

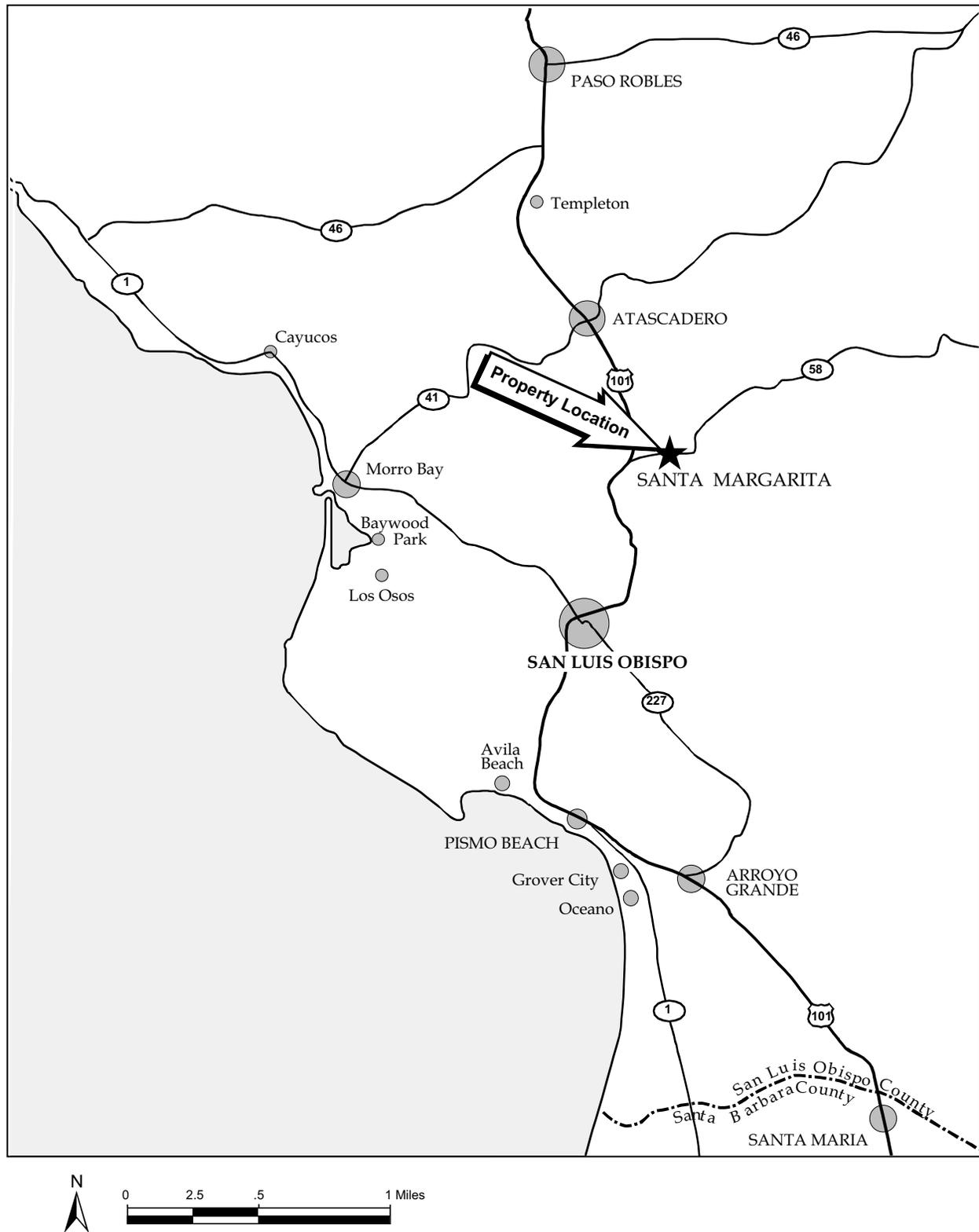
2.0 PROJECT DESCRIPTION

Summary. The proposed project, known as the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program, includes two components: 1) an Agricultural Residential Cluster Subdivision (Tentative Tract 2586), for which an application has been filed with the County, and 2) a Future Development Program, for which no application has been filed. Despite its status, the Future Development Program is evaluated in the EIR because of a settlement agreement between the community group Santa Margarita Area Residents Together (SMART), the County, and the applicant (Santa Margarita Ranch, LLC). This agreement required that the applicant submit a Future Development Program for the Ranch at the time of any specific entitlement request (such as the proposed Tentative Tract Map and Conditional Use Permit). The settlement agreement also required that as part of the CEQA evaluation of the project-specific application, the EIR document examine the long range effects of full buildout of the ranch (Future Development Program) in addition to the near term effects of proposed Cluster development. Therefore, the “project” reviewed by this EIR includes both the Agricultural Residential Cluster and Future Development Program components. For the proposed Agricultural Residential Cluster Subdivision, the EIR will serve as a Project EIR pursuant to Section 15161 of the *CEQA Guidelines*, and evaluate the specific proposed development characteristics. For the Future Development Program, the EIR will serve as a Program EIR at a more conceptual level of detail. Since only generalized Future Development Program land use locations are available at this time, and no site plans or other project-level details have been provided by the applicant, this EIR evaluates and mitigates a reasonable worst-case scenario of potential impacts associated with the Future Development Program. Since project-level information and active applications for the Future Development Program components have not been provided, future development in accordance with the program will require additional environmental review, pursuant to the requirements of CEQA.

The Santa Margarita Ranch property (hereinafter, “the Ranch”) encompasses approximately 14,000 acres and is located immediately east of U.S. Highway 101, and surrounds the community of Santa Margarita. The proposed Agricultural Residential Cluster Subdivision includes 3,778 acres near the middle of the Ranch, southeast of the community of Santa Margarita, while the Future Development Program occurs in various locations throughout the balance of the 14,000-acre property (refer to Figures 2-1 and 2-2; Figure 2-1 shows the regional location of the project site, while Figure 2-2 shows the site within its local context). The proposed subdivision also includes a 2,417 acre remainder lot that is not proposed for development at this time. The remainder parcel is located north of the proposed Agricultural Residential Cluster Subdivision lots, south of the community of Santa Margarita.

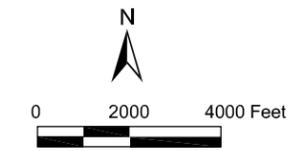
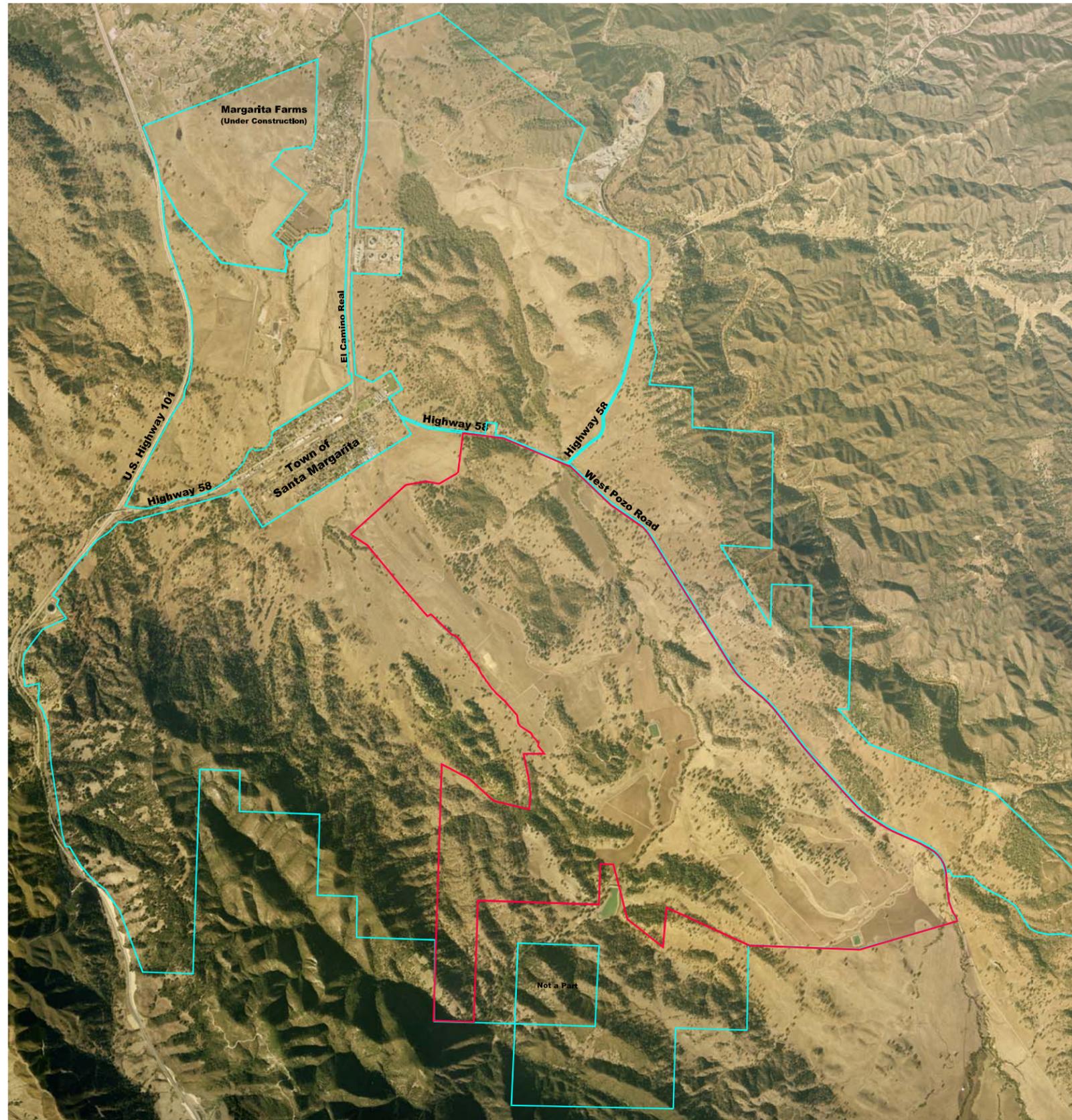
The proposed Agricultural Residential Cluster Subdivision site is located southeast of the community of Santa Margarita, west of Pozo Road. The proposed agricultural cluster development includes 111 clustered homesites and one ranch headquarters unit (located on Parcel 42), with development area totaling 163.1 acres, with the remaining 3,633 acres placed in agricultural conservation easements (ACEs). The agricultural cluster subdivision includes transportation infrastructure, water service improvements, underground wire utilities, and on-site septic systems. The proposed residential units would be located throughout a 676.67 acre area in the north-central portion of the site, west of West Pozo Road, to be constructed in three phases, each with independent services, infrastructure, and respective agricultural/conservation dedications.





Regional Location

Figure 2-1



- Agricultural Residential Cluster Subdivision Boundary
- Future Development Program Boundary

Proposed Agricultural Residential Cluster Subdivision and Future Development Program Boundaries

Source: EDA Design Professionals, June 2006.

