"Making a Difference"

COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING AND BUILDING
STAFF REPORT

PLANNING COMMISSION 5-1

MEETING DATE	CONTACT/PHONE	APPLICANT	FILE NO.
May 26, 2005	Susan Callado 788-2714	Arciero Farms	D030030D

SUBJECT

Request by Arciero Farms for a Conditional Use Permit to allow for the construction of a 27,380 square foot winery, 2,280 square foot banquet pavilion to be used for winery for special events, 2,280 square foot administration building, 2,280 square foot olive oil processing building, 2,280 square foot tasting room, 86 parking spaces, a processed wastewater pond, one primary access road, one secondary access road including improvements to an existing creek crossing, and signage. In addition, the applicant is proposing to conduct 36 annual events; 10 events with up to 75 people, 22 events with up to 150 people and 4 events with up to 300 people. Amplified music at events (from 10 am to 5 pm) is also proposed. The project is located in the Agriculture land use category. The project site is located immediately north of Highway 46, approximately 1,300 feet east of McMillan Canyon Road, approximately two miles northwest of the community of Shandon, in the Shandon-Carrizo (rural) planning area.

RECOMMENDED ACTION

Approve Conditional Use Permit D030030D based on the findings listed in Exhibit A.

ENVIRONMENTAL DETERMINATION

The Environmental Coordinator, after completion of the initial study, finds that there is no substantial evidence that the project may have a significant effect on the environment, and the preparation of an Environmental Impact Report is not necessary. Therefore, a Negative Declaration (pursuant to Public Resources Code Section 21000 et seq., and CA Code of Regulations Section 15000 et seq.) has been issued on April 21, 2005 for this project. Mitigation measures are proposed to address aesthetics, agricultural resources, air quality, biological resources, geology, hazardous materials, public services, housing, transportation, water, wastewater and land use and are included as conditions of approval.

LAND USE CATEGORY	COMBINING DESIGNATION	ASSESSOR PARCEL NUMBER	SUPERVISOR DISTRICT(S)
Agriculture	None	017-163-002	❶ ② ③ ④ ⑤ All

PLANNING AREA STANDARDS:

None

EXISTING USES:

Single-family residence, barns, agricultural accessory structures, dry farm crops

SURROUNDING LAND USE CATEGORIES AND USES:

North: Agriculture/Undeveloped scattered single family residences, livestock grazing
East: Agriculture/ undeveloped, vineyard
South: Agriculture/ undeveloped, scattered single family residences, livestock grazing
West: Agriculture/ undeveloped, scattered single-family residences, dry farm crops

OTHER AGENCY / ADVISORY GROUP INVOLVEMENT:

The project was referred to: Public Works, Environmental Health, Ag Commissioner, Cal Trans, CDF, Shandon Advisory Group

TOPOGRAPHY:	VEGETATION:
Nearly level to steeply sloping	Grasses, scattered oak trees, dry farm crops, olives
PROPOSED SERVICES: Water supply: On-site well Sewage Disposal: Individual septic system Fire Protection: CDF	ACCEPTANCE DATE: June 10, 2004

ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE DEPARTMENT OF PLANNING & BUILDING AT:
COUNTY GOVERNMENT CENTER ✦ SAN LUIS OBISPO ✦ CALIFORNIA 93408 ✦ (805) 781-5600 ✦ FAX: (805) 781-1242

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PROJECT DESCRIPTION: The project proposes the construction of a 27,380 square foot winery, 2,280 square foot banquet pavilion, 2,280 square foot administration building, 2,280 square foot olive oil processing building, 2,280 square foot tasting room, 86 parking spaces, a processed wastewater pond, one primary access road, one secondary access road including improvements to an existing creek crossing, and signage.

The winery will include all stages of wine production and most of the processing will occur inside the buildings except for receiving and crushing fruit. The winery will initially produce approximately 15,000 cases and expects to increase production to 50,000 cases in the future. Initial wine production will be from fruit being transported from off-site vineyards. On-site vineyards are proposed for the future. In addition, olive oil processing is a part of the project. Arciero Farms has approximately 4,000 olive tree plantings with more plantings under consideration.

The project is requesting both indoor and outdoor special events. The indoor special events are proposed to occur in the banquet facility. The applicant is proposing to conduct 36 annual events; 10 events with up to 75 people, 22 events with up to 150 people and 4 events with up to 300 people. Amplified music at events (from 10 am to 5 pm) is also proposed.

PROJECT ANALYSIS

Ordinance Compliance:

Standard	Allowed/Required	Proposed
Minimum Site Area	20 acres (with special events)	164 acres existing
Setbacks		
Front	100 feet for a winery 200 feet tasting room	316 feet
Side	same	253 feet (right) 1,000 + feet (left)
Rear	same	1,000 + feet
Parking Spaces 1/2000 sf of active use area 1/5000 sf storage 1/200 sf tasting room 1/ 400 sf office/admin Parking Construction Standards	14 Spaces winery &storage 12 spaces for tasting room 1 space olive press bldg 6 Office/administration 2 spaces miscellaneous area Chip Seal for Tasting Room Gravel for Ag. Processing	**35 Total spaces needed** 86 spaces proposed

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Event Parking Banquet room same as tasting room in size and use when it is used for special events 1/200 sf of floor area Parking Spaces for special events 400 sf per car, less than 10% slope, free of combustible material	12 spaces required **PLUS** 400 sf X 150 (approximately 2 people to a car = 300 people max) = **60,000 sq ft of required open area for parking cars**	included in the 86 spaces PLUS Overflow parking for events will be located to the north of the winery at the crush pad, fruit receiving area, and along and adjacent to the loop road that is located on the property. These areas on site can accommodate 60,000 sf of open parking area
Height	35 feet to 45 feet	34 feet

Special Use Standards:
The project is subject to Land Use Ordinance section 22.30.070D(2) (Wineries). Section 22.30.070 sets forth standards for winery development including but not limited to access, setbacks, parking, design, screening height, lighting, tasting rooms and special events.

Access requirement: The principle access driveway to a winery with public tours and tasting , retail sales and special events must be located within 1 mile of a arterial or collector Road.

Response: Hwy 46 is an arterial road.

Design: The exterior design shall include a design style that is agricultural or residential in nature using non-reflective siding and roofing materials. Structures shall not have an exterior design style that is associated with industrial facilities.

Response: The design of the project is both residential and agricultural in nature. The materials proposed for the exterior of the building include wood, stone, and metal roofs. The design includes trussed gables reminiscent of barns in the area and porches to break up the facade and give a residential feel to the structure. The proposed bright yellow siding of the winery is conditioned to be toned down to blend in more with the surrounding area. In addition, a visual study was done to address impacts to Highway 46. Extensive landscaping is proposed which will help mitigate visual impacts to Highway 46 and address screening requirements which will aid in maintaining the rural character of the area as required by the Land Use Ordinance.

Signing: Signs are limited to two signs up to a combined total of 32 square feet and not exceeding a height of ten feet for each lot or parcel, identifying and advertising agricultural products produced on the premises.

Response: No specific sign proposal has been submitted, however, the project would be required to adhere to the ordinance standards on signing.

Lighting: Lighting fixtures are required to be shielded so that neither the lamp nor the related reflector interior surface is visible for any location off the project site. All lighting poles and hoods are to be dark colored.

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Response: No lighting plan has been proposed, however, future lighting will be required to follow the ordinance requirements.

Special events: Special events are defined as any event where there is the possibility of more than 50 people in attendance, including weddings, advertised events, fund raisers, and advertised winemaker dinners open to the general public. Special events do not included industry wide-events such as the Paso Robles Wine Festival. A 20 acre minimum site area is required for wineries that have six or more special events with the possibility of 80 individuals attending. Special events are limited to 40 days a year. Any special event proposing outdoor amplified sound shall only be allowed from 10 am to 5 pm. No outside amplified sound is allowed prior to 10 am or after 5 pm and may only be waived where a finding can be made that the noise at the property line will not exceed 65 dB. When special events occur on a site, an 18 foot wide unobstructed secondary access to a publically maintained road is required in case of emergency.

Response: The applicant is requesting both indoor and outdoor special events The applicant is proposing to conduct 36 annual events; 10 events with up to 75 people, 22 events with up to 150 people and 4 events with up to 300 people. Amplified music at events (from 10 am to 5 pm) is also proposed. These type of events comply with the ordinance standards. A secondary access is proposed and has been reviewed by CDF. The second access will require improvements to an existing creek crossing.

MAJOR ISSUES

The winery, tasting room facility and proposed special events comply with the requirements of the Land Use Ordinance. In response to concerns by the Planning Department and the Agriculture Commissioner's Office the original project which included a banquet pavilion, administration pavilion and the conference pavilion was modified to the project before you today. Those facilities in the original project were not in keeping with the Agricultural land use category. The issue related to Agriculture in San Luis Obispo County and the policies of the Agriculture and Open Space Element are discussed below.

<u>Inconsistent uses</u>. The original project came in with four separate pavilions including an administration pavilion, banquet, conference and tasting room pavilion. At that time both the Planning Department and the County Agricultural Commissioner's Office had indicated that the proposed banquet, conference, and administration pavilion were not consistent with allowable land uses within the Agricultural land use category, and were not consistent with the *Agriculture and Open Space Element*, specifically, Agriculture Policy 6 or with AB 1492, both of which are stated below:

> *Allow limited visitor serving and incidental retail use and facilities in agricultural areas that are beneficial to the agricultural industry and farm operators and are compatible with long-term agricultural use of the land. Such uses shall be clearly incidental and secondary to the primary agricultural use of the site and shall comply with the performance standards in the Land Use Ordinance.*
>
> *<u>Laird Bill</u>. AB 1492 adds Section 51250 to the Government Code. Section 51250 provides an additional and alternate remedy from the contract cancellation petition (§51281-et. seq.) for a material breach of contract. Section 51250(b) defines a material breach on land subject to a Williamson Act contract as a commercial, industrial or residential building(s), exceeding 2,500 square feet that is not permissible under the Williamson Act or contract, local uniform rules or ordinances. AB 1492 only applies to structure(s) that have been permitted and constructed after January 1, 2004.*

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AB1492 requires that any development on property subject to a Williamson Act contract must be incidental to the primary use of the land for agricultural purposes and in compliance with local uniform rules or ordinances. A use is incidental when it is required for or is part of the agricultural use and is valued in line with the expected return of the agriculture on the parcel.

Project Revision In response to staff's concerns the project was revised to reduce the overall site area disturbance by compacting the visitor serving component and reducing outdoor courtyard/terrace areas and physically connecting the pavilion structures to the winery. In addition, the conference pavilion has been revised to an olive oil processing facility and the banquet pavilion is proposed to be limited to special events only.

The banquet pavilion and the location of the administration pavilion continue to not be supported by the Agriculture Commissioner's Office, because it is not considered secondary and incidental to the Agriculture use, the winery.

