyo Grande area. This increase in population is not considered a substantial increase in the overall population of Arroyo Grande in terms of percentage, and therefore is not considered significant on a community-wide basis.

2. Economic Growth

Typically, economic issues are not discussed in an EIR unless there is a nexus with a physical impact on the environment (CEQA Guidelines §15131). CEQA states that economic or social information may be included in an EIR or may be presented in whatever form the agency desires. It also states in subsection (a) that "...economic or social effects of a project shall not be treated as significant effects on the environment. An EIR may trace a chain of cause and effect from a proposed decision on a project through anticipated economic or social changes resulting from the project to physical changes caused in turn by the economic or social changes. The intermediate economic or social changes need not be analyzed in any detail greater than necessary to trace the chain of cause and effect. The focus of the analysis shall be on the physical changes." Implementation of the proposed project would lead to an increase in revenue resulting in growth inducing impacts to the area. The effects will indirectly provide change in the social and economic environment of the area.

3. Employment Opportunities

It is estimated that construction of the proposed project (i.e., residences, roadways, and infrastructure) would require a work force of approximately 50 workers over the proposed phasing period. Construction of 101 new individual residences would not be expected to draw a substantial influx of new construction workers into the area or require a large work force, because it is anticipated that custom homes would be built incrementally by individual lot owners over a period of time exceeding the proposed phasing period for tract improvements. Given the ample supply of local construction workers and a declining housing and construction market, it is likely that most construction workers for the project would be provided by the local work force; however, an unknown proportion of workers could come from outside of the region. It is possible that a proportion of these workers may decide to remain in the County and therefore could create increased, albeit minimal, demand on local available housing. It is likely that these workers would rent rather than buy homes due to the high cost of housing in the area; therefore, the proposed project would not result in significant growth inducing impacts from the standpoint of short-term employment opportunities. In addition to the possibility of a small number of persons relocating to the area and the resultant vehicle commuting required, secondary impacts to energy consumption, air pollution, and reduce levels of service on area roadways could result.

4. Employment Growth to Supporting Industries

The proposed project is considered growth inducing because it would foster economic growth and employment not only for the project itself but also for complimentary industries. New developments require products and supplies from existing industries to facilitate growth and

success. The increase in supporting industries could contribute to the cumulative need for more of these services in the area; however, this would likely attract a limited amount, if any, of new business to the area and would not be considered significant.

5. Removing a Limitation to Growth

The applicant proposes to construct a community wastewater treatment facility, which would collect, treat, and dispose of domestic wastewater generated by the proposed project. Construction of the facility would result in growth inducing effects by removing a limitation to growth related to onsite wastewater treatment and disposal, and by implementing urban-level development within an existing agricultural and rural area.

B. SIGNIFICANT IRREVERSIBLE ENVIRONMENTAL CHANGES

Section 15126.2 (c) of the CEQA Guidelines states that use of nonrenewable resources during the initial and continued phases of a proposed project may be irreversible if a large commitment of these resources makes their removal, indirect removal, or non-use thereafter unlikely. This section of the EIR evaluates whether the project would result in the irretrievable commitment of resources, or would cause irreversible changes in the environment. In addition, this section identifies any irreversible damage that could result from environmental accidents associated with the proposed project.

1. Irreversible Commitment of Resources

Implementation of the proposed project would include the potential development of approximately 102 residential dwelling units. Components likely associated with such future development would include landscape and streetscape improvements, architectural elements and lighting, entry gates and features, and public utility extensions. Overall, the proposed project would commit portions of the project site to residential development, resulting in greater intensity than the existing condition as a vineyard. Construction and operation of the proposed project would contribute to the incremental depletion of resources, including renewable and non-renewable resources. Consumption of energy resources and increased vehicle travel by construction workers and homeowners will use resources for heating, cooling, lighting, operation of appliances, and vehicle transportation. Use of non-renewable materials such as metals and petroleum-derived products would affect the environment.

2. Loss of Agricultural Land

Implementation of the proposed project would require the removal of approximately 113 acres of productive vineyards, and would permanently convert these areas to non-agricultural land uses. The applicant proposes to plant approximately 140 acres of replacement vineyards onsite; however, the long-term maintenance and success of these vineyards is unknown. No feasible measures are available to mitigate for this impact, and a significant and unavoidable impact, Class I, would occur. In addition, the proposed design would locate sub-clusters of residences and associated residential access roads throughout the vineyard, resulting in land use conflicts that would detrimentally affect the operation of the vineyard.

3. Loss of Oak Woodland

Construction and future uses of the various project elements would disturb 14.35 acres of coast live oak woodland, including approximately 300 individual oak trees that are greater than five inches diameter at breast height (DBH). These individuals would be removed or impacted by project related activities. Oak woodland restoration would be implemented; however, the timeframe to establish mature oak woodland would be long-term. The short-term loss of oak woodland would result in a significant and adverse impact, Class I.

4. Loss of Aesthetic/Visual Resources

The proposed project would result in would result in substantial amounts of grading and earthwork, much of which would be visible from surrounding public roads and other areas. The majority of the residences would be visible from at least one of the many viewpoints along the Highway 101 corridor and surrounding local roads. The project would create a new source of night lighting visible from the Highway 101 corridor. Removal of trees and construction of roads and a water tank would also impact the aesthetic character of the project area's setting. Section V.K., Aesthetics, describes mitigation measures to lessen the impacts of the agricultural cluster development, including elimination and/or relocation of lots located within highly sensitive areas. The county cannot include conditions of approval that would require redesign of the tract map; therefore these significant and unavoidable, Class I, aesthetic impacts are identified.

5. Degradation of Ambient Air Quality

Implementation of the proposed project would result in several short-term and long-term impacts to ambient air quality. Construction would result in direct short-term air quality impacts associated with ROG and NO_X emissions. PM_{10} emissions would result in direct short and long-term impacts on air quality, further exacerbating the County non-attainment status for PM_{10}. Demolition activities may potentially lead to adverse air quality impacts during removal or remodeling of existing structures due to the potential presence of hazardous air pollutants, resulting in an indirect short-term impact. Earth moving activities for development of the proposed project components would result in grading activities that may expose naturally occurring asbestos, resulting in an indirect short-term impact. ROG, NO_X and PM_{10} long-term operation emissions would exceed the APCD's Tier II Threshold and result in a direct long-term impact on air quality. Operation of the proposed wastewater treatment plant and the equestrian facility have the potential to generate odors that could be a nuisance to nearby residents. Section V.I. Air Quality describes mitigation measures to lessen the impact of the development; however, the degradation of air quality due to transportation-related sources cannot be mitigated to less than significant.

6. Loss of Significant Cultural Resources

Implementation of the project would result in the disturbance, destruction, and loss of significant archaeological resources. As noted in the archaeological reports prepared for the EIR, it is rare to find such ancient sites so close together and possibly representing three successive occupations in the same general area (Gibson; 2007). Taken as a whole, the wide variety of

function and antiquity of prehistoric sites on the Laetitia project area offers a complete inventory of the range of activities. This includes large and small habitation units that are part of a large social and political network connecting them with the coastal region, rock art, bedrock grinding stations, local stone tool manufacturing. Mitigation is recommended to avoid the highly significant sites; however the county cannot require redesign of the proposed tract map as a condition of approval. Therefore, the impacts to these archaeological sites would be significant and irreversible.

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