Proposed lot sizes range from between 1.0 to 2.5 acres and comprise approximately 128 acres, with approximately 16 acres for roadways, driveways and other improvements.

The proposed project development plan is shown on Figure 2-3.

The Future Development Program occurs throughout the portions of the Santa Margarita Ranch property generally outside the boundaries of the Agricultural Residential Cluster Subdivision, east of Highway 101 and surrounding both the community of Santa Margarita and the proposed Agricultural Residential Cluster Subdivision (refer to Figure 2-9). The Future Development Program includes the balance of the 550 single-family residential units allowable pursuant to the Salinas River Area Plan (approximately 402 residences; see Table 2-1) and the additional following uses: private golf course, club house and pro shop; guest ranch, lodge, and restaurant; 12-room bed and breakfast; cafe; amphitheater; crafts studios, galleries and shops; interpretive center and gift shops; nine wineries with tasting rooms and permitted special events; neighborhood park and swimming pool; five ranch/farm headquarters; one livestock sales yard and café; three places of worship; and a retreat center. The Future Development Program contemplates two of the envisioned wineries and two of the anticipated ranch headquarters within the Agricultural Conservation Easements (ACEs) associated with the proposed Agricultural Residential Cluster Subdivision.

The specific characteristics of the project, including the project application, proposed structures, and project objectives, are described below.

Table 2-1. Summary of Existing, Project, and Program Residential Development Potential

Residential Development Component	Number of Dwelling Units
Existing Development (Margarita Farms)	36
Proposed Agricultural Residential Cluster Subdivision	
<i>Single-Family Homes</i>	111
<i>Ranch Headquarters Unit</i>	1
Subtotal (Agricultural Residential Cluster Subdivision)	112
Future Development Program	
<i>Market-Rate Single Family Homes</i>	352
<i>Workforce (Affordable) Housing</i>	50
Subtotal (Future Development Program)	402
Subtotal Proposed Project (Cluster plus Program)	514
TOTAL (Existing, plus Cluster, plus Program)	550
<i>Maximum Allowed under Salinas River Rural Area Standards, County Land Use Ordinance Section 22.104.040</i>	550

2.1 PROJECT APPLICANT

The project applicant for the Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program is:

Santa Margarita Ranch, LLC
 5875 Stockdale Road
 Paso Robles, CA 93446
 Contact: Karl Wittstrom



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2.2 PROJECT LOCATION

The 14,000-acre Santa Margarita Ranch property is located immediately east of U.S. Highway 101, surrounding the unincorporated community of Santa Margarita. Of these 14,000 acres, 3,778 acres are included in an Agricultural Residential Cluster Subdivision, located southeast of the community of Santa Margarita and west of Pozo Road. The Future Development Program occurs throughout the balance of the Ranch property. Because only tentative locations for proposed uses are available, and because an application has not yet been filed, these locations may change. This EIR therefore evaluates a reasonable worst-case scenario relative to the location of future facilities within the tentative use areas.

Santa Margarita Ranch lies at the intersection of three County planning areas. The southwestern corner and the southernmost portions of the Ranch, which include areas within the National Forest Boundary, are located within the Los Padres Planning Area. The southeastern corner of the Ranch is included in the Las Pilitas Planning Area. The remainder of the Ranch is included in the Salinas River Planning Area. The northern and central portions of the Ranch property, including the proposed Agricultural Residential Cluster Subdivision, are located within five miles of the City of Atascadero's Urban Reserve Line.

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

2.3 EXISTING SITE CHARACTERISTICS

2.3.1 Existing Ranch Property Program Site Characteristics

The entire Santa Margarita Ranch property is approximately 14,000 acres. Of this total, about 10,222 acres are available for development under the Future Development Program, which does not include the 3,778 acres that are part of the Agricultural Residential Cluster Subdivision (see Section 2.3.2). Existing ranch facilities (+/- 50,000 square feet of building coverage), activities and land uses include an equestrian center, private narrow gauge railroad, vineyard(s), private 3,400 foot airstrip, farmland, eight-acre cattle feedlot, agricultural roads, trails, several homes along with agricultural accessory structures, historic structures, water wells, numerous ponds and reservoirs, and various above and underground utilities.

The Ranch property is located in a hilly area with ridges trending north-south and reaching elevations of approximately 1,276 feet above mean sea level (msl) with valleys draining to Trout Creek at an elevation of approximately 1,020 feet above msl. Existing structures located on the Ranch property include 36 recently-completed or under-construction residential units located at the northern end of the Ranch (i.e., the Santa Margarita Farms Subdivision), one single family residence, seven farm support housing units, and six "Mission Era" structures (refer to Section



4.2, *Cultural Resources*, for a discussion of impacts related to historic resources). The existing equestrian center, located at the southern end of the Ranch, maintains a 200-400 seat arena, boarding facilities and stables, and four private cabins. In addition, four stock ponds and four reservoirs are located throughout the Ranch.

The Santa Margarita Farms Subdivision (Tract 1) includes 35 clustered lots (36 residential units) located at the northern end of the Ranch. The lots are currently for sale and construction of houses started in 2004. The applicant is not proposing to modify or remove these existing uses.

2.3.2 Existing Agricultural Residential Cluster Subdivision Site Characteristics

The 3,778-acre portion of the Ranch proposed for Agricultural Residential Cluster development is currently undeveloped hilly terrain located near the center of the Santa Margarita Ranch property. These hills typically rise 100 to 300 feet above the surrounding landscape, decreasing in height from north to south. Land use on the site proposed for Cluster development is limited to ranchlands, without any structures. There are several existing agricultural accessory structures, as well as four licensed stock ponds and four licensed reservoirs, on the portions of the site proposed for agricultural conservation easements. Several private roads and trails are located throughout the area, which provide access for vineyard and ranch operations, grazing, PG&E power lines, and other public utilities located on-site.

The Margarita (Cuesta Ridge) Vineyard currently occupies approximately 1,100 acres of the Agricultural Residential Cluster Subdivision site, including a 974-acre vineyard, two farm support quarters. The remaining portions of the Agricultural Residential Cluster Subdivision site are currently used for cattle grazing on an existing 676 acre grazing unit that supports 85 animal units per year (refer to Section 4.1, *Agricultural Resources*).

Drainage generally flows from south to north via four main drainages in the Santa Margarita Ranch area: Santa Margarita Creek, Yerba Buena Creek, Trout Creek, and Rinconada Creek. Santa Margarita Creek is located on the eastern portion of the site, flowing in a northeasterly direction before being joined by Yerba Buena Creek, flowing from the south-central portion of the site. Approximately 1 mile north of this junction, these drainages enter Trout Creek, which joins the Salinas River approximately 1.25 miles north of the Ranch boundary. The Rinconada Creek is the most southerly drainage, joining the Salinas River at the southeastern corner of the project site.

Table 2-2 summarizes the existing land use and regulatory characteristics of the site.



Table 2-2. Existing Site Information

Site Characteristic	Description
Santa Margarita Ranch Property (Program Site)	
Existing General Plan Designation	Agricultural (AG), Rural Residential (RR) (on Margarita Farms)
Combining Designation	Flood Hazard, Geologic Study Area, Historic Site, Sensitive Resource Area,
Site Size	14,000 acres (3,778 acres of which contain the Agricultural Residential Cluster Subdivision area / Tract 2586)
Existing Land Use and Development	Equestrian facility, private air strip, vineyard, irrigated and non-irrigated row crops, grazing land, dry land farming, recreation, special events, single-family residence, farm support quarters, agricultural accessory structures, private cabins, private railroad
Assessor Parcel Number	APNs 070-091-036,037,038; 070-157-005,006; 070-095-001; 070-132-009; 070-094-001; 070-095-002; 070-081-005,006, 007,008,010,011,012,030; 070-241-028,029,031,032,033,034; and 070-251-004,013,014,015,106
Surrounding Land Use/Zoning	<i>North:</i> Agriculture; Rural Lands; Residential Suburban; Commercial Retail/ single-family residences, agriculture accessory structures <i>South:</i> Agriculture; Recreation; Open Space/ undeveloped; trails, Los Padres National Forest <i>East:</i> Agriculture; Rural Lands / scattered single-family residences, agricultural accessory structures; quarries, Salinas River <i>West:</i> Agriculture; Rural Lands / Highway 101; scattered single-family residences, agricultural accessory structures
Access	U.S. Highway 101 and Santa Margarita/Hwy 58 interchange to Pozo Road
Public Services	<i>Water Supply:</i> Santa Margarita Ranch Mutual Water Company (Proposed) <i>Sewage:</i> Private Septic <i>Fire:</i> CDF <i>Police:</i> San Luis Obispo County Sheriff's Department <i>Schools:</i> Atascadero Unified School District <i>Electric:</i> Pacific Gas & Electric Company (PG&E) <i>Gas:</i> The Gas Company <i>Telephone:</i> AT&T
Agricultural Residential Cluster Subdivision (Project Site)	
Existing General Plan Designation	Agricultural (AG)
Combining Designation	Geologic Study Area, Flood Hazard
Site Size	3,778 acres
Existing Land Use and Development	Irrigated and non-irrigated row crops, grazing land, dry land farming, vineyard, agricultural accessory structures
Assessor Parcel Number	APNs 070-094-001, 070-095-002, 070-251-016
Surrounding Land Use/Zoning	<i>North:</i> Agriculture/ livestock grazing, dry farming, Pozo Road/Highway 58, cemetery <i>South:</i> Agriculture/ vineyard, livestock grazing <i>East:</i> Agriculture/ vineyard, livestock grazing, dry farming, Pozo Road <i>West:</i> Agriculture/ vineyard
Access	U.S. Highway 101 and Santa Margarita/Hwy 58 interchange to Pozo Road
Public Services	<i>Water Supply:</i> Santa Margarita Mutual Water Company (Proposed) <i>Sewage:</i> Private Septic <i>Fire:</i> CDF <i>Police:</i> San Luis Obispo County Sheriff's Department <i>Schools:</i> Atascadero Unified School District <i>Electric:</i> Pacific Gas & Electric Company (PG&E) <i>Gas:</i> The Gas Company <i>Telephone:</i> AT&T



2.4 PROJECT CHARACTERISTICS

The applicant is requesting approval of a Vesting Tentative Tract Map and Agricultural Lands Residential Cluster Conditional Use Permit for the proposed Agricultural Residential Cluster component. No entitlements are currently proposed for the Future Development Program component. However, a settlement agreement between the community group Santa Margarita Area Residents Together (SMART), the County and the applicant requires that the applicant submit a Future Development Program for the areas within the original Rancho boundaries (9,400 acres) at the time of certain specific entitlement request. The entire 14,000 acres of the Ranch is included in the Future Development Program evaluation. Therefore, this EIR evaluates the requested Tentative Tract Map and Conditional Use Permit for the Agricultural Residential Cluster Subdivision active application, as well as the Future Development Program, for which no application has yet been filed.

The specifics of the Agricultural Residential Cluster Subdivision and Future Development Program are described below and summarized in Table 2-3.