The applicant has completed a landowner's statement of compliance with the Williamson Act in response to concerns raised regarding AB1492. The statement is attached.

Overall, the revised project is supported by Planning staff as the banquet and administration pavilions are substantially smaller than the agriculture processing uses on the site. In addition, the administration pavilion is proposed to house the employees that are necessary to support both the agriculture and the agricultural processing that is occurring and will occur on the site.

COMMUNITY ADVISORY GROUP COMMENTS: The Shandon Community Advisory Group supports the project.

AGENCY REVIEW:
Public Works- Concerns about traffic on Highway 46 and left turns into project area, refer to Cal Trans.
Environmental Health - Review before issuance of the building permit.
Ag Commissioner- The banquet and administration pavilion do not appear meet AGP6 criteria for "clearly incidental and secondary" to the winery nor meet the intent of AB 1492.
County Parks - Not applicable
CDF - Fire safety requirements as stated in a letter dated August 25, 2003 and an upgrade of the creek crossing for the secondary access is necessary.
Department of Fish and Game - Kit Fox mitigation required
Cal Trans - Requirements for a left turn channelization, offer 40 foot right of way or pro rata fees for cumulative impacts to Hwy 46.

LEGAL LOT STATUS:
The lot was legally created by a lot line adjustment COAL94-060 by certificates of compliance.

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FINDINGS - EXHIBIT A

Environmental Determination

A. The Environmental Coordinator, after completion of the initial study, finds that there is no substantial evidence that the project may have a significant effect on the environment, and the preparation of an Environmental Impact Report is not necessary. Therefore, a Negative Declaration (pursuant to Public Resources Code Section 21000 et seq., and CA Code of Regulations Section 15000 et seq.) has been issued on April 21, 2005 for this project. Mitigation measures are proposed to address aesthetics, agricultural resources, air quality, biological resources, geology, hazardous materials, public services, housing, transportation, water, wastewater and land use and are included as conditions of approval.

Conditional Use Permit

B. The proposed project or use is consistent with the San Luis Obispo County General Plan because the use is an allowed use and as conditioned is consistent with all of the General Plan policies.

C. As conditioned, the proposed project or use satisfies all applicable provisions of Title 22 of the County Code.

D. The establishment and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use because the addition of a small winery tasting room does not generate activity that presents a potential threat to the surrounding property and buildings. This project is subject to Ordinance and Building Code requirements designed to address health, safety and welfare concerns.

E. The proposed project or use will not be inconsistent with the character of the immediate neighborhood or contrary to its orderly development because the winery, tasting room, olive oil processing facility, special event room, and the administration building are consistent with the surrounding land uses in the project's vicinity and are expected with an agriculture processing facility, and wineries in particular, in an agricultural area. With the project conditions in place this project will not conflict with the surrounding lands and uses.

F. The proposed project or use will not generate a volume of traffic beyond the safe capacity of all roads providing access to the project, either existing or to be improved with the project because the project is located on Highway 46 an arterial and State Highway. And the project is conditioned to construct a left-turn channelization lane and right-turn deceleration lane for traffic turning into the project site from Highway 46, and a right-turn acceleration lane for traffic turning onto Highway 46, offer 40-foot wide right-of-way to Caltrans for the future highway widening project, and apply for an encroachment permit to construct required improvements, **or** submit a pro rata share of fees to Caltrans to mitigate for cumulative impacts to the Highway 46 corridor in order to handle any additional traffic associated with the project.

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EXHIBIT B
ARCIERO FARMS CONDITIONS OF APPROVAL
CONDITIONAL USE PERMIT D030030D

Approved Development

1. a. This approval authorizes the construction of a 27,380 square foot winery, 2,280 square foot banquet pavilion to be used for winery for special events, 2,280 square foot administration building, 2,280 square foot olive oil processing building, 2,280 square foot tasting room. The project plan shall be in accordance with the revised plan dated February 25, 2005 which shows the administration building and banquet pavilion attached to the winery and the entire courtyard and terrace areas reduced in size.

   b. The banquet building shall be used for special events only as allowed by this Conditional Use Permit. Non winery type uses or events shall not be allowed including a restaurant and/or conference center.

   c. Eighty six (86) parking spaces including overflow parking for events,

   d. A processed wastewater pond to be approved by Regional Water Quality Control Board.

   e. One primary access road, one secondary access road including improvements to an existing creek crossing (permits to be obtained from the Department of Fish and Game, Regional Water Quality Control Board, and United States Army Corps of Engineers or documentation that these permits and/or authorizations are not necessary.)

   f. Signage in accordance with the Land Use Ordinance Section 22.20.

   g. Thirty six (36) annual events; 10 events with up to 75 people, 22 events with up to 150 people and 4 events with up to 300 people.

   h. Amplified music at events (from 10 am to 5 pm).

   i. Setbacks shall be as stated in the LUO for winery and tasting rooms.

2. All development shall be consistent with the approved site plan, floor plan, architectural elevations (site plan as shown on revised map dated February 23, 2005 in file) and the bright yellow siding on the winery structure shall be revised to a color that will act to better incorporate the building into the surrounding landscape. The revised color shall be reviewed and approved by the Department of Planning and Building as set forth in Condition 5.

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Aesthetics

3. Prior to issuance of construction permits, the applicant shall submit revised architectural elevations to the Department of Planning and Building for review and approval. The elevations shall show revised exterior finish materials and colors, as follows:
   a) Exterior wall and trim colors of structures shall be limited to muted earth-tones.
   b) Exterior colors, specifically the bright yellow siding on the winery, shall be toned down to a color no brighter than 6 in chroma and value on the Munsell Color Scale on file in the County Department of Planning and Building.
   c) Roof colors of structures shall be limited to deep earth tones, deep muted greens, browns and grays and no brighter than 6 in chroma and value on the Munsell Color Scale on file in the County Department of Planning and Building.
   d) No reflective coatings shall be used on widows facing Highway 46.

4. Prior to issuance of construction permits, the applicant shall submit landscape plans to the Department of Planning and Building for review and approval.The landscape plans shall be consistent with the conceptual landscaping plan and visual study. Landscape trees and shrubs shall be maintained until fully established. Trees and shrubs that die shall be replaced within 30 days.

5. Prior to issuance of construction permits, the applicant shall submit a bond to the County of San Luis Obispo for an amount determined by the County to be sufficient to cover the estimated cost of planting and establishing the equivalent of the total number of trees and shrubs included in the Mitigation Concept Plan, as shown on the Landscape Plan. The bond shall be held for a minimum of three years to ensure the successful establishment and maintenance of the mitigation planting.

6. Prior to final inspection, the Landscape Plan shall be implemented, and the applicant shall provide a letter or other sufficient evidence to the County of San Luis Obispo Department of Planning and Building for approval demonstrating that the applicant has entered into a contract with a qualified professional for the purpose of monitoring the success of the mitigation planting area. The monitoring contract shall include a requirement that the monitor conduct at a minimum an annual site visit and assessment of the planting success for three years. At the end of the three-year monitoring period, the monitoring report shall be submitted to the County Department of Planning and Building for approval and shall be used as a determining factor in assessing the successful establishment of the planting as it relates to the bond posted by the applicant.

7. Prior to issuance of construction permits, the applicant shall submit an exterior lighting plan for review and approval by the Department of Planning and Building which includes the following:

   a) Direct views of all exterior lighting sources shall be shielded from view from Highway 46.
   b) Exterior lighting shall be designed to not focus illumination onto exterior walls.
   c) Any security lighting installed on the property shall be equipped with motion detectors to prevent the illumination from remaining on.
   d) "White" colored light shall not be used for exterior lighting.
   e) If access road lighting is proposed, the luminaires shall be a shielded "bollard-type" and shall be a maximum of 3 feet above the ground.

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Outdoor Storage

8. **At the time of application for construction permits,** the applicant shall clearly delineate the location and visual treatment of any new water / winery tanks on the project plans. All tanks shall be located in the least visually prominent location feasible when viewed from Highway 46 or adjacent properties. Screening with topographic features, existing vegetation or existing structures is encouraged. If the tank(s) cannot be screened, then the tank(s) shall be a neutral, non-contrasting color, and landscape screening shall be provided

9. Winery related materials stored out of doors shall be screened by solid fencing and shall not be higher than the associated solid fence screening, unless the storage area is not visible from Highway 46, or adjacent properties.

Fire Safety

10. **At the time of application for construction permits,** all plans submitted to the Department of Planning and Building shall meet the fire and life safety requirements of the California Fire Code. Requirements shall include, but not be limited to those outlined in the Fire Safety Plan, prepared by the CDF/County Fire Department for this proposed project and dated August 25, 2003.

11. **Prior to occupancy or final inspection**, which ever occurs first, the applicant shall obtain final inspection approval of all required fire/life safety measures described in the Fire Safety Plan dated August 25, 2003, including but not limited to a secondary emergency access road exiting the project site.

12. The applicant shall operate the winery facility in full compliance with the fire safety requirements specified by the County Fire Department.

Traffic

13. Prior to issuance of grading and construction permits, the applicant shall submit highway improvement plans to the County Department of Planning and Building, County Department of Public Works, and California Department of Transportation (Caltrans) for review and approval. Proposed improvements shall be constructed based on Caltrans standards. Prior to final inspection and operation of the proposed winery facility, the applicant shall submit verification that the improvements were inspected and approved by Caltrans. The plans shall show the following:

    1. Left-turn channelization for traffic turning left on the eastbound Highway 46 travel lanes;
    2. Right-turn acceleration and deceleration lanes, and;
    3. Westbound through and right-turn movements at the ingress/egress at the project entrance and Highway 46.

14. Prior to issuance of grading and construction permits, the applicant shall submit documentation of right-of-way dedication to Caltrans to accommodate the future Highway 46 widening project. The right-of-way dedication shall include a portion of APN 017-163-002, and shall extend approximately 40 feet in width from approximately 400 meters to the

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east of the proposed access drive and continuing to the east property line, or the applicant shall contribute a pro rata share contribution for Highway 46 cumulative impacts to be banked within an internal Caltrans account assigned to the Expense Authorization for the Highway 46 widening project.

15. Parking for tasting is not allowed along Highway 46 or any other public road.

16. Prior to issuance of grading and construction permits, the applicant shall obtain an Encroachment Permit from Caltrans to construct required improvements and submit a copy of the permit to the County Department of Planning and Building.

Noise

17. The project shall comply with the noise limits in the County Noise Element: From 7a.m. to 10p.m.(daytime), noise levels at the project property line shall not exceed an hourly average of 50 dB, with a maximum level of 70 dB, and a maximum impulsive noise level of 65 dB. From 10p.m. to 7a.m. (nighttime) noise levels at the project property line shall not exceed an hourly average of 45dB, with a maximum level of 65 dB, and a maximum impulsive noise level of 60 dB. Amplified music is allowed only during evetns between the hours of 10 am and 5 pm.