2.4.1 Agricultural Residential Cluster Subdivision (Tentative Tract 2586)

The proposed project includes an Agricultural Residential Cluster Subdivision component, which would consist of 111 residential clustered lots, one (1) dwelling unit at the Ranch Headquarters on Parcel 42, and agricultural conservation easements (ACE's).

a. Residential Cluster. The applicant submitted a request for a Vesting Tentative Tract Map and Conditional Use Permit to subdivide and develop an agricultural cluster subdivision. The proposed Agricultural Residential Cluster consists of 111 residential parcels (1.0 to 2.5 acres in size), 1 dwelling unit at the Ranch Headquarters on Parcel 42, and permanent agricultural conservation easements (approximately 3,633 acres). The proposed agricultural cluster subdivision density and density calculation are identified on Figure 2-4. The proposed agricultural cluster subdivision development plan is shown on Figure 2-5. Development of the Agricultural Residential Cluster Subdivision would occur in three phases, **each including an agricultural conservation easement (ACE) area**, as depicted on Figure 2-6. ~~and as~~ **Each phase is described in greater detail in** the following paragraphs:

Phase One (1,518 acres) - 40 residential cluster lots (44.8 acres); 1 dwelling unit at the Ranch Headquarters on Parcel 42; 40-foot wide private residential access easement (4.0 acres); 40-foot wide private agricultural and residential access easement (8.7 acres), 22-foot wide or less paved road; water service improvements including a water tank with a minimum capacity of 188,000 gallons that would be screened with vegetation or located underground, looped service main, and service lines to residential parcels; underground wire utilities; 41 individual on-site septic systems and leach fields (located on-site or within the ACE by easement(s)); and, an agricultural conservation easement parcel of approximately 1,469 acres (refer to Figure 2-6). Phase One is scheduled for completion in January 2008.

Phase Two (1,201 acres) - 42 residential clustered lots (49.8 acres); 40-foot wide private residential access easement and 30-foot wide driveway easements (7.8 acres); 40-foot wide private agricultural and residential access easement (5.9 acres); 18-foot wide or less paved road; water service improvements including a looped service main and service lines to residential parcels;



underground wire utilities; 42 on-site septic systems and leach fields; and an agricultural conservation easement parcel of approximately 1,144 acres. Phase Two is scheduled for completion in January 2009.

Table 2-3. Summary of Project and Program Components

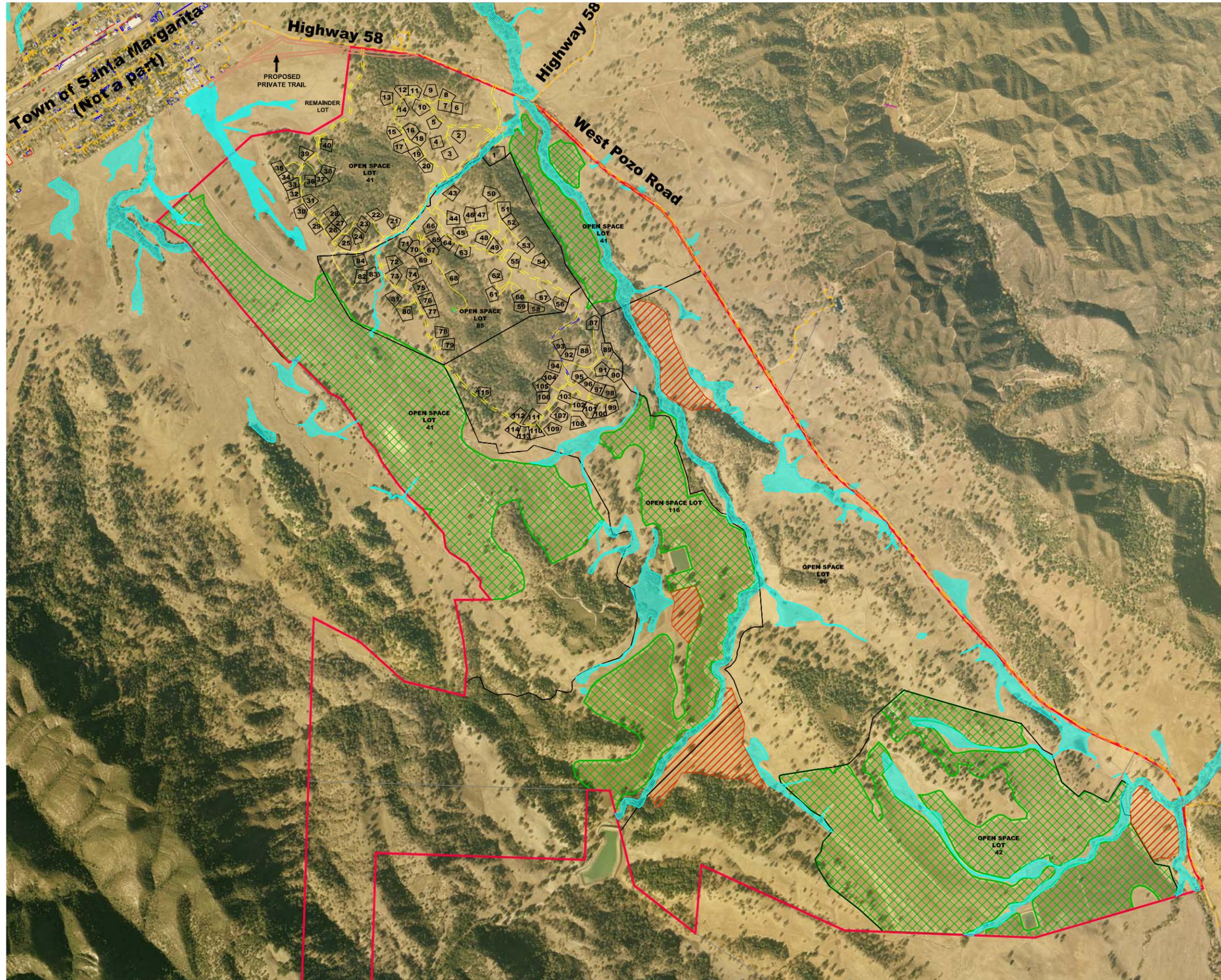
Project Element	Project Characteristics
Agricultural Residential Cluster Tract 2586	
111 residential clustered lots	1.0 to 2.5 acres in size (128 acres)
1 Dwelling Unit at Headquarters Parcel, Parcel 42	
40-foot wide private easements (residential) and 30-foot wide driveway easements	16 acres
40-foot wide private easements (residential and agricultural)	19.1 acres
Paved roads	20 and 18 feet wide
Water and Septic Utilities	Water tank, service main and service lines; water wells. 112 on-site septic systems
Underground and aboveground utilities	State Water, Salinas Water, Pacific Gas and Electric, Southern California Gas Company, Phillips Petroleum, telephone, and cable
Drainage Facilities	Storm Drains and Detention Basins
Future Development Program	
Remainder of the 550 residential units allowable under the Salinas River Area Plan (minus 36 residential units in Tract 1, and 112 units on Tract 2586)	402 residential lots, approximately 400 acres (includes 50 affordable workforce units)
Private golf course, club house, shop	27 to 36 holes / 220 to 280 acres
Guest ranch, lodge, and restaurant	150 to 250 units, 40 tables/200 patrons, 100 acres
Restaurant	40 tables/ 200 patrons
Bed and breakfast	12 rooms
Café	20 tables/ 100 patrons
Amphitheater	200 to 600 seats
Craft studios, galleries, and shops	6,000 square feet
Interpretive center and gift shops	3,000 square feet
Nine wineries, tasting rooms, and special events	8 @ 20,000 to 40,000 square feet each, 1 @ 80,000 square feet / 42 events per year per facility: six events with 1,000 people; six events with 500 people; six events with 300 people; ten events with 200 people, and; fourteen events with 100 people
Five ranch/farm headquarters	2.5 acres each
Livestock sales yard and café	20 acres / one Saturday per month with 80 to 100 people / 75 patrons
Horse ranch	30 (+) horses
Three places of worship	2,000 to 5,000 square feet each
40 Year Williamson Act parcels (various agricultural uses)	3,600 acres
Oakenshaw Retreat Center	16 to 24 units on 30 acres with lodge and residence
Neighborhood parkland and swimming pool	5 acres east of Santa Margarita Community
Dedication of land for future Sewage Treatment Plant	Location to be determined: 10 acres
Dedication of land for expansion of cemetery	5 acres
Public Hiking / Equestrian Trails	Various locations to be determined upon future non-agricultural development
Drainage Facilities	Various Locations, with a community drainage basin upstream of the Community of Santa Margarita
Continuation of Existing Uses Listed in Table 2-2	

Phase Three (1,057 acres) - 29 residential clustered lots (33.1 acres), 40-foot wide private residential access easement and 30-foot wide driveway easements (4.2 acres); 40-foot wide



private agricultural and residential access easement (4.5 acres); 22-foot wide or less paved road; water service improvements including a looped water main and service lines to residential





OPENSACE CALCULATION:

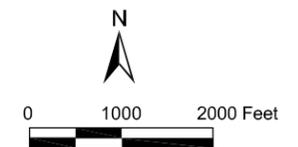
GROSS DEVELOPMENT AREA=	3778 ACRES
OPEN SPACE REQUIRED (95% OF GROSS DEVELOPMENT AREA) =	3589 ACRES
ALLOWABLE DEVELOPMENT AREA=	189 ACRES

AGRICULTURAL USES:

IRRIGATED VINEYARD ACREAGE:	GRAZING ACREAGE:
VINEYARD "A"= 52.3 ACRES	OPENSACE: 3589 ACRES
VINEYARD "B"= 327.5 ACRES	VINEYARD -973.9 ACRES
VINEYARD "C"= 205.0 ACRES	TOTAL GRAZING 2615.1 ACRES
VINEYARD "D"= 389.1 ACRES	
TOTAL VINEYARD= 973.9 ACRES	

DENSITY CALCULATION:

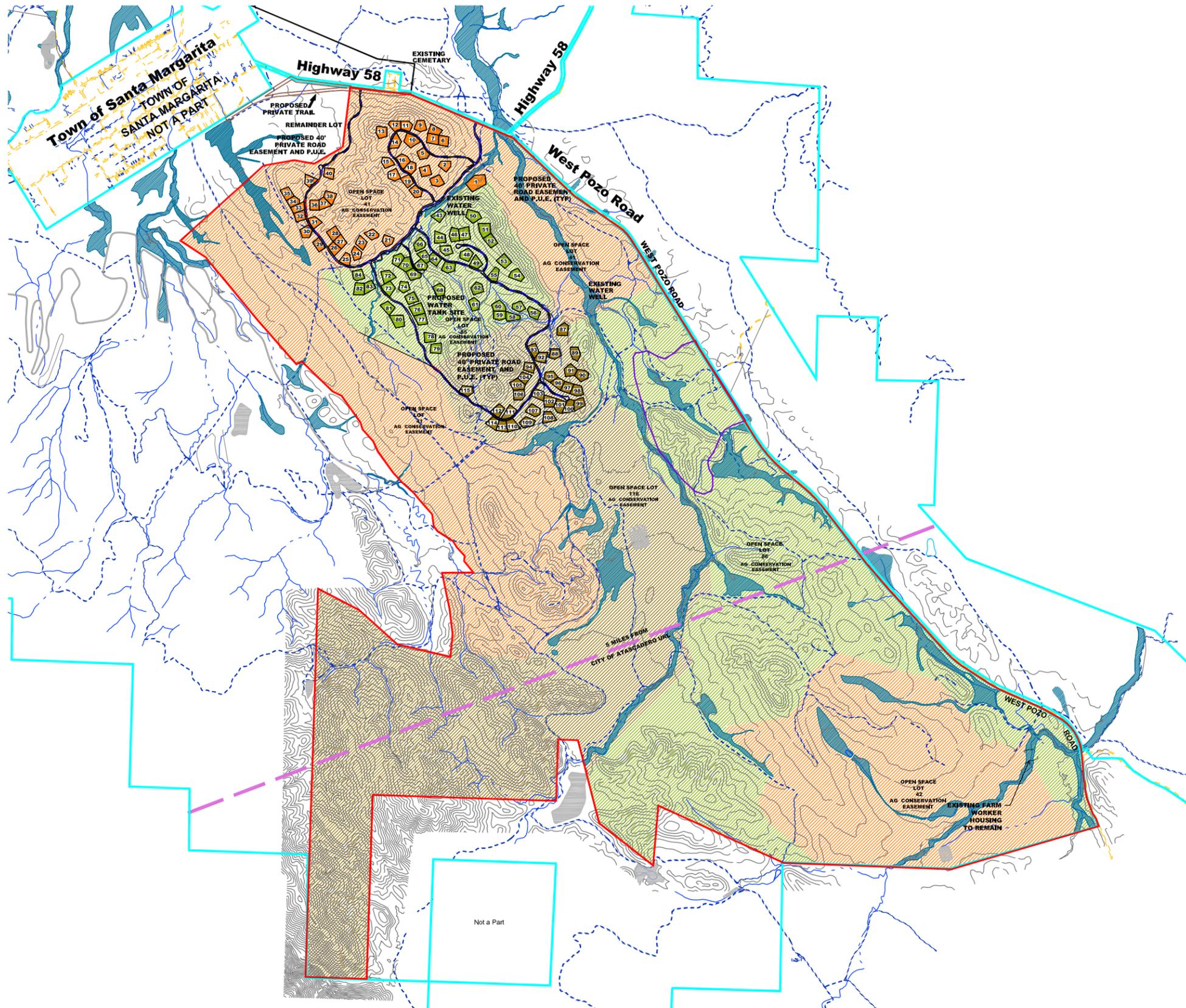
IRRIGATED VINEYARD (20 ACRE MINIMUM PARCEL SIZE W/ 2 UNITS PER PARCEL):	
TOTAL VINEYARD = 973.9 ACRES / 20 ACRES= 48.69 ACRES	48X2= 96 RESIDENTIAL UNITS
GRAZING (320 ACRE MINIMUM PARCEL SIZE W/ 2 UNITS PER PARCEL):	
TOTAL GRAZING= 2615 ACRES / 320 ACRES=8.17 ACRES	8X2=16 RESIDENTIAL UNITS
TOTAL RESIDENTIAL UNITS:	=112 RESIDENTIAL UNITS



Proposed Agricultural Residential Cluster Subdivision Density Calculation

Source: EDA Design Professionals, June 2006.

Figure 2-4



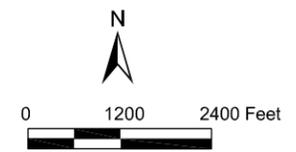
LEGEND

	TENTATIVE TRACT 2586 BOUNDARY
	PROPOSED LOT LINES FOR TENTATIVE TRACT 2586 RESIDENTIAL CLUSTER SUBDIVISION
	RANCH PROPERTY BOUNDARY
	WATERS-OF-THE-US
	CONTOURS - 25' INTERVAL

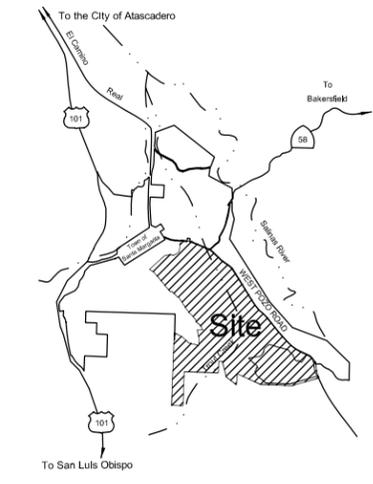
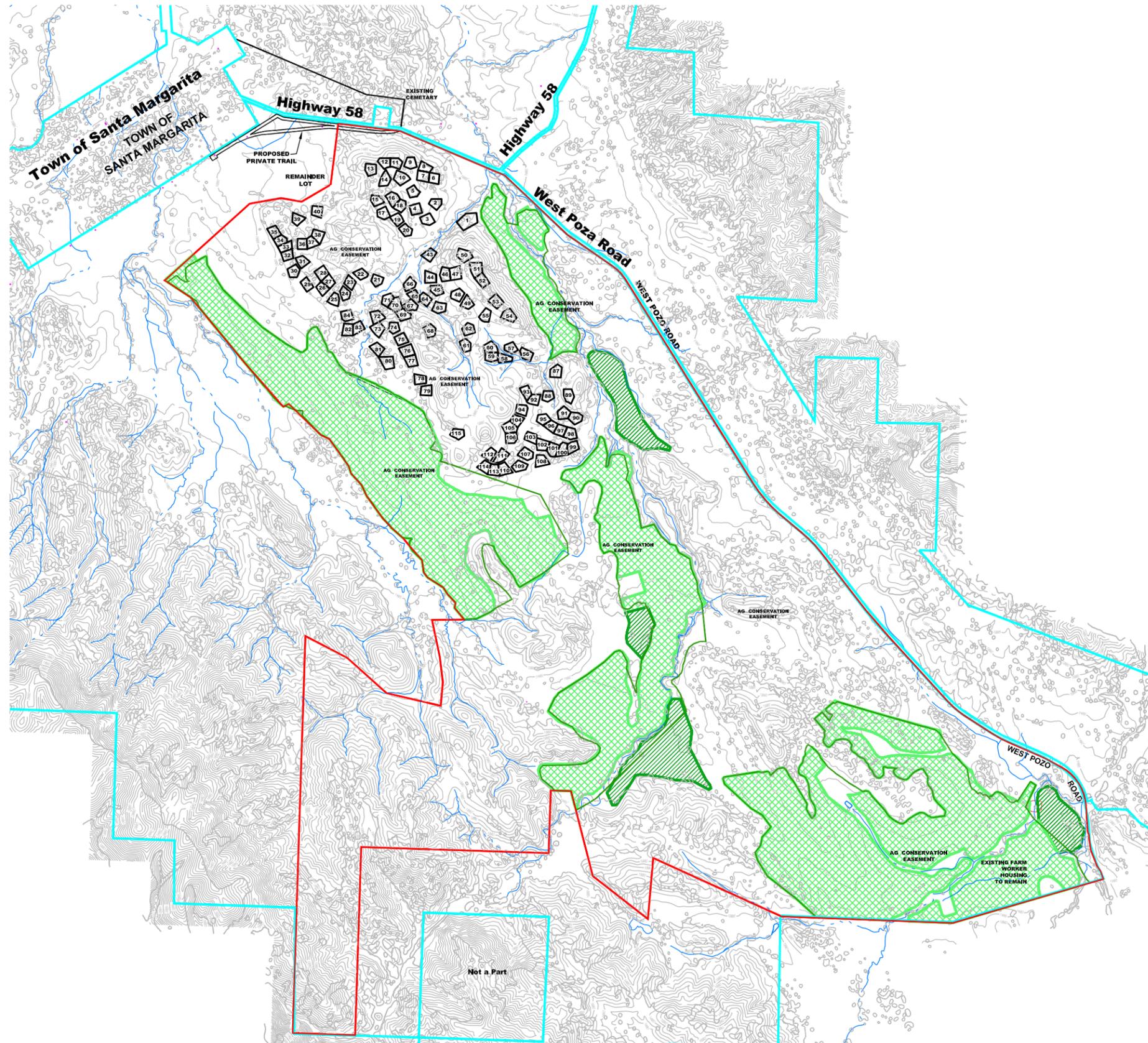
PHASING LEGEND

	PHASE ONE DEVELOPED AREA = 44.5 AC (36 LOTS, ROAD, DRIVEWAY EASEMENTS)
	PHASE ONE AG CONSERVATION EASEMENT (1469.4 AC)
	PHASE TWO DEVELOPED AREA = 63.7 AC (47 LOTS, ROAD/ DRIVEWAY EASEMENTS)
	PHASE TWO AG CONSERVATION EASEMENTS (1144.1 AC)
	PHASE THREE DEVELOPED AREA = 36.5 ACRES (28 LOTS, ROAD/ DRIVEWAY EASEMENTS)
	PHASE THREE AG CONSERVATION EASEMENT (1019.8 AC)

NOTE:
SEE PRELIMINARY GRADING AND DRAINAGE PLANS FOR INDIVIDUAL RESIDENTIAL LOT DIMENSIONS.



Proposed Agricultural Residential Cluster Subdivision Development Plan Phasing



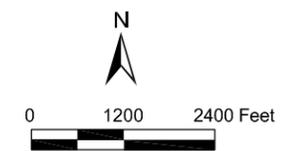
VICINITY MAP
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LEGEND

- TENTATIVE TRACT 2586 BOUNDARY
- PROPOSED LOT LINES FOR TENTATIVE TRACT 2586 RESIDENTIAL CLUSTER SUBDIVISION
- RANCH PROPERTY BOUNDARY
- ~ WATERS-OF-THE-US
- TREE CANOPY
- CONTOURS - 25' INTERVAL
- EXISTING VINEYARD
- AG IN PROGRESS

AGRICULTURAL USES:

IRRIGATED VINEYARD ACREAGE:	GRAZING ACREAGE:
VINEYARD "A"= 52.3 ACRES	OPENSOURCE: 3589 ACRES
VINEYARD "B"= 327.5 ACRES	VINEYARD 973.9 ACRES
VINEYARD "C"= 205.0 ACRES	TOTAL GRAZING 2615.1 ACRES
VINEYARD "D"= 389.1 ACRES	
TOTAL VINEYARD= 973.9 ACRES	



Proposed Agricultural Residential Cluster Subdivision Agricultural Uses

Source: EDA Design Professionals, June 2006.

Figure 2-7
 County of San Luis Obispo

parcels, underground wire utilities, 29 individual on-site septic systems, and an agricultural conservation easement parcel of approximately 1,019 acres. Phase Three is scheduled for completion in January 2010.

Grading plans for the proposed agricultural cluster subdivision are included in Figures 2-8A through 2-8E.

Covenants, Conditions and Restrictions (CC&Rs) are required for the 111 clustered residential home sites. The applicant does not propose a Homeowners Association, since no areas would be under common ownership.