Public Health

18. Prior to issuance of the building permit, the applicant shall obtain the appropriate Health Department permits. The Health Department will require the following information:

    a. Detailed plans for the tasting room and any other food areas.
    b. Verify water supply and waste water disposal methods are adequate for this use.
    c. Information on existing septic systems to assure new development can be handled by existing systems.
    d. A detailed plan for pomace and solid waste disposal.
    e. A Hazardous Materials Questionnaire shall be completed for the project and reviewed by the Environmental Health Department.

Geology and Soils

19. Prior to issuance of a grading permit, the applicant shall submit an erosion and sedimentation control plan and drainage plan pursuant to Sections 22.52.080 and 22.52.090 of the Land Use Ordinance.

Wastewater

20. Prior to building permit approval, it must be shown to the satisfaction of the county that future leach lines of a new septic system show that at least 5 feet of separation will exist between the bottom of the trench and the top of the high groundwater area. An engineered system may be required to achieve Basin Plan requirements.

21. All wash water shall be controlled such that it cannot enter any stream or other surface water body. Winery process liquid waste generated by future winery operations must be discharged to an approved septic system or other wastewater system approved by the

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Regional Water Quality Control Board, with no such waste material discharged to the ground surface or otherwise allowed to any stream or other surface water body.

22. Solid winery waste (pomace), if any, generated by the winery operation shall be composted on-site and disced into the vineyard, or transported off-site and disposed of in a manner that will not result in the degradation of surface or groundwater.

23. Liquid waste generated by the winery operations must be discharged to a separate wastewater system designed by a civil engineer with expertise in the design of winery wastewater systems and approved by the County Building Official or Regional Water Quality Control Board. Such system shall not create offensive odors or materially impair the quality of groundwater for domestic or agricultural use.

    a) **Prior to issuance of construction permits,** the applicant shall obtain approval and/or permits from the Regional Water Quality Control Board. In no case shall winery wastewater be discharged into a stream or other surface water.

24. **Prior to operation of the winery and the tasting room**, the applicant shall obtain the appropriate Health Department permits. The Health Department will require the following information:

    a) Anticipated amount of wastewater discharge from production and domestic waste;
    b) The location of water well(s) in relation to wastewater discharge area(s);
    c) Operational plans for pomace and solid waste disposal; and
    d) A vector control plan addressing insect and rodent control.

Water

25. Prior to issuance of a grading permit, the applicant shall submit a Stormwater Pollution Prevention Plan (SWPPP) that has been approved by the State Water Resources Control Board (SWRCB).

Air Quality

26. During construction/ground disturbing activities, the applicant shall implement the following particulate (dust) control measures. These measures shall be shown on the grading and building plans. In addition, the contractor or builder shall designate a person or persons to monitor the dust control program and to order increased watering, as necessary, to prevent transport of dust off site. Their duties shall include holiday and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the APCD prior to commencement of construction.
    a) Reduce the amount of disturbed area where possible;
    b) Use of water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (nonpotable) water should be used whenever possible;
    c) All dirt stock-pile areas should be sprayed daily as needed;
    d) All roadways, driveways, sidewalks, etc. to be paved shall be completed as soon as possible; and,

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e) Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.

27. Prior to issuance of building permits, the applicant shall demonstrate that the building energy efficiency rating would be increased by 10% above what is required by Title 24 requirements. This can be accomplished in a number of ways including, but not limited to, the following measures:
    a) Roof material with a solar reflectance to reduce summer cooling needs;
    b) High efficiency, gas or solar water heaters;
    c) Double-paned windows;
    d) Energy efficient interior lighting;
    e) Installation of door sweeps and weather stripping if more efficient doors and windows are not available; and,
    f) High efficiency or gas space heating.

28. Prior to issuance of construction permits, the following notes shall be shown on construction plans, and shall be implemented during construction:
    a) Maintain all construction equipment in proper tune according to manufacturer's specifications;
    b) Fuel all off-road and portable diesel powered equipment, including but not limited to bulldozers, graders, cranes, loaders, scrapers, backhoes, generator sets, compressors, auxiliary power units, with ARB certified motor vehicle diesel fuel (non-taxed version suitable for use off-road);
    c) Maximize to the extent feasible, the use of diesel construction equipment meeting the ARB's 1996 or newer certification standard for off-road heavy-duty diesel engines; and,
    d) Install District approved emission reduction retrofit devices.

Biological Resources

29. The Kit Fox Evaluation, which was completed for the Arciero Winery Conditional Use Permit (D0300030D) on October 15, 2003 by Dwayne Oberhoff, Morro Group, Inc., and revised by Mr. Bob Stafford of the California Department of Fish and Game on February 17, 2004, indicates the project will impact 10.5 acres of San Joaquin kit fox habitat. The project earned a score of 63 on the evaluation, which requires that all impacts be mitigated at a ratio of two acres conserved for each acre impacted (2:1). Total compensatory mitigation required for the project is 21 acres, based on 2 times 10.5 acres impacted. The mitigation options identified in BR-1 through BR-11 apply to the proposed project only; should the project change, the mitigation obligation may also change, and a reevaluation of the mitigation measures would be required.

30. Prior to issuance of a grading permit, the applicant shall submit evidence to the County of San Luis Obispo, Department of Planning and Building, Environmental and Resource Management Division (County) (see contact information below) that states that one or a combination of the following four San Joaquin kit fox mitigation measures has been implemented:

    a) Provide for the protection in perpetuity, through acquisition of fee or a conservation easement of 21 acres of suitable habitat in the kit fox corridor area (e.g. within the San Luis Obispo County kit fox habitat area, northwest of Highway 58), either

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on-site or off-site, and provide for a non-wasting endowment to provide for management and monitoring of the property in perpetuity. Lands conserved shall be subject to the review and approval of the California Department of Fish and Game (Department) and the County.

This mitigation alternative (a.) requires that all aspects of this program must be in place before County permit issuance or initiation of any ground disturbing activities.

b) Deposit funds into an approved in-lieu fee program, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area within San Luis Obispo County, and provide for a non-wasting endowment for management and monitoring of the property in perpetuity.

Mitigation alternative (b) above, can be completed by providing funds to The Nature Conservancy (TNC) or other Department-approved organization pursuant to the Voluntary Fee-Based Compensatory Mitigation Program (Program). The Program was established in agreement between the Department and TNC to preserve San Joaquin kit fox habitat, and to provide a voluntary mitigation alternative to project proponents who must mitigate the impacts of projects in accordance with the California Environmental Quality Act (CEQA). The fee, payable to "The Nature Conservancy", totals $52,500. This fee must be paid after the Department provides written notification about the approved mitigation options, and prior to County permit issuance and initiation of any ground disturbing activities.

c) Purchase 21 credits in an approved conservation bank, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area and provide for a non-wasting endowment for management and monitoring of the property in perpetuity.

At this time, there is no approved conservation bank that is operational in San Luis Obispo County. A conservation bank is expected to be operational in the near future. Purchase of credits must be completed prior to County permit issuance and initiation of any ground disturbing activities.

d) If none of the above measures (a, b, or c) are available, the applicant may enter into a Mitigation Agreement with the Department, including depositing of funds into an escrow account (or other means of securing funds acceptable to the Department) which would ensure the protection in perpetuity of 21 acres of suitable habitat in the kit fox corridor area and provide for a non-wasting endowment for management and monitoring in perpetuity. The Department can provide a draft agreement to review; a Mitigation Agreement would need to be in place prior to County permit issuance and initiation of any ground disturbing activities.
The purpose of the easement is to retain the existing wildlife movement corridor located on the project site and to set aside an un-fragmented section of land that will benefit the San Joaquin kit fox along with other associated plant and animal species. The easement shall:
1) Provide a complete corridor through the subject property;
2) Prohibit development of the area, including agricultural development;
3) Prohibit removal or alteration of native plants and animals;
4) Prohibit use of the area for agricultural staging activities or storage of any kind

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5) Allow for scientific investigation conducted as part of a project of plan instigated by the land owner, or otherwise approved by the land owner and the United States Fish and Wildlife Service and/or California Department of Fish and Game; and
6) Allow for flood control and stream bank stabilization activities conducted with approved state, federal, and local permits.

The easement shall not:

7) Allow for or imply public access.

31. Prior to issuance of construction permit, the applicant shall retain a qualified biologist acceptable to the U.S. Fish and Wildlife Service, California Department of Fish and Game and the San Luis Obispo County Department of Planning and Building/Division of Environmental and Resource Management. The retained biologist shall perform the following monitoring activities:

a) Prior to issuance of construction permit and within 30 days prior to initiation of construction, conduct a pre-construction survey for active kit fox dens and submit a letter to the Department of Planning and Building confirming the completion and results of pre-construction survey.
b) Conduct weekly site visits during construction activities and submit weekly reports to the County Planning and Building Department to ensure compliance with mitigation measures.

32. Prior to initiation of grading and construction activities, the retained biologist shall perform the following monitoring activities:

a) Conduct a pre-construction survey for San Joaquin pocket mouse, San Joaquin whipsnake, and prairie falcon and submit a letter to the Department of Planning and Building confirming the completion and results of pre-construction survey.
b) Conduct weekly site visits during construction activities in conjunction with San Joaquin kit fox monitoring and submit weekly reports to the County Planning and Building Department to ensure compliance with mitigation measures.

33. Prior to issuance of construction permit, roads on the subject property shall be posted with a 25-mile per hour (mph) speed limit or lower to reduce the likelihood of road mortality of the San Joaquin kit fox and special status species. The retained biologist shall discuss compliance in the initial pre-construction survey letter.

34. Prior to construction, all personnel associated with the project shall attend a worker education program conducted by the retained biologist regarding the San Joaquin kit fox, San Joaquin pocket mouse, San Joaquin whipsnake, and prairie falcon . Specifics of this program should include species histories and careful review of the mitigation measures implemented to reduce impacts. A fact sheet conveying this information shall also be prepared for distribution to all contractors, their employers, and other personnel involved with construction of the project. The Department of Planning and Building shall be notified of the time that the applicant intends to hold this meeting.

35. To prevent entrapment of the San Joaquin kit fox and other special status species during the construction phase of the project, all excavation, steep-walled holes or trenches in

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excess of two feet in depth shall be covered at the close of each working day by plywood or similar materials, or provided with one or more escape ramps constructed of earth fill or wooden planks. Trenches shall also be inspected for entrapped species each morning prior to onset of field activities and immediately prior to covering with plywood at the end of each working day. Before such holes or trenches are filled, they shall be thoroughly inspected for entrapped species. Any San Joaquin kit fox or other special status species so discovered shall be allowed to escape before field activities resume, or removed from the trench or hole by a qualified biologist and allowed to escape unimpeded.