The existing access road, located approximately 775 feet northwest of the one-mile bridge or the El Camino Real turn-off for Highway 58, provides primary access to the agricultural cluster subdivision site. Phase Two of the development includes the addition of a secondary access point from Highway 58. The internal roadway system consists of looped, two-lane roadways that connect to driveways to individual home sites (refer to Figure 2-5). The applicant does not propose public access through the agricultural cluster subdivision. The cluster residential site will remain fenced with two gated entry points to contain cattle within the site, separate residential uses from vineyards, and provide security.

The San Luis Obispo County Land Use Ordinance, Section 22.104.040 (Salinas River Rural Area Standards), requires that a Specific Plan be prepared for the Santa Margarita Ranch area before any application is approved for a subdivision other than a Cluster development. Since only an agricultural residential cluster subdivision is proposed at this time, a Specific Plan is not required.

b. Agricultural Conservation Easements. The project includes 3,633 acres of permanent agricultural conservation easements (ACE's) applied to the areas designated within the proposed tract map. An ACE is a deed restriction landowners voluntarily place on their property to protect resources such as productive agricultural land, ground and surface water, wildlife habitat, historic sites or scenic views. They are used by landowners to authorize a qualified conservation organization or public agency to monitor and enforce the restrictions set forth in the agreement.

The terms of ACE's can be tailored to suit the needs of the landowner and his or her property. While agricultural easements generally restrict all non-agricultural use of the land, continued ranching and farming are permitted, and some limited development may be allowed. For example, an ACE generally permits the construction of new farm buildings and can allow construction of a home for family members or the subdivision of a lot for resale. In addition, ACE's often permit commercial development related to the farm operation. The flexibility of these and other restrictions vary with the characteristics of the agricultural land and the conservation objectives of the easement.

Agricultural conservation easements provide for the protection of agricultural resources and operations, as well as ongoing recreation and natural resource protection activities, while keeping the land in private ownership and on local tax rolls. The applicant proposes an ACE rather than a Williamson Act Contract, which preserves agriculture and open space over a rolling term 10 year contract. Williamson Act parcels are assessed for property tax purposes at



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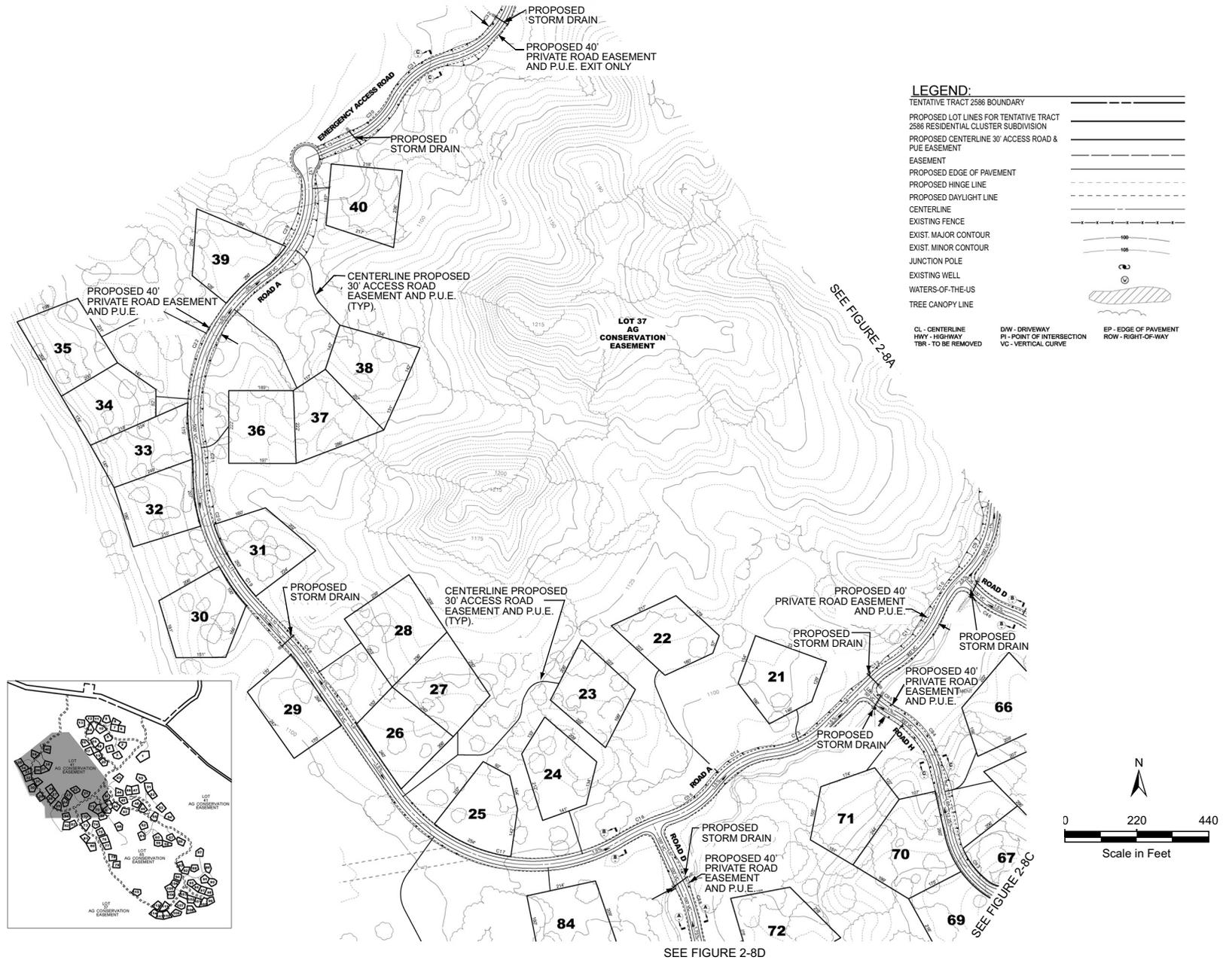


Grading Plan A

Figure 2-8A

Source: EDA Design Professionals, June 2006.

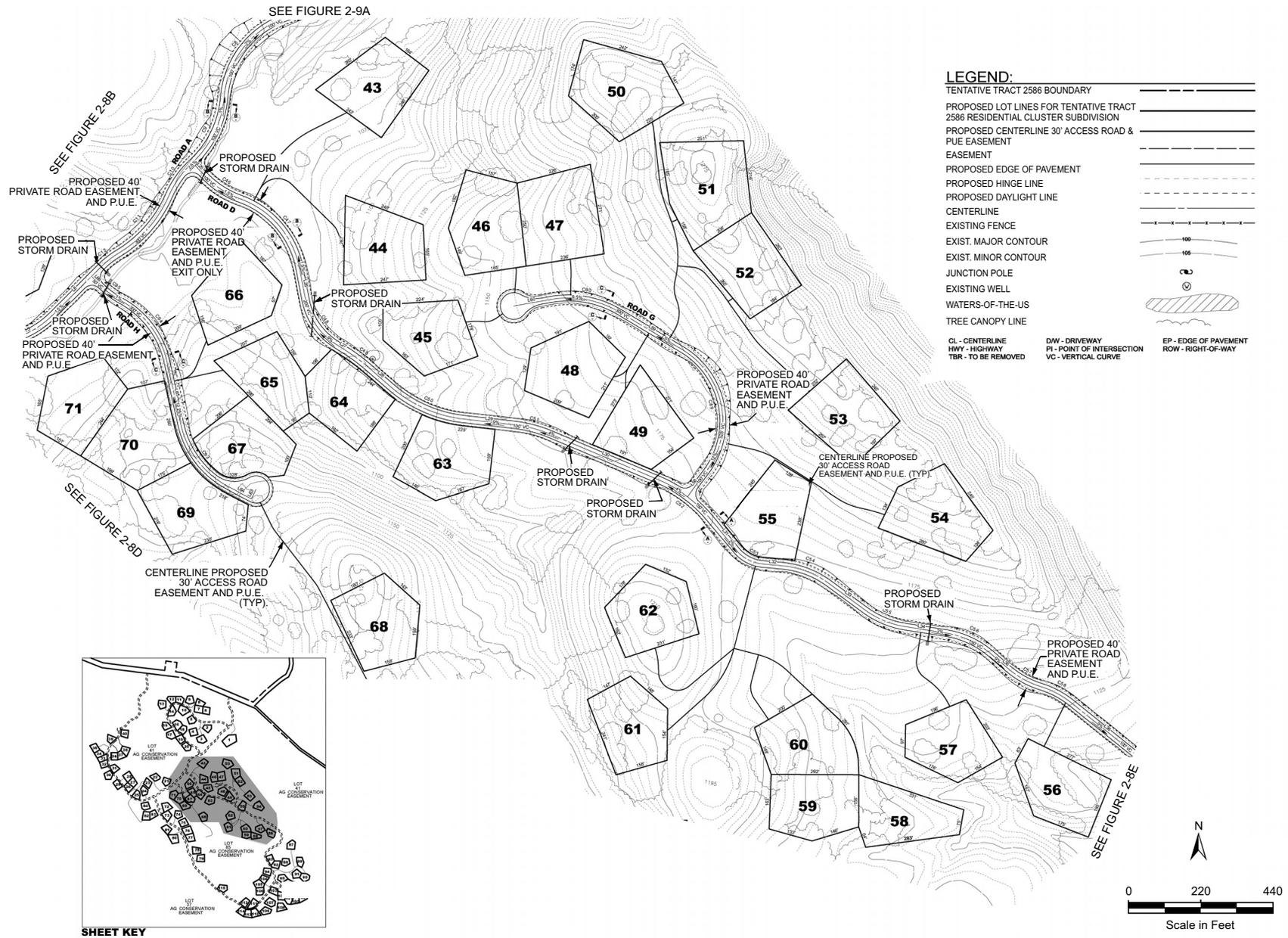
Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program EIR
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Grading Plan B

Figure 2-8B

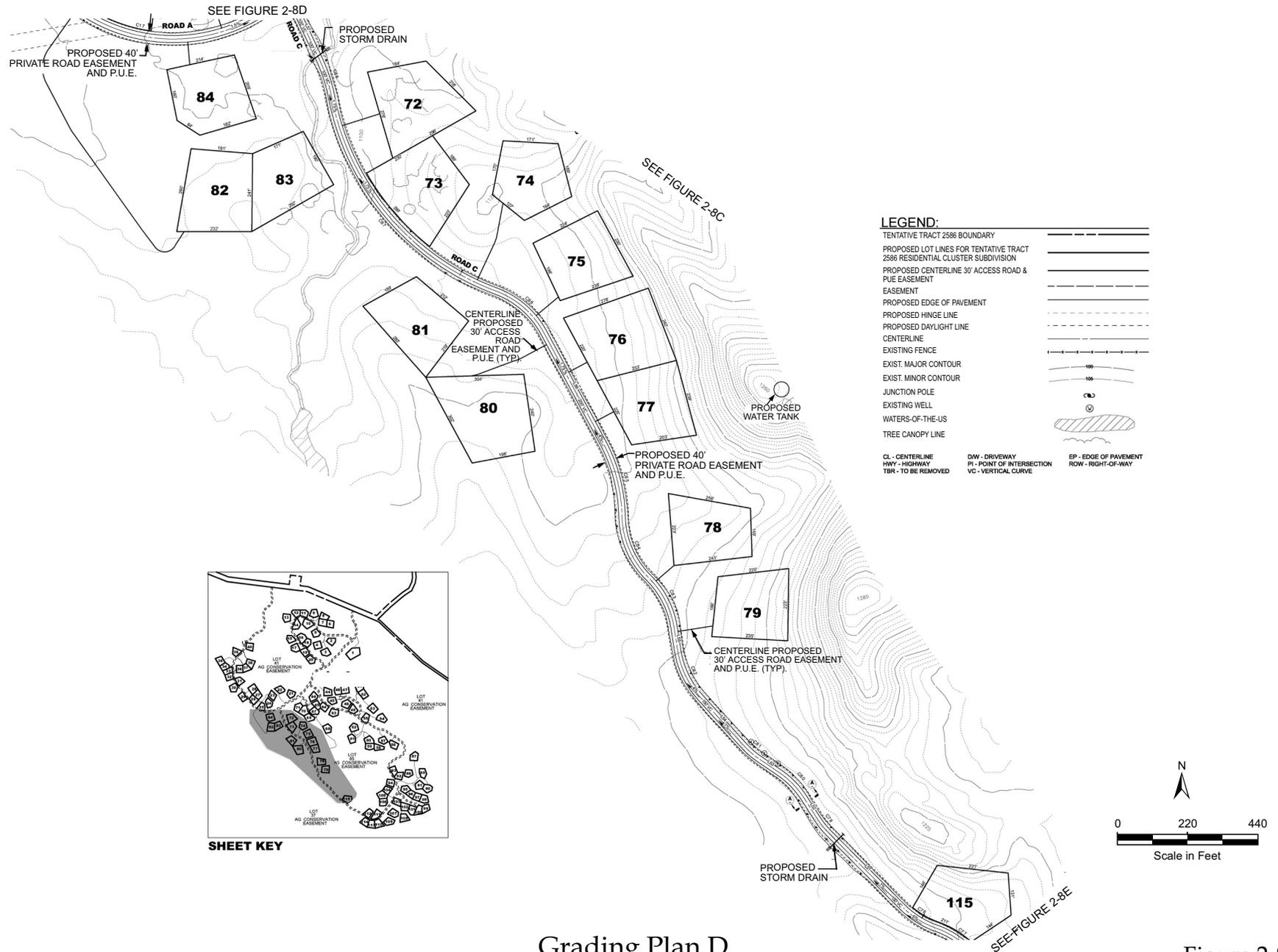
Source: EDA Design Professionals, 2005



Grading Plan C

Figure 2-8C

Santa Margarita Ranch Agricultural Residential Cluster Subdivision Project and Future Development Program EIR
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Grading Plan D

Figure 2-8D



a rate consistent with their actual use, rather than potential market value. Although Williamson Act contracts are not permanent, they are generally more restrictive in the types of land uses that may be permitted on a protected parcel, compared to ACE's.

The applicant proposes that the ACE's be included in the Santa Margarita Preserve, a non-profit conservation entity that, in combination with other non-profit agencies such as the California Rangeland Trust, will hold the ACE's and provide funding for operation and management oversight. The applicant proposes that the ACE areas continue to operate as a private ranch in private ownership, and not be subject to CC&Rs that apply to the proposed agricultural cluster subdivision.

c. Utilities. The applicant proposes two water storage tanks with a capacity of 188,000 gallons each for location at the top of the hill in the center of the proposed residential cluster. Vegetation or underground placement may provide screening of the water tanks. The Santa Margarita Ranch Mutual Water Company would own and maintain the proposed water tanks and water service infrastructure that serve the clustered residential home sites. SMRMWC would utilize existing on-site wells to meet domestic needs. Individual well yields typically range between 200 and 400 gallons per minute (gpm), with some wells capable of rates of up to 1,000 gpm. The water would be drawn from Paso Robles Formation sand and gravel deposits, an undefined or stratigraphic equivalent to the Paso Robles Formation, and the Santa Margarita Formation aquifer units. Water would be stored in two 188,000 gallon water tanks located at the top of a hill near the center of the Agricultural Residential Cluster Subdivision.

The applicant is proposing individual septic systems for each of the clustered residential home sites. The individual septic systems will be located on the individual lots or on the ACE areas with proper easement provisions.

The applicant proposes storm drains along area roadways to direct drainage from the proposed development to detention features within the ACEs. The detention basins are to have a combined volume of 0.90 acre-feet and possess an orifice and/or weir to control storm water from the detention basin to the Yerba Buena Creek watershed. The proposed volume of 0.90 acre-feet was calculated in a *Preliminary Drainage Report for Santa Margarita Ranch* prepared by Engineering Development Associates (March, 2004). The applicant also proposes bank stabilization along the primary access road (located approximately 775 feet northwest of the one-mile bridge or the El Camino Real turn-off for Highway 58).

The applicant proposes private ownership of all internal roadways. A road maintenance agreement between the clustered residential homeowners, and the agricultural, recreation, and others of the Santa Margarita Ranch shall be made and include shared use and maintenance of roads for access to the clustered residential home sites. A gated, private trail is proposed along West Pozo Road/Highway 58, between Estrada Avenue and the Agricultural Residential Cluster Subdivision access road.

2.4.2 Future Development Program Component

A Settlement Agreement between SMART, the County, and the applicant requires that a second component, the Future Development Program, be evaluated in this EIR. The Settlement Agreement specifically states:



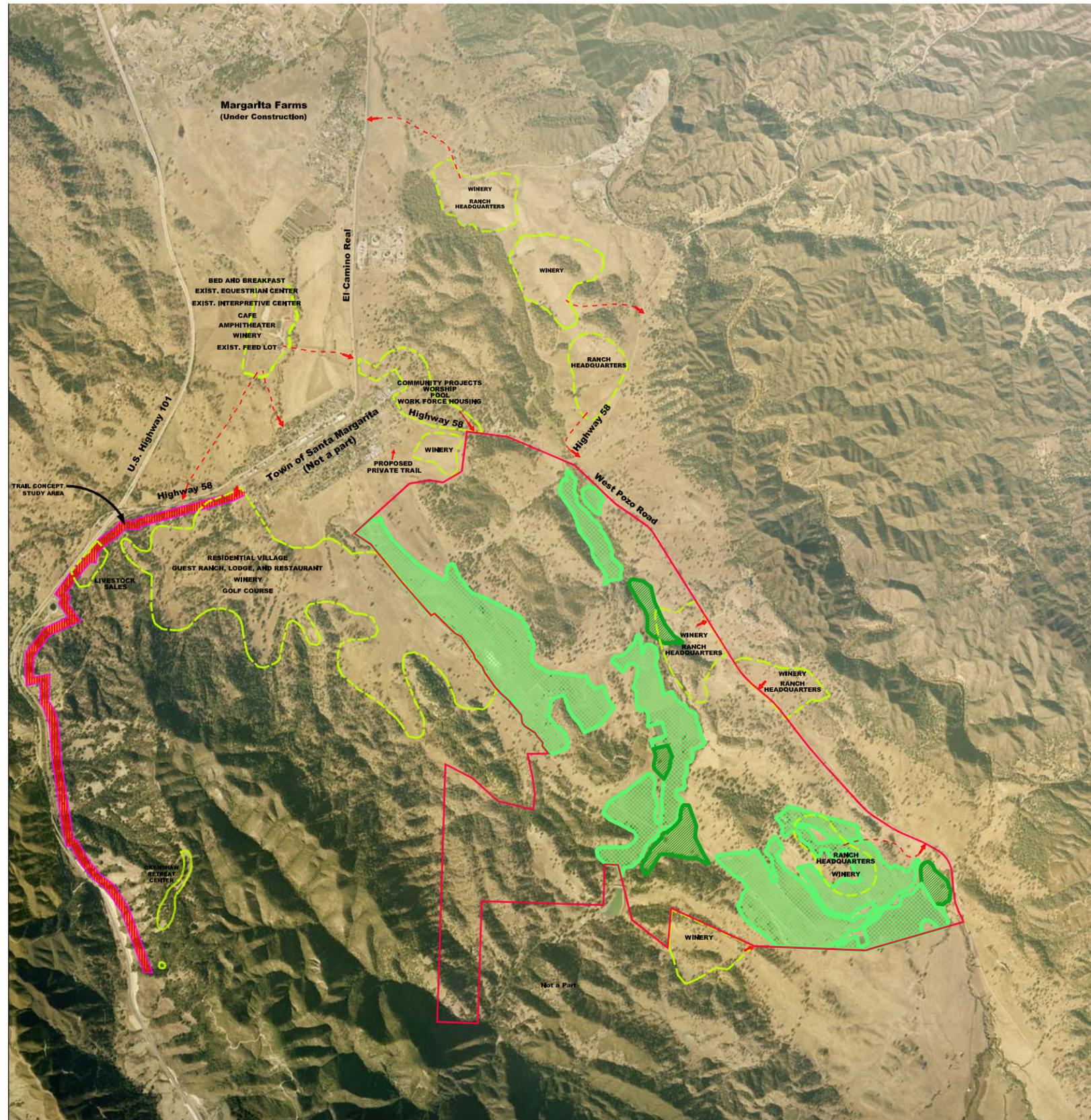
“In the event an EIR is required pursuant to paragraph 5 above, the Ranch Parties agree to prepare a Program EIR that will comprehensively evaluate reasonable development scenarios on all of the Rancho parcels; provided, however, that it is not the intent of the parties that the scope of the EIR include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

As a “reasonable development scenario,” the Future Development Program includes realistic potential future uses throughout the balance of the Ranch property. The San Luis Obispo County Land Use Ordinance Salinas River Rural Area Standards outline requirements for agricultural preservation, residential development, and non-residential land uses in the Santa Margarita Ranch area. The Future Development Program incorporates these requirements. The Ranch includes multiple parcels in separate ownerships. Currently, up to two residential units are allowable on each of the existing 30 parcel(s) in accordance with the existing agricultural zoning. Tract 1 currently includes 36 parcels with 36 residential units (the Margarita Farms development).

The Future Development Program component includes 402 additional homes (including 50 affordable workforce housing units), a private golf course, a guest ranch, nine wineries, and several other facilities (refer to Table 2-3). The Future Development Program conceptual land uses and locations are depicted on Figure 2-9.

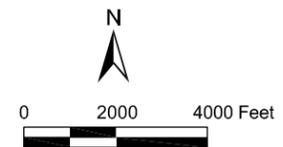
The 402 residential units in the Future Development Program represent the balance of 550 units (including 50 affordable units) allowable under the General Plan for the Santa Margarita Ranch area (refer to Table 2-1). According to the San Luis Obispo County Land Use Ordinance Salinas River Rural Area Standards, residential areas shall be clustered with the first priority to be an extension of the community of Santa Margarita, or within open space surroundings such as adjacent to park land, agriculture or a golf course (Land Use Ordinance Section 22.104.040.A.4.b). Accordingly, the Future Development Program envisions a residential village southwest of the community of Santa Margarita, surrounding a potential private golf course site. Additional housing is envisioned directly east of Santa Margarita near a future park/community pool site.