36. During the construction, any pipes, culverts, or similar structures with a diameter of four inches or greater that are stored at the project site for one or more overnight periods shall be thoroughly inspected for trapped San Joaquin kit foxes before the subject pipe is subsequently buried, capped, or otherwise used or moved in any way. If during the construction phase a San Joaquin kit fox or other special status species is discovered inside a pipe, that section of pipe will not be moved, or if necessary will be moved only once to remove it from the path of activity, until the species has escaped.

37. All food-related trash items such as wrappers, cans, bottles, and food scraps generated during the construction phase shall be disposed of in closed containers only and regularly removed from the site. Food items may attract San Joaquin kit foxes onto the project site, consequently exposing such animals to increased risk of injury or mortality. No deliberate feeding of wildlife shall be allowed. All waste products shall be disposed of in a manner that would not attract red fox, coyotes, or domestic dogs to the area.

38. Use of pesticides shall be in compliance with all local, state and federal regulations. This is necessary to prevent primary or secondary poisoning of endangered species utilizing adjacent habitats, and the depletion of prey upon which San Joaquin kit foxes depend.

39. All workers and associated personnel shall obey the posted 25-mph speed limit. Additionally, vehicular activity between dusk and dawn shall be kept to a minimum.

40. No San Joaquin kit fox dens were observed during the field surveys. However, if any potential or known San Joaquin kit fox dens are subsequently observed during the required pre-activity survey, the following mitigation measures shall apply:

    a) Fenced exclusion zones shall be established around all San Joaquin kit fox dens that can be avoided but may be inadvertently impacted by project activities. Exclusion zone fencing shall consist of either large flagged stakes connected by rope or cord, or survey laths or wooden stakes prominently flagged with survey ribbon. Each exclusion zone shall be roughly circular in configuration with a radius of the following distance measured outward from the den or burrow entrances:
        1) Potential San Joaquin kit fox den: 50 feet
        2) Known San Joaquin kit fox den: 100 feet
        3) San Joaquin kit fox pupping den: 150 feet

    b) Only essential vehicle operation on existing roads (if the exclusion zone intersects a road) and simple foot traffic shall be permitted within these exclusion zones. Otherwise, all project activities such as vehicle operation, materials storage, etc., shall be prohibited. Exclusion zones shall be maintained until all project-related disturbances have been terminated, and then shall be removed. If specified exclusion zones cannot be observed for any reason, the U.S. Fish and Wildlife

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Service and California Department of Fish and Game shall be contacted for guidance prior to ground disturbing activities on or near the subject den or burrow.

c) If any known or potential San Joaquin kit fox dens are discovered within the building envelope that shall be unavoidably destroyed by the proposed project, excavation of San Joaquin kit fox dens shall not proceed without authorization from the U.S. Fish and Wildlife Service and California Department of Fish and Game.

41. Any project contractor or employee that inadvertently kills or injures a San Joaquin kit fox or who finds any such animal either dead, injured, or entrapped shall be required to report the incident immediately to a supervisor overseeing the project or operation. In the event that such observations are made of injured or dead San Joaquin kit fox, the applicant shall immediately notify the US Fish and Wildlife Service and the California Department of Fish and Game by telephone. In addition, formal notification shall be provided in writing within three working days of the finding of any such animal(s). Notification shall include the date, time, location and circumstances of the incident. Any threatened or endangered species found dead or injured shall be turned over immediately to the California Department of Fish and Game for care, analysis, or disposition.

42. Prior to final inspection, should any long internal or perimeter fencing be installed, the applicant shall do the following to provide for kit fox passage:

a) If a wire stand/pole is uses, the lowest strand shall be no closer to the ground than twelve inches;

b) If a solid wire mesh fence is used, eight-inch by twelve-inch openings near the ground shall be provided at least every 300 feet.

43. Prior to issuance of permits to construct improvements to the secondary access road across McMillan Creek, the applicant shall submit copies of permits and authorizations from the California Department of Fish and Game, Regional Water Quality Control Board, and United States Army Corps of Engineers or documentation that these permits and/or authorizations are not necessary.

44. Prior to issuance of permits to construct improvements to the secondary access road across McMillan Creek, the applicant shall submit a creek protection and restoration plan. Creek restoration areas shall be located on the project parcel and shall equate or exceed the area impacted by the proposed improvements. A compatible native seed mix and cuttings of "in-kind" species shall be used to revegetate the disturbed areas. The plan shall incorporate, but not be limited to, the following:

1. Prior to issuance of grading permit, the "project limits" shall be clearly delineated on all construction plans. In addition, sturdy, high-visibility fencing shall be installed in the field showing the "project limits" protecting creek habitat not to be disturbed. No construction (including storage of materials) shall occur outside of the "project limits". This fencing shall remain in place during the entire construction period.
2. The proposed erosion and sedimentation control plan shall include both temporary and permanent measures to minimize discharge of sediment into the creek channel.
3. The proposed spill and clean-up plan shall include Best Management Practices (BMPs) designed to minimize the potential for a mechanical leak or spill, a list of emergency clean-up materials to be stored onsite, designation of staging areas

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outside of areas that could result in pollutant discharge into the creek corridor, and a contingency plan in the event of a leak or spill.

45. Prior to final inspection and when all restoration work has been completed, the applicant shall notify the County Planning and Building Department for a verification inspection.

46. Prior to issuance of grading and/or construction permits, the applicant shall install bright construction protection fencing around the oak tree onsite. The fencing shall be installed at a distance from the trunk 1.5 times the dripline of the canopy. No activities, including use and storage of equipment and storage of materials and fill shall be allowed within the protection fencing.

Miscellaneous

47. **Prior to issuance of a construction permit**, the applicant shall pay all applicable school and public facilities fees.

48. **Prior to occupancy of any structure associated with this approval**, the applicant shall contact the Department of Planning and Building to have the site inspected for compliance with the conditions of this approval.

49. All conditions of this approval shall be strictly adhered to, within the time frames specified, and in an on-going manner for the life of the project. Failure to comply with these conditions of approval may result in an immediate enforcement action by the Department of Planning and Building. If it is determined that violation(s) of these conditions of approval have occurred, or are occurring, this approval may be revoked pursuant to Section 22.74.160 of the Land Use Ordinance.

Staff Report Prepared by Susan Callado
and Reviewed by Kami Griffin

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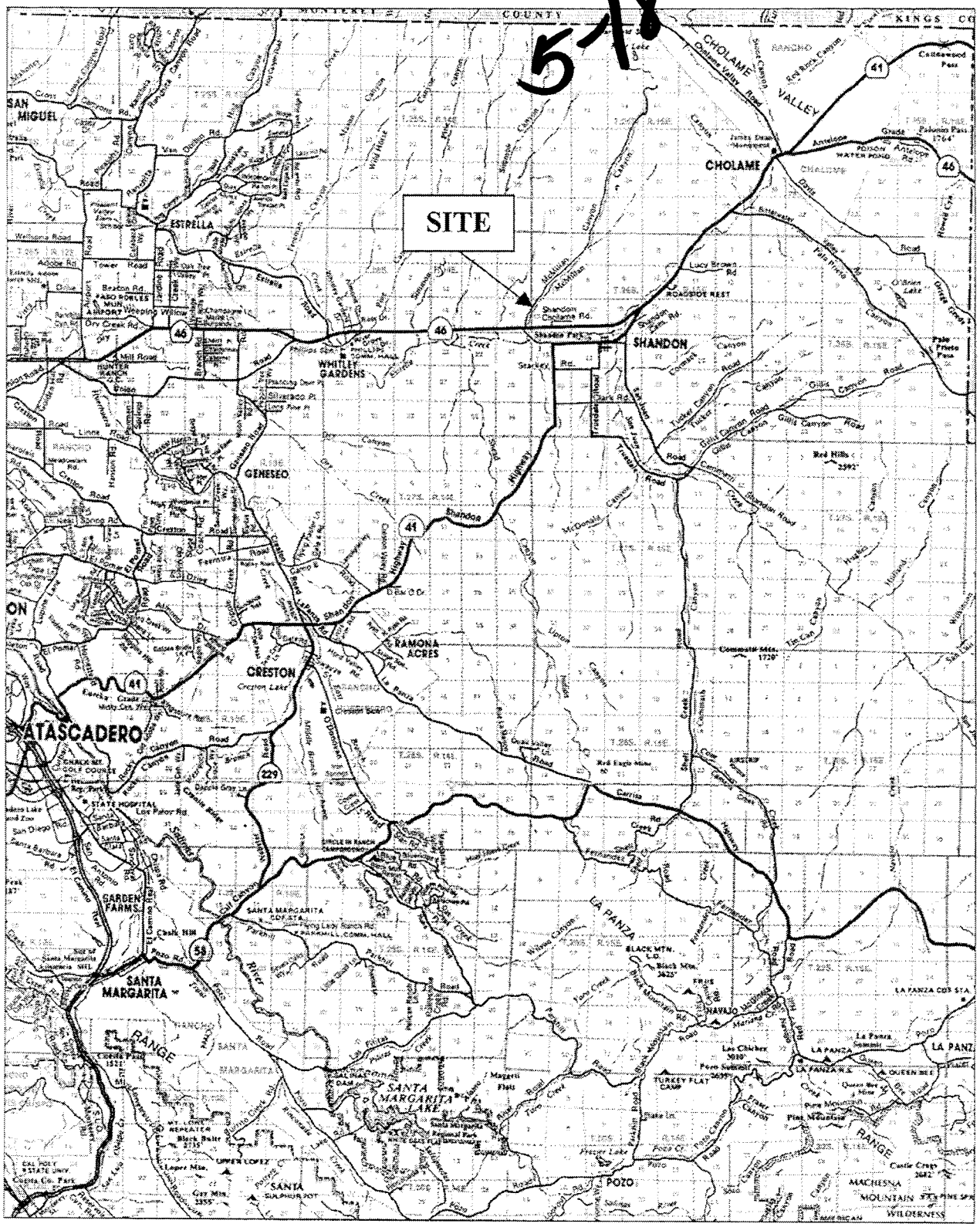