If an application is made for a Specific Plan and it is adopted, the Land Use Ordinance Salinas River Rural Area Standards [Section 22.104.040(A)(3)(a)] outlines requirements for both permanent and temporary agricultural preservation throughout portions of the Santa Margarita Ranch. Permanent protection of 8,400 acres would be required. Interim protection of 3,600 acres would be accomplished with 40-year term Williamson Act contracts. Of the 8,400 acres required for permanent protection, 3,633-acres are proposed as part of Tract 2586.



LEGEND

- TENTATIVE TRACT 2586 BOUNDARY (3,778 ACRES)
- PROPOSED LOT LINES FOR TENTATIVE TRACT 2586 RESIDENTIAL CLUSTER SUBDIVISION (112 ACRES FOR RESIDENTIAL LOTS, 163 ACRES TOTAL DISTURBANCE)
- RANCH PROPERTY BOUNDARY (APPROXIMATELY 14,000 ACRES)
- - - FUTURE DEVELOPMENT PROGRAM LAND USE LOCATIONS (1,836 ACRES TOTAL)
- EXISTING VINEYARD (973.9 ACRES)
- AG IN PROGRESS (INCLUDED IN EXISTING VINEYARD ACREAGE)
- ROADWAYS
- TRAIL CONCEPT STUDY AREA



Future Development Program
 Conceptual Land Uses and Locations

The applicant requests the following allowable uses be evaluated for the 3,600 acres of potential 40 year Williamson Act land on the Ranch:

- ranch/farm headquarters;
- bed and breakfast(s);
- residential accessory structures including farm support quarters, caretaker residence, agricultural accessory structures, road-side stands, and/or agricultural processing uses;
- crop production and grazing;
- animal raising and keeping;
- specialized animal facilities (hog ranches, dairies, dairy and beef cattle feedlots, poultry ranches, riding academies, accessory equestrian exhibition facilities and horse ranches, and kennels);
- nursery specialties;
- range land or wildlife preserves;
- waste storage or recharge;
- leachfield or spray disposal area;
- scenic area protection;
- buffers from hazardous area;
- public outdoor recreation uses on non-prime lands;
- communication facilities; rural recreation and camping;
- fisheries and game preserves;
- forestry;
- mining;
- public utility facilities;
- pipelines and transmission lines;
- public safety facilities accessory storage;
- public trails;
- farm equipment and supplies;
- passive recreation;
- temporary events;
- food and kindred products;
- concrete, gypsum, and plaster products;
- paving materials;
- recycling collection stations;
- small scale manufacturing;
- stone and cut stone products;
- home occupation;
- residential care;
- mobile homes;
- single family residences;
- temporary dwellings;
- petroleum extraction;
- water wells and impoundments;
- eating and drinking places;
- temporary offices;
- temporary construction trailer parks;
- accessory storage;
- temporary construction yards;
- airfields and landing strips;
- warehousing, wholesaling, and distribution.

The Future Development Program identifies conceptual locations for the following uses within the Williamson Act agricultural conservation areas: a 12-room bed and breakfast; nine wineries with tasting rooms and special events; five ranch/farm headquarters.

~~Vesting Tract 2586~~ **The Future Development Program** includes two wineries, two ranch/farm headquarters (each 2.5-acres in size), one primary residence, and several farm support buildings within the Agricultural Conservation Easements (ACEs) associated with the Agricultural Residential Cluster Subdivision. One winery would be located on a five-acre site at the Margarita Vineyard site (previously the Mondavi Vineyard) in the northern portion of Lot 86, approximately 5 miles south of the community of Santa Margarita. A second winery would be located near the center of Lot 42 and include a 20,000 to 40,000 square foot agricultural processing facility with on-site tasting, gift shops, and a bed and breakfast. One ranch/farm headquarters would be located approximately 800 feet east of the Lot 86 (Margarita Vineyard) winery and include farm worker housing on approximately 2.5 acres. A second ranch/farm headquarters would be located approximately 1,200 feet north of the Lot 42 winery and include



farm worker housing as well as one single family residence on approximately 2.5 acres.

Although these uses would be located on the Agricultural Residential Cluster Subdivision site, they are not part of the Agricultural Residential Cluster Subdivision project.

The Land Use Ordinance Salinas River Rural Area Standards outline both required and optional non-residential uses on the Santa Margarita Ranch property, to be included in a future Specific Plan. The Future Development Program incorporates all of the allowed and required land uses outlined in the Land Use Ordinance, as well as additional uses. Table 2-4 lists the contemplated uses with corresponding reasonable worst-case buildout characteristics and required County discretionary approvals.

Each of the nine wineries, two (2) of which are within the Tract 2586 boundaries, in the Future Development Program are anticipated to host up to 42 special events per year. The following event sizes are probable: six events accommodating 1,000 people; six events accommodating 500 people; six events accommodating 300 people; 10 events accommodating 200 people; and 14 events accommodating 100 people. Each of the wineries includes a 5-acre processing facility with on-site tasting room, gift shops, and a bed and breakfast. Initial production is estimated to be 5,000 tons, with a maximum production of up to 20,000 tons at each winery.

Land uses required for incorporation into a future Specific Plan, and therefore included as part of the Future Development Program buildout projection, include:

- the dedication of land within Santa Margarita or five (5) acres elsewhere for a community swimming pool and payment of five hundred dollars per approved dwelling unit in contribution for construction funding;
- dedication of land for a potential future sewage treatment facility for the existing community if necessary (up to ten (10) acres);
- the dedication of five (5) acres for an expansion of the cemetery; and the dedication of public hiking/equestrian trails connecting and looping between Santa Margarita, Garden Farms, Los Padres National Forest and the Ranch property boundary.

Land uses that are optional for incorporation into a future Specific Plan, and included as part of the Future Development Program buildout projection, include:

- a golf course and accessory buildings, clubhouse and café; a guest ranch and lodge;
- an equestrian center with horse boarding, outdoor show arena, stables and other animal facilities; public parklands dedication to accommodate passive and active recreation; and
- a public-separated bikeway between Santa Margarita and south Atascadero.

Additional uses not specified in, but allowable by, the Land Use Ordinance, and contemplated in the Future Development Program, include:

- a restaurant at the guest ranch;
- an amphitheater; crafts studios, galleries and shops;
- interpretive center and gift shops; a café at the livestock sales; three places of worship; and
- a retreat center.



Table 2-4. Future Development Program Components

Potential Use	Projected Location	Future Buildout	Land Use Approvals Required
347 Single-Family Residential Lots	Southwest of Town surrounding potential Golf Course; east of town near potential park; scattered throughout the Ranch	347 single-family residences on 1-acre lots. Residences would each be 3,500 square feet and two stories in height.	Ag Cluster, Building Permit for Existing Lots, and/or Specific Plan for Subdivision other than Ag Cluster
50 affordable housing units	East of town, north of SR 58/West Pozo Rd.	50 multi-family residential units in one two-story structure	Specific Plan
Private Golf Course with Club House and Shop, and associated ancillary facilities (i.e. maintenance)	Southwest of town, south of SR 58/El Camino Real	36 holes on 280 acres, with 25,000 square foot clubhouse and shop	General Plan Amendment/zone change and / or Specific Plan if Subdivision other than Ag Cluster is proposed
Guest Ranch and Lodge with Restaurant	Southwest of town, south of SR 58/El Camino Real	250 guest units; 24,000 square foot restaurant with capacity for 40 tables/200 patron restaurant	General Plan Amendment/zone change, Use Permit, and / or Specific Plan if Subdivision other than Ag Cluster is proposed
Bed and Breakfast	North of town at existing headquarters' parcel	12,000 square foot of structures with 12 suites	Use Permit and / or Specific Plan if Subdivision other than Ag Cluster is proposed
Café	North of town at existing headquarters' parcel	6,000 square foot café with capacity for 20 tables/200 patrons	General Plan Amendment/zone change, Use Permit, and / or Specific Plan if Subdivision other than Ag Cluster is proposed
Amphitheater	North of town at existing headquarters' parcel	600 seats	General Plan Amendment/zone change, Use Permit, and / or Specific Plan if Subdivision other than Ag Cluster is proposed
Craft studios, galleries and shops	North of town at existing headquarters' parcel and/or on potential winery sites	6,000 square feet total	General Plan Amendment/zone change, Use Permit, and / or Specific Plan if Subdivision other than Ag Cluster is proposed
Interpretive center and gift shops	North of town at existing headquarters' parcel	3,000 square feet total	Specific Plan and/or General Plan Amendment/zone change
Nine Wineries	Within ACE associated with proposed Agricultural Residential Cluster Subdivision (adjacent to West Pozo Road)	8 @ 40,000 square feet each with on-site tasting and 42 permitted events per year (up to 14,200 guests). Each winery would contain a retail component including galleries and gift shops. 1 winery at 80,000 Square Feet	Use Permit and / or Specific Plan if Subdivision other than Ag Cluster is proposed
	Within ACE associated with proposed Agricultural Residential Cluster Subdivision (southern portion)		
	North of town at existing headquarters' parcel		
	Northeast corner of Ranch (northernmost winery)		
	Southeast of northern-most winery		
	Northwest of Cluster subdivision, south of SR 58/West Pozo Road		
	Southwest of town, near		



Table 2-4. Future Development Program Components

Potential Use	Projected Location	Future Buildout	Land Use Approvals Required
	potential golf course East side of West Pozo Road, approximately 5.5 miles south of town Southwest of Lot 42 Cluster ACE (southern-most winery)		
Five ranch/farm headquarters	Within ACE associated with proposed Agricultural Residential Cluster Subdivision (adjacent to West Pozo Road) Within ACE associated with proposed Agricultural Residential Cluster Subdivision (southern portion) On northernmost winery site North side of SR 58, northeastern portion of Ranch property On winery site east of West Pozo Road, approximately 5.5 miles south of town	5,000 square feet residence on 2.5 acre lots each plus, Barns, Shops, etc.	Zoning clearance and / or Specific Plan if Subdivision other than Ag Cluster is proposed
Livestock sales yard and café	West of town and potential golf course, near Highway 101	20 acres; one Saturday per month with up to 100 people; 2,250 square foot café with capacity for 75 patrons	Use Permit and / or Specific Plan if Subdivision other than Ag Cluster is proposed
Horse Ranch	North of town at existing headquarters' parcel	40 horses, with stables structures	Minor Use Permit (MUP) and / or Specific Plan if Subdivision other than Ag Cluster is proposed
Three places of worship	East of town, north of SR 58/West Pozo Rd.	20,000 square feet each (includes parking and related infrastructure/ improvements)	Specific Plan or Use Permit
Oakenshaw Retreat Center	Southwestern edge of Ranch property, along Highway 101	12,000 square feet and 24 individual cabins	Use Permit and / or Specific Plan if Subdivision other than Ag Cluster is proposed
Neighborhood park and swimming pool	East of town, north of SR 58/West Pozo Rd.	5 acres, with 1,000 square foot pool house	Specific Plan and/or General Plan Amendment/zone change
Dedication of land for future sewage treatment plant	Location to be determined	10 acres	Acceptance of dedication
Dedication of land for expansion of cemetery	Adjacent to existing cemetery, north of SR 58/West Pozo Rd.	Additional 5 acres of cemetery development	Acceptance of dedication
Public hiking/ equestrian trails	Various locations to be determined upon future non-agricultural development	Hiking/equestrian trails connecting and looping between Santa Margarita, Garden Farms, national forest and the ranch boundary ("De Anza Trail")	N/A



Table 2-4. Future Development Program Components

Potential Use	Projected Location	Future Buildout	Land Use Approvals Required
Drainage facilities	Various locations. Community Drainage Basin location to be determined in coordination with Specific Plan.	N/A	N/A

2.4.3 Ranch Buildout Characteristics

The Salinas River Area Plan, as part of the San Luis Obispo County General Plan, allows with approval of a specific plan, up to 550 residential units and various mixed land uses on the Ranch property. These uses include (1) a private golf course and accessory buildings, clubhouse and café(s); (2) a guest ranch and lodge; (3) equestrian center(s) with horse boarding, outdoor show arena, stables and other animal facilities; (4) public parklands dedication to accommodate passive and active recreation areas; and (5) dedication of land to facilitate public separated bikeways between Santa Margarita and south Atascadero [Land Use Ordinance Section 22.104.040(4)(c)]. In addition, public improvements and/or land dedication in the Santa Margarita Ranch Area are expected to include the following: a community drainage basin upstream from the community of Santa Margarita; local street and/or creek drainage improvements (e.g., bank stabilization near roadways); dedication of up to ten (10) acres of land for a sewage treatment plant and collection system that would be available to development within the Santa Margarita URL, including future development on the Ranch property; community water well and storage tank sites; possible realignment of Highway 58 diverting traffic around Santa Margarita; El Camino Real street improvements in the communities of Santa Margarita and Garden Farms; and school site dedication(s). These public improvements are not yet designed.

At full buildout of the proposed Agricultural Residential Cluster component of the project, the 3,778-acre site would support 111 single-family clustered residential units and one ranch headquarters unit located on Parcel 42. In all, about 163.1 acres would support residential homes and associated easements.

The remaining portions of the property would support remaining potential development under a Future Development Program, as described in detail in section 2.4.2. The intent of the combined Agricultural Residential Cluster Subdivision and Future Development Program is to not exceed what is allowed as a buildout scenario for a Specific Plan under the Salinas River Area Plan for the property.

Implementation of the proposed Agricultural Residential Cluster Subdivision would result in a total of 112 dwelling units and an associated population increase of 302 persons (based upon a population generation factor of 2.7 persons per unit). This represents an approximate 22.8% increase in the existing population of the Santa Margarita community of approximately 1,325.

In addition to the Agricultural Residential Cluster Subdivision’s 112 units, buildout of the Future Development Program component would result in 402 residential units (the balance of the 550 single-family residential units allowable under the Salinas River Area Plan). Implementation of the Future Development Program would result in a total of 402 dwelling



units and an associated population increase of 1,085 persons. This represents an approximate 73.7% increase in the population of the community of Santa Margarita. At full buildout of both components of the proposed project, represented by the buildout capacity of the Salinas River Area Plan, a total of 550 dwelling units, or 1,485 residents, would be added to the Santa Margarita community. This represents a 112.1% increase in population. However, there is no timetable as to when this might occur, since there is no development application associated with the Future Development Program.

2.5 PROJECT OBJECTIVES

The applicant's overall project objective is to construct a residential development that includes up to 112 units in a rural setting. The applicant's objectives for the project include the following:

- Firmly establish continued long-term viability of existing vineyards, cattle grazing activities, and future crop development through creative planning and utilization of the County Agricultural Cluster Ordinance;
- Protect the existing vineyards and agricultural lands for the long term by placing them in ACEs and/or Williamson Act Conservation Contract(s); and
- Create an economically feasible and successful residential cluster project through a three (3) phased development with incremental conservation easement dedications.

The applicant also intends the project to be located close to existing town amenities, thereby allowing easy access to goods and services. Another primary objective is to preserve open space and agricultural resources to the extent possible.

The objectives of the Future Development Program include the following:

- Plan for land uses that will enhance the County and community of Santa Margarita by accommodating the needs of the community, expanding the tax base, and providing jobs and housing;
- Plan for a mix of uses that will relate to each other, to adjacent land uses, and to the rural and semi-rural context of the property;
- Plan for workforce housing toward achieving the County's fair share housing requirements; and
- Plan for recreational amenities of benefit to both the community and the region.

2.6 REQUIRED APPROVALS

a. Agricultural Residential Cluster Subdivision. Implementation of the proposed Agricultural Residential Cluster Subdivision requires the following discretionary approvals from the County of San Luis Obispo:

- *Vesting Tentative Tract Map #2586 (VTTM) to subdivide the property into 111 residential lots; four (4) ACE parcels with one dwelling unit, and a remainder parcel*
- *Agricultural Lands Residential Cluster Conditional Use Permit*



The Agricultural Residential Cluster Subdivision may also require a Section 1600 permit from the California Department of Fish and Game and a Section 404 permit from the Army Corps of Engineers pursuant to the Clean Water Act. In addition, the U.S. Fish and Wildlife Service and the California Regional Water Quality Control Board may require consultation and approval, depending on the resources impacted.

b. Future Development Program. Future Development Program land uses require several discretionary land use approvals from the County of San Luis Obispo over time, depending on the phasing and grouping of future land uses. The San Luis Obispo County Land Use Ordinance, Section 22.104.040 (Salinas River Rural Area Standards), requires preparation of a Specific Plan for the Santa Margarita Ranch area before approval of any application for a subdivision other than an Agricultural Cluster development. Therefore, any Future Development Program land use that includes a subdivision other than an agricultural residential cluster subdivision requires the preparation of a Specific Plan for the Santa Margarita Ranch area. A General Plan Amendment is required concurrently with the Specific Plan. Future Development Program land uses that do not require a subdivision may nevertheless require a General Plan Amendment, zone change, Minor Use Permit (MUP), or Use Permit. Certain uses within the Agriculture land use category may require only a zoning clearance.

As with the Agricultural Residential Cluster Subdivision, the Future Development Program land uses may also require a Section 1600 permit from the California Department of Fish and Game and a Section 404 permit from the Army Corps of Engineers pursuant to the Clean Water Act. In addition, the U.S. Fish and Wildlife Service and the California Regional Water Quality Control Board may require consultation and approval.

2.7 PROJECT ALTERNATIVES

As required by Section 15126(d) of the State CEQA Guidelines, this EIR examines several alternatives to the proposed project. ~~Ten~~ **Fourteen** alternatives are identified, which examine a range of development intensities and alternate locations for Agricultural Residential Cluster Subdivision and Future Development Program uses and facilities. This EIR examines the following alternatives, which are described more fully in Section 6.0, *Alternatives*:

- **Alternative 1: No Project/No Development.** This option assumes that the Agricultural Residential Cluster Subdivision is not constructed, and that the site remains in its current condition.
- **Alternative 2: No Project/Existing Zoning.** This option assumes that the Agricultural Residential Cluster Subdivision is not constructed, and that the further development of the site continues in accordance with all applicable County policies. This alternative assumes that two residential units would be developed on each of the existing 28 parcels in accordance with existing Agriculture zoning.
- **Alternative 3: Revised Cluster Design.** This alternative involves a reconfiguration of the Agricultural Residential Cluster Subdivision design to mitigate significant impacts identified in Section 4.0 of this EIR.



- **Alternative 4: Revised Cluster Location 1: North of Community.** This alternative assumes that the proposed Agricultural Residential Cluster Subdivision is relocated north of and immediately adjacent to the community of Santa Margarita, continuing the existing community grid pattern.
- **Alternative 5: Revised Cluster Location 2: South of Community.** This alternative assumes that the proposed Agricultural Residential Cluster Subdivision is relocated south of and immediately adjacent to the community of Santa Margarita, continuing the existing community grid pattern.
- **Alternative 6: Revised Cluster Location 3: Southwest of Community.** This alternative assumes that the proposed Agricultural Residential Cluster Subdivision is relocated south of El Camino Real and west of the community of Santa Margarita.
- **Alternative 7: Tighter Cluster Alternative.** This alternative involves a reconfiguration of the Agricultural Residential Cluster Subdivision design to mitigate significant impacts identified in Section 4.0 of this EIR.
- **Alternative 8: Alternative Future Development Program Scenario 1.** This alternative would eliminate Future Development Program land uses envisioned for location in the approximately 2,500 acre northeastern quadrant of the Ranch (north of SR 58 and east of El Camino Real). This would involve the elimination of the following uses: a 5-acre park and community pool, three 20,000 square foot worship centers, and 50 units of work force housing; two wineries; and two Ranch headquarters.
- **Alternative 9: Alternative Future Development Program Scenario 2.** This alternative would eliminate Future Development Program land uses in the most sensitive biological areas. This would involve the elimination of the following uses: a residential village, 250-unit guest ranch and lodge with a 24,000 square foot restaurant, 40,000 square foot winery, and 36-hole golf course on 280 acres, including a 25,000 square foot clubhouse and shop.
- **Alternative 10: Alternative Future Development Program Scenario 3.** This alternative would eliminate Future Development Program land uses in the most sensitive cultural resource areas. This would involve the elimination of the following uses: a 12-room Bed and Breakfast, 6,000 square foot café, 600 seat amphitheater and 40,000 square foot winery on the existing Ranch headquarters parcel; a 36-hole golf course on 280 acres, including a 25,000 square foot clubhouse and shop located southwest of the community of Santa Margarita; one Ranch headquarter located northwest of SR 58 (after SR 58 curves northerly); and one winery/Ranch headquarter located in the southern portion of the Ranch property, west of West Pozo Road.
- **Alternative 11: Alternative Location for Livestock Sales.** This alternative would relocate the livestock sales yard. Under this alternative, the livestock sales yard would be located approximately 1,250 feet north of the community of Santa Margarita and 700 feet west of El Camino Real.



- **Alternative 12: Amended Project.** This alternative involves a reconfiguration of the Agricultural Residential Cluster Subdivision design to mitigate significant impacts identified in Section 4.0 of this EIR, particularly related to prime soils, visual prominence, oak trees, and archaeologically-sensitive areas.
- **Alternative 13: Santa Margarita Town Expansion.** This alternative assumes that the proposed Agricultural Residential Cluster Subdivision is relocated southwest of the community of Santa Margarita, arranging lots in a reversed L-shape extending from the southwest corner of the community.
- **Alternative 14: Reduced Project.** This alternative would cluster 40 lots (including 39 residential lots and one open space lot) in the northernmost portion of the Agricultural Residential Cluster Subdivision site.