Source: Compass Maps

PROJECT

Conditional Use Permit
Arciero D030030D

EXHIBIT

Vicinity Map

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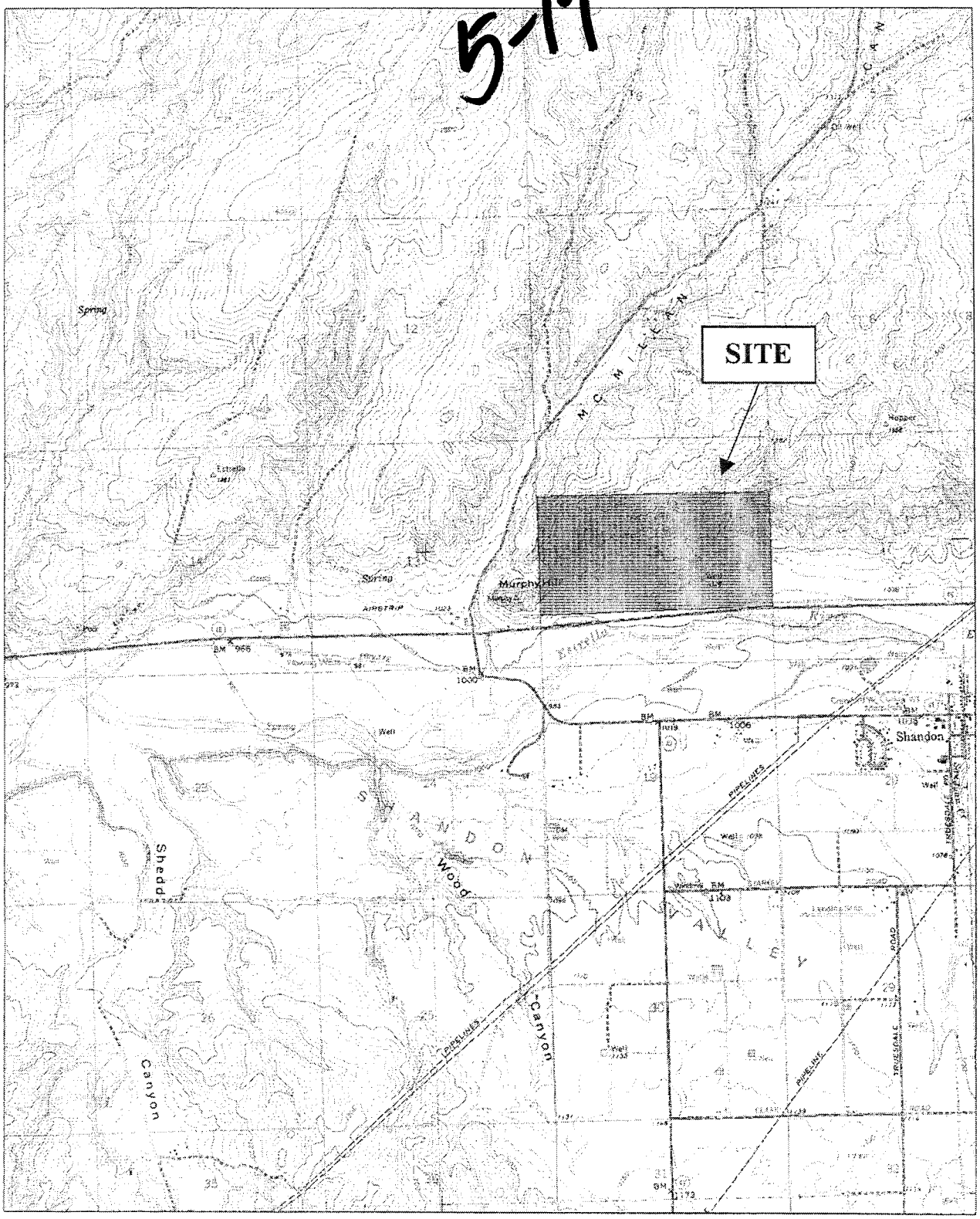


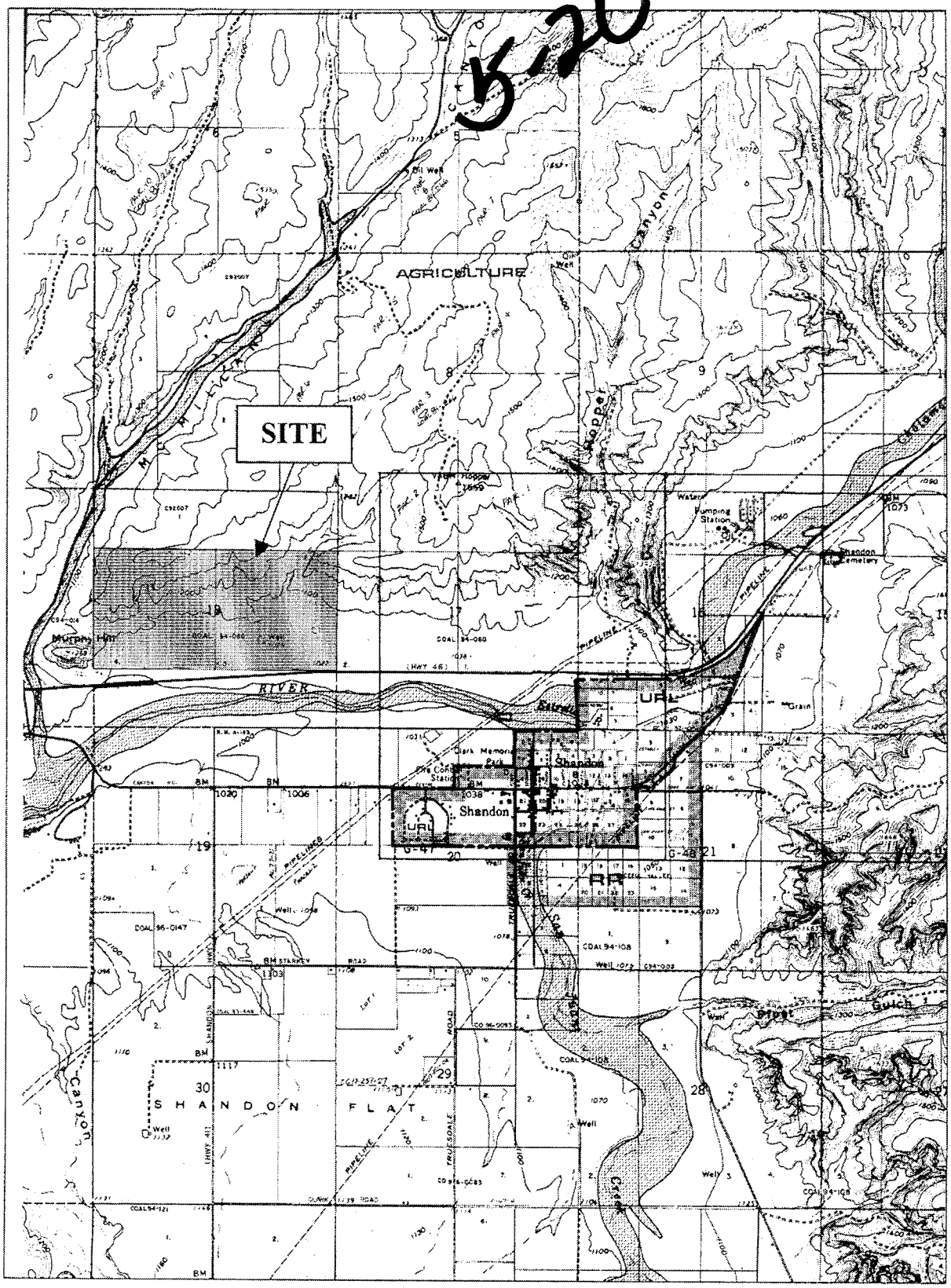
Source: USGS Quadrangle

PROJECT

Conditional Use Permit
Arciero D030030D

EXHIBIT

Location Map



Source: County of San Luis Obispo

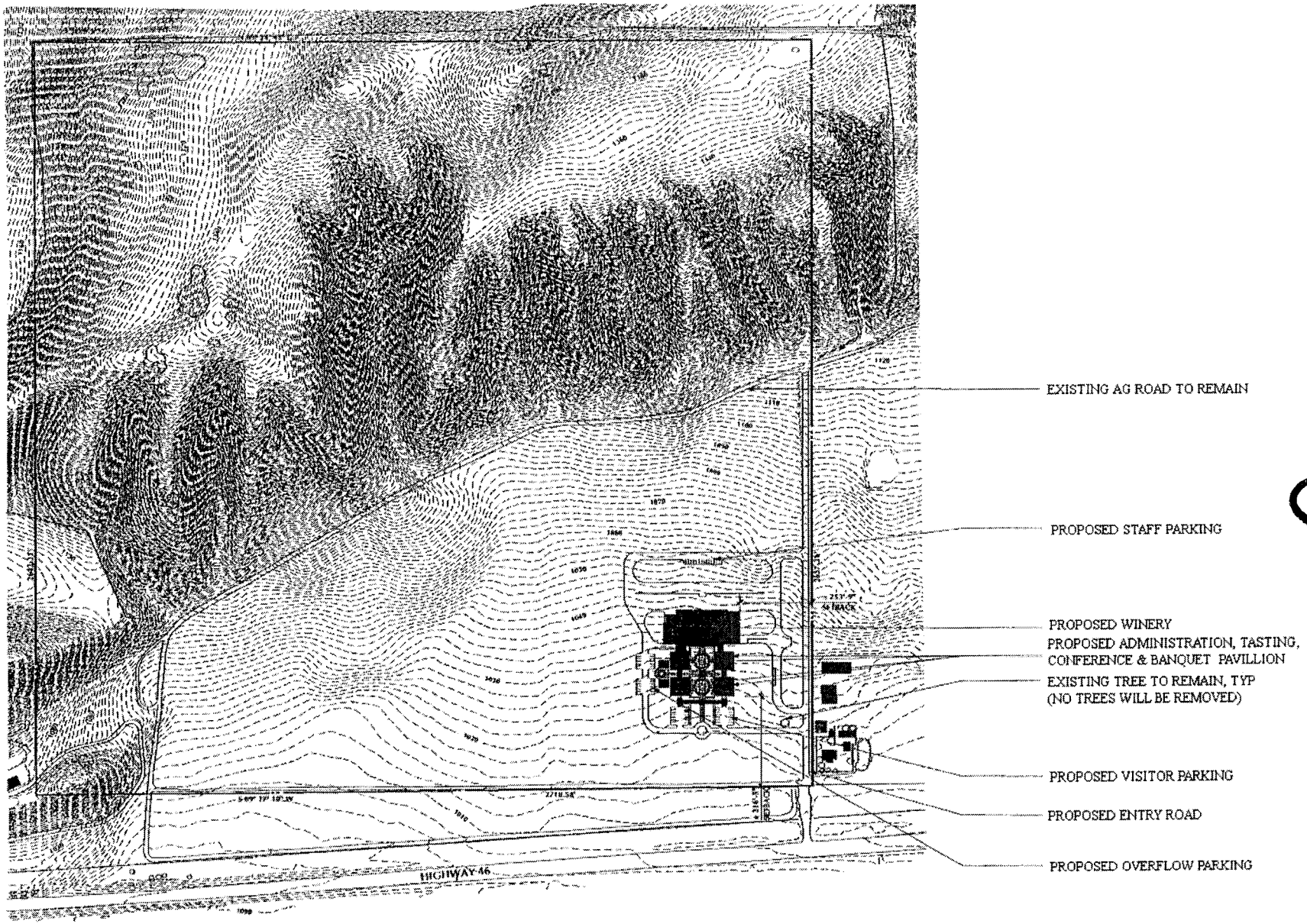
PROJECT

Conditional Use Permit
Arciero D030030D

EXHIBIT

Land Use Category Map

SAN LUIS OBISPO COUNTY DEPARTMENT OF BUILDING AND PLANNING



5-21

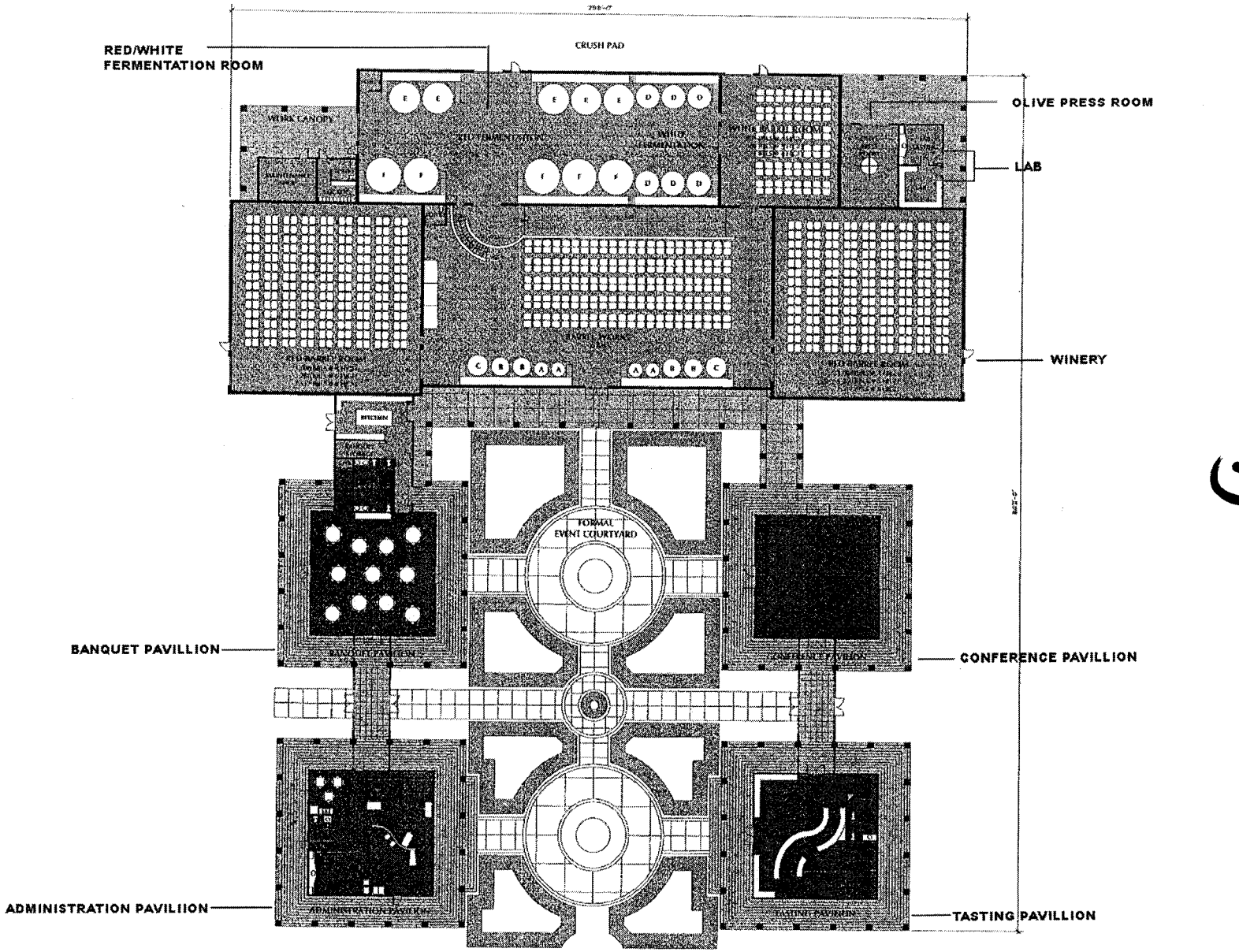
PROJECT

Conditional Use Permit
Arciero D030030D

EXHIBIT

Overall Site Plan

SAN LUIS OBISPO COUNTY DEPARTMENT OF BUILDING AND PLANNING



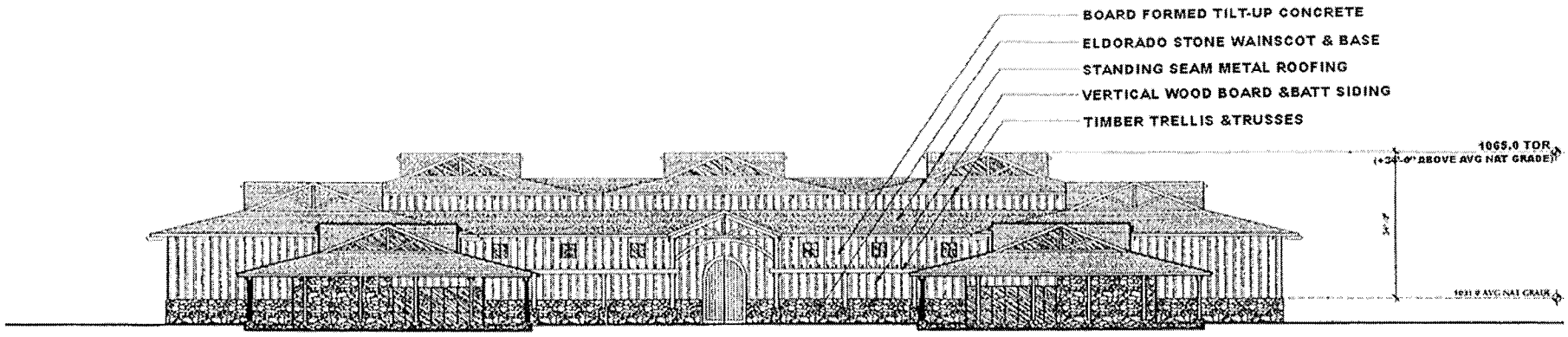
6.2.2

PROJECT

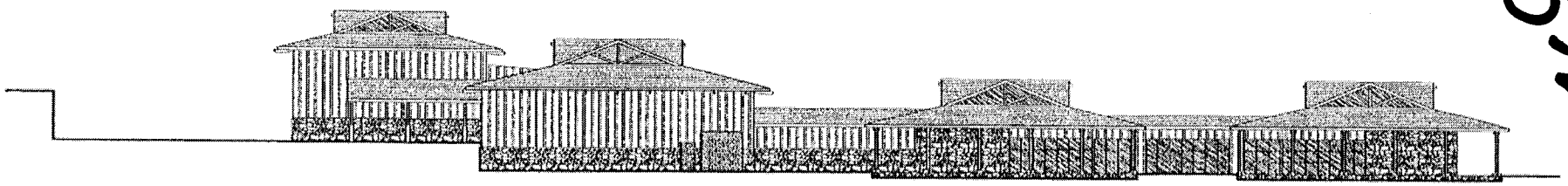
Conditional Use Permit
Arciero D030030D

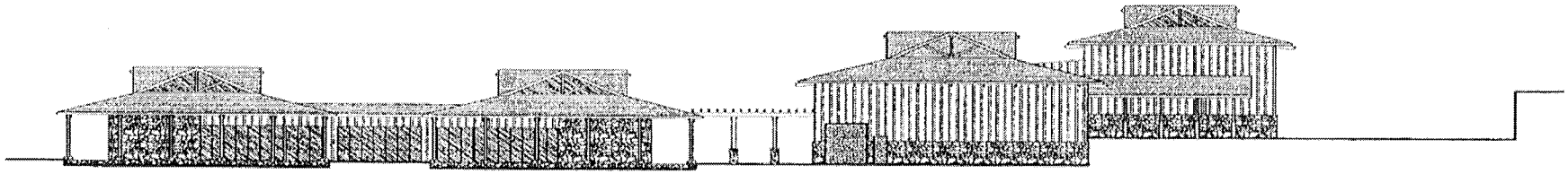
EXHIBIT

Floor Plan



NORTH ELEVATION





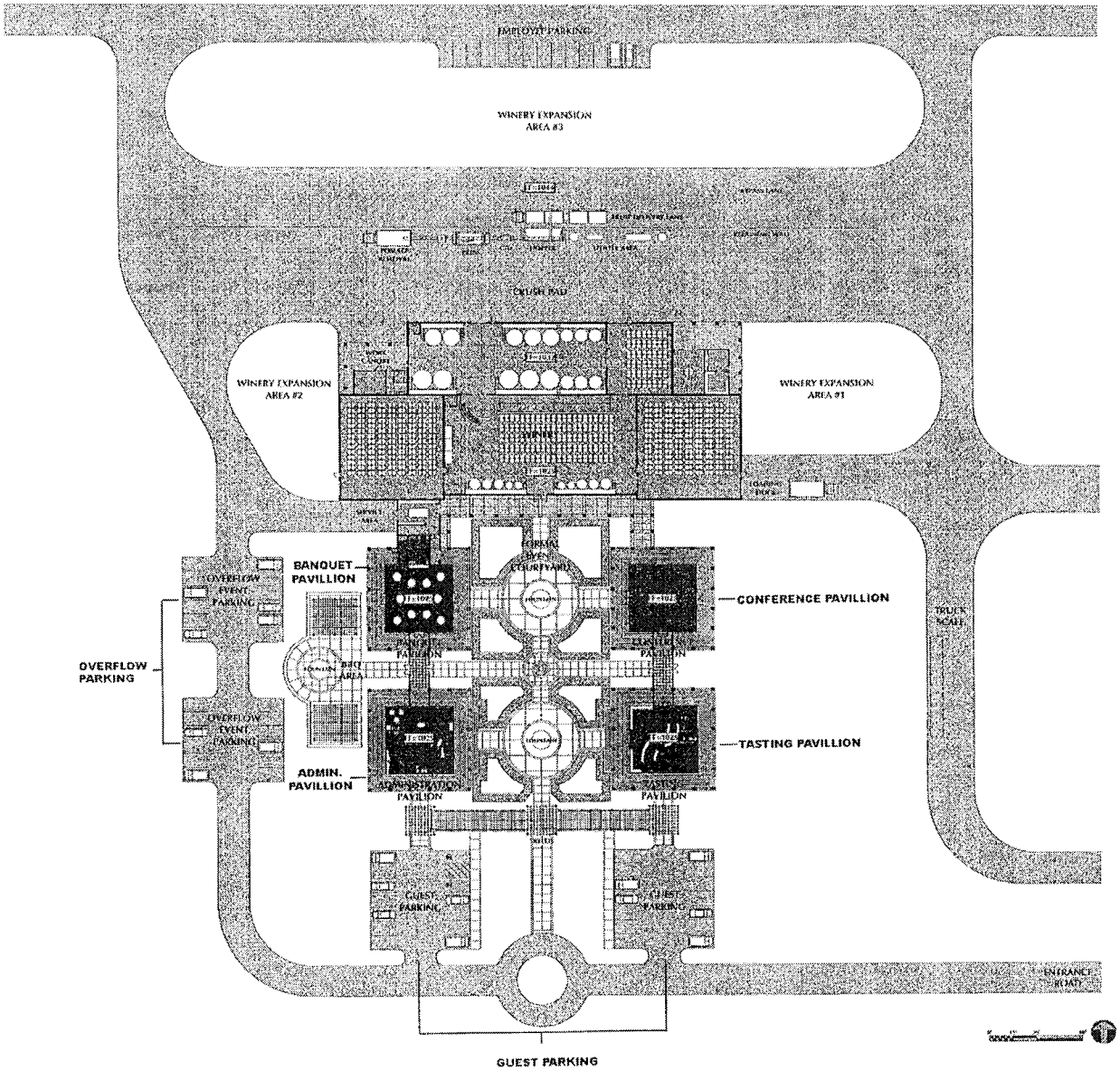
5.23

PROJECT

Conditional Use Permit
Arciero D030030D

EXHIBIT

Exterior Elevations



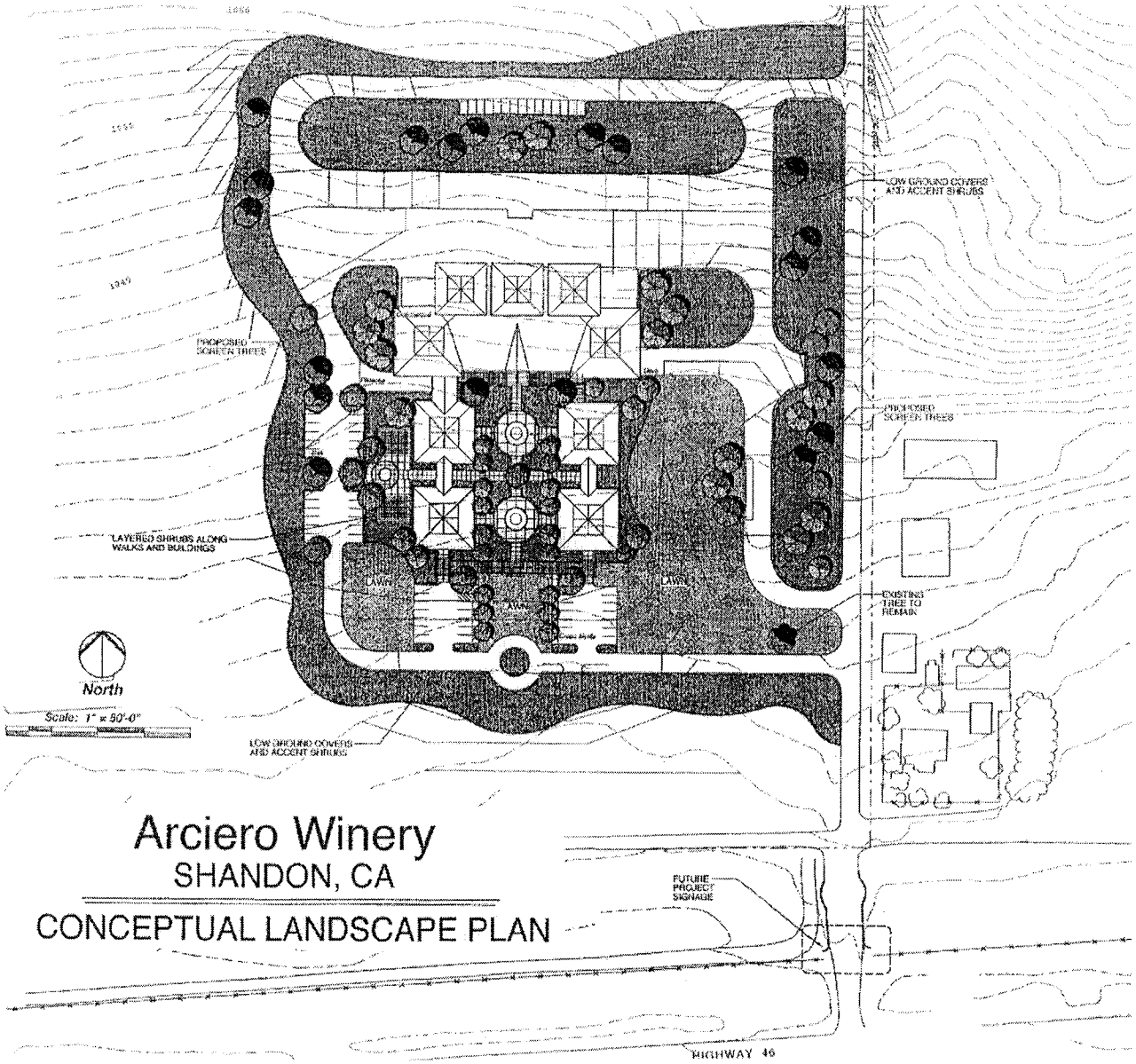
5-24

PROJECT

Conditional Use Permit
Arciero D030030D

EXHIBIT

Enlarged Site Plan



PROJECT
Conditional Use Permit
Arciero D030030D

EXHIBIT
Conceptual Landscape Plan

5.26

PasoWatch

Looking Out Today For Tomorrow

FAX TO: Doreen Liberto-Blanck, Chair
Susan Callado, Planner
FAX NUMBER: 781-1242
NO. OF PAGES: 2

FROM: Susan Harvey, President

FAX NUMBER: 805-238-3047
VOICE: 805-239-0542

January 25, 2005
RE: CUP D030030D, Application by Arciero Farms for Conditional Use Permit

PasoWatch objects to the issuance of a Conditional Use Permit to Arciero Farms for construction of a winery, banquet pavilion, administration building, conference center, tasting room, and additional building.

Ag and Open Space Policy: The County Agricultural commissioner Office reviewed the project and determined that the banquet, conference and administration buildings violate County Agriculture and Open Space Policy AGP 6. These uses are not incidental and secondary to the primary agricultural use of the land and are not compatible with the long-term agricultural use of the land. Banquet and conference facilities are defined under "Public Assembly and Entertainment" which is not allowed in the Agriculture land use category. PasoWatch opposes any violation of Ag and Open Space Policies.

AB 1492: PasoWatch objects to the issuance of this CUP because, as stated in the staff report, the banquet, conference and administration buildings appear to violate AB 1492 which also requires that development on properties under Williamson Act be incidental to the primary use of the land for agricultural purposes and in compliance with local uniform rules or ordinances. PasoWatch has consistently advocated that projects and policies give careful attention to the requirements of Williamson Act Contracts. We are outspoken opponents of projects that jeopardize the continuation of the Williamson Act as state policy.

Traffic Safety: This parcel location warrants concerns about ingress and egress safety. Highway 46 at the intersection of McMillan road has impaired visibility to the east of McMillan Road due to a rise in the road. Does the proposed entrance to the property have the same disadvantage? An event of even modest numbers could result in a long line of left turning cars waiting to safely make their turn. Traffic patterns and numbers can often require long waits to turn across Highway 46.

Screening Requirements: This parcel has high visibility from Highway 46. Although a proposal for extensive landscaping to help mitigate the visual impacts to Highway 46 and address screening requirements is mentioned in the staff report, it seems difficult at best that such extensive development on such an open view shed will be able to maintain the rural character. PasoWatch request that the choices for screening plants be as consistent as possible with native plants and vegetation to assure consistency with rural character.

PasoWatch Inc. P.O. Box 3314 Paso Robles, CA 93447 805.237.4443 www.pasowatch.org

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PasoWatch

Looking Out Today For Tomorrow

Parking Requirements: PasoWatch requests that some kind of additional parking plan be prepared that designates how parking for an event of 300 people plus service and wait staffing will be accommodated. 86 permanent parking spaces will not be adequate for larger events. Also, we request that permanent parking areas not be visible from Highway 46 and additionally, that overflow parking areas not be visible from Highway 46.

Lighting and Signing: We request that proposals for signage and lighting be included before final approval of any facilities. Further, we request that the lighting plan guarantee the maintenance of a dark sky at night.

PasoWatch supports staff recommendation to deny this project.

Thank you,

Susan A. Harvey, President

PasoWatch Inc. P.O. Box 3314 Paso Robles, CA 93447 805.237.4443 www.pasowatch.org

5.28

Maria Lorca
<mlorca@sbcglobal.net>

To: scallado@co.slo.ca.us
cc:
Subject: re: Arciero Project

01/26/2005 10:59 AM

January 26, 2005

Doreen Liberto-Blanck, Chair
San Luis Obispo County Planning Commission
Via Fax: 781-1242

Susan Callado
San Luis Obispo County Planning Department
Via email: scallado@co.slo.ca.us

re: 2005 RE: CUP D030030D,
Application by Arciero Farms for Conditional Use Permit

This is to support the recommendation of County Planning to deny this project. Citizens rely on the Planning Commission and the Planning Department to follow the General Plan when evaluating individual projects.

There is great pressure to convert ag land to other uses. Each project matters.

Creston Citizens for Ag Land Preservation (CCALP)
contact person:
Maria Lorca
P.O. Box 502, Creston, CA 93432
(805) 674-1863 message
(805) 226-0892
mlorca@sbcglobal.net

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EPI-Center, 1013 Monterey Street, Suite 207 San Luis Obispo, CA 93401
Phone: 805-781-9932 • Fax: 805-781-9384

January 26, 2005

Doreen Liberto-Blanck, Chair
County Planning Commission
County Government Center, Rm 310
San Luis Obispo, CA 93408

VIA FACSIMILE: 805-781-1242

Subject: **Arciero Farms Conditional Use Permit D030030D & Mitigated Negative Declaration / Public Comment**

Dear Chair Liberto-Blanck and Honorable Commissioners,

On Thursday January 27, 2005 your Commission is scheduled to hear a request by Arciero Farms for a Conditional Use Permit and approval of a Mitigated Negative Declaration.

I am writing to request that you support Staff proposal, deny the CUP and do not recommend certification of the Mitigated Negative Declaration at this time.

The San Luis Obispo Coastkeeper™, a program of Environment in the Public Interest, is organized for the purpose of ensuring that public officials charged with responsibilities for water quality, watershed and land use planning, and environmental protection comply fully with sound planning principles and with all environmental and planning laws of the State of California. As such, the SLO Coastkeeper and our supporters are concerned, as the Staff report outlines, that the Arciero Farms request is inconsistent with the adopted County General Plan.

Sincerely,

Gordon R. Hensley

Gordon R. Hensley
Executive Director/SLO Coastkeeper

LANDOWNER STATEMENT 5-30

LANDOWNERS' STATEMENT OF COMPLIANCE WITH THE WILLIAMSON ACT

A. Statement of Intent

San Luis Obispo County Department of Planning and Building cannot take action on any building permit or land use permit application involving a new structure or use on a parcel restricted by a Land Conservation Contract until such time as sufficient evidence is presented to the County and/or the California State Department of Conservation that the proposed new use is in compliance with and is compatible with the Land Conservation Contract.

The purpose of this form is to provide sufficient information to make a determination of compliance and to document that the landowner/applicant is aware of the provisions of Government Code Section 51250 (also known as the Laird Bill, AB 1492) regarding material breaches of land conservation contracts and associated financial penalties.

B. Applicant Information

Landowner:

Name Mr. Frank Arciero / Arciero Farms

Address P.O. Box 1179

Paso Robles, CA 93447

Telephone Number (805) 239-2562

Applicant (if different from landowner):

Name Same as Above

Address

Telephone Number

Assessors Parcel Number(s) of all land under land conservation contract affected by the application for a land use permit or building permit:

017-163-002

017-163-013

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C. Project Description

Building Permit Application No. Not Known

Land Use Permit Application No. D030030D

Describe in detail what the project consists of: The construction of a 27,380 square foot winery, 2,280 sf tasting room, 2,280 sf olive oil production room, 2,280 sf winery administration building, and a 2,280 sf winery special events room.

Explain how you intend to place the proposed structure or establish the use to minimize impacts on the property and to not compromise long-term agricultural operations: The subject parcel is 164+ acres. The agricultural facility is located in the extreme South-East corner of the property at the existing access off Highway 46 East, in order to preserve the maximum amount of Agricultural land. Refer to the attached site plan, sheet AC1.1

D. Existing Contract Information

Original Contract Name: James P. Nielsen & Christine M. Nielsen

Contract Recording Information: Dec. 23, 1971 Doc # 36166

Contract Resolution Number: #71-552

Assessor's Parcel Number(s) subject to the contract: 017-163-002 & 017-163-013
640 acres total

Minimum Parcel Size for Conveyance:

E. Existing Buildings and Non-Agricultural Land Uses

Describe all existing buildings on the property, including their size, location and use and identify the assessors parcel number if there are multiple parcel numbers:
The subject parcel(017-163-002) is persently vacant, with the exception of stables located at the South-West corner. The Easterly parcel (017-163-013) contains several Ag barns and a single family residence.

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Describe all existing non-agricultural land uses on the property (if any), including their scope and duration, location and the assessor's parcel number, if there are multiple parcel numbers:

There are NO existing non agricultural uses on the subject property.

F. Existing Agricultural Use

Describe in detail all current agricultural crops and activities (or the last crop grown and the approximate date planted, if fields are currently fallow):

The subject property has historically been utilized for dry land agricultural crops. The subject parcel has recently been planted with 4,000 oil production olive trees. In addition, vineyard plantings of approximately 264 acres are presently being implemented.

G. Proposed Measures to Ensure Continued Compliance

What is your long-term intent for the property? The long term intent for the property is a vineyard and estate winery. In addition, a large olive orchard and olive oil production operation is envisioned.

Explain how you are maintaining the agricultural viability of the land and how agriculture will remain the primary use of the property:

As outlined in the responses above, the proposed uses are vineyards, olive orchards, a winery (Ag processing) and olive oil production (Ag processing). Visitor serving uses shall be incidental to, and supportive of, the primary agricultural use.

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Explain how new structures or operations on the parcel will neither restrict nor impede any existing agricultural operations on the existing parcel or on adjoining contracted land:
The new structures are intended to SUPPORT, not impede the agricultural operations of the subject parcel. In addition, the site has been masterplanned to allow maximum crop implementation.

Explain how your agricultural operations will not result in any lands being proposed for withdrawal from the Williamson Act:
The structures are primarily Ag processing, and/or uses which are recognized by local codes and policies as supportive of agricultural viability with respect to the crops (grapes, olives for oil) proposed.

H. Acknowledgement

The Landowner makes the following representations:

1) I acknowledge that the activity, use or structures as proposed will be conducted in such a way as to maintain the agricultural viability of the parcel and ensure that agriculture is the primary use of the property.

2) I am aware of the provisions of the Williamson Act (Section 51250 of the California Government Code) and of the allowable uses on Williamson Act properties, as defined by San Luis Obispo County Code and the San Luis Obispo County Rules of Procedure To Implement The California Land Conservation Act of 1965.

3) I understand that AB1492 (Government Code Section 51250) defines specific and substantial penalties if structures on the parcel are found by the County of San Luis Obispo or the State of California to result in a material breach of the contract provisions.

4) I acknowledge that the Department of Conservation has indicated that: "Residences not incidental to an agricultural use are prohibited, and may trigger AB1492 penalties. These may include residences for family members not involved with the agricultural use, or residences constructed on contracted parcels with no commercial-agricultural use."

5) I acknowledge that the activity, use or structures as proposed are of a size and type that would not adversely affect the on-site or adjacent farming operations and would be incidental to or in support of the primary agricultural use of the property. I understand that the County has a "right to farm" policy.

6) I understand that it is my sole responsibility as the Landowner to ensure that all activities, uses and structures on this parcel are in compliance with the provisions of the Williamson Act and San Luis Obispo County Code, and that those activities will not result in a material breach of the Land Conservation Contract.

7) The evidence I have provided in this application or in an attached written statement supports the following findings:

a) The use will not significantly compromise the long-term productive agricultural capability of the subject contracted parcel or parcels or on other contracted lands in the Agricultural Preserve.

b) The use will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or parcels or on other contracted lands in the vicinity. Uses that significantly displace agricultural operations on the subject contracted parcel or parcels may be deemed compatible if they relate directly to the production of commercial agricultural products on the subject contracted parcel or parcels or neighboring lands, including activities such as harvesting, processing or shipping.

c) The use will not result in the significant removal of adjacent contracted land from agricultural or open-space use.

8) In consideration of the County's processing and consideration of this application for approval of the land use project, development, grading or building permit being applied for (the "Project"), and any related discretionary or ministerial actions, or any related California Environmental Quality Act (CEQA) consideration by the County, the Owner and Applicant, jointly and severally, agree to indemnify the County of San Luis Obispo ("County") from liability or loss connected with the Project approvals as follows:

a) The Owner and Applicant shall defend, indemnify and hold harmless the County and its agents, officers and employees from any claim, action or proceeding against the County or its agents, officers or employees to attack, set aside, void or annul the Project or any prior or subsequent development approvals regarding the Project or Project condition imposed by the County or any of its agencies, departments, commissions, agents, officers or employees concerning the said Project, or to impose liability against the County and its agents, officers or employees resulting directly or indirectly from approval of the project, including any claim for attorney fees claimed by or awarded to any party from the County. The obligations of the Owner and Applicant under this Indemnification shall apply regardless of whether any permits or entitlements are issued.

b) The County will promptly notify Owner and Applicant of any such claim, action or proceeding that is or may be subject to this indemnification and will cooperate fully in the defense.

c) The County may, within its unlimited discretion, participate in the defense of any such claim, action or proceeding. To the extent that County uses any of its resources responding to such claim, action or proceeding, Owner and Applicant will reimburse County upon demand. Such resources include, but are not limited to, staff time, court costs, County Counsel's time at their regular rate for external or non-County agencies, and any other direct or indirect costs associated with responding to the claim, action or proceedings, including expert consultant and witness costs.

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d) The Owner and Applicant shall not be required to pay or perform any settlement by the County of such claim, action or proceeding unless the settlement is approved in writing by Owner and Applicant, which approval shall not be unreasonably withheld.

e) The Owner and Applicant shall pay all court ordered costs and attorney fees.

f) This indemnification represents the complete understanding between the Owner and Applicant and the County with respect to matters set forth herein.

IN WITNESS WHEREOF, by their signature below, the Owner and Applicant hereby certify that the information set forth in this Landowners' Statement of Compliance is true and correct, and that they have read, understand and agree to perform the obligations under this Statement and the indemnification.

Property Owner(s): Frank Orrico 2/24/05
Signature Date

Property Owner(s): _____ _____
Signature Date

Applicant(s):
(If different from above) _____ _____
Signature Date

COUNTY OF SAN LUIS OBISPO 5-36 FOR OFFICIAL USE ONLY (SC)

[MITIGATED] NEGATIVE DECLARATION & NOTICE OF DETERMINATION

ENVIRONMENTAL DETERMINATION NO. ED03-579 **DATE: April 28 2005**

PROJECT/ENTITLEMENT: Arciero Winery Conditional Use Permit, D030030D

APPLICANT NAME: **Arciero Farms**
ADDRESS: P.O. Box 1179 Paso Robles, CA 93447
CONTACT PERSON: Tim Woodle **Telephone:** (805) 541-5604

PROPOSED USES/INTENT: Request to construct a 27,380-square foot winery, 2,280-square foot banquet pavilion, 2,280-square foot administration building, 2,280-square foot olive oil production building, 2,280-square foot tasting room, 86 parking spaces, a processed wastewater pond, one primary access road, one secondary access road including improvements to an existing creek crossing, signage; and up to 36 events annually, which will result in the disturbance of approximately 10 acres on a 164 acre parcel.

LOCATION: The project is located immediately north of Highway 46, approximately 1,300 feet east of McMillan Canyon Road, approximately two miles northwest of the community of Shandon, in the Shandon-Carrizo (rural) planning area.

LEAD AGENCY: County of San Luis Obispo Department of Planning & Building
County Government Center, Rm. 310
San Luis Obispo, CA 93408-2040

OTHER POTENTIAL PERMITTING AGENCIES: California Department of Fish and Game, California Department of Forestry/County Fire, Regional Water Quality Control Board

ADDITIONAL INFORMATION: Additional information pertaining to this environmental determination may be obtained by contacting the above Lead Agency address or (805) 781-5600.

COUNTY "REQUEST FOR REVIEW" PERIOD ENDS AT ..... 5 p.m. on May12, 2005
30-DAY PUBLIC REVIEW PERIOD begins at the time of public notification

Notice of Determination

State Clearinghouse No. _____

This is to advise that the San Luis Obispo County_____ as ☐ *Lead Agency* ☐ *Responsible Agency* approved/denied the above described project on _____, and has made the following determinations regarding the above described project:

The project will not have a significant effect on the environment. A Negative Declaration was prepared for this project pursuant to the provisions of CEQA. Mitigation measures were made a condition of the approval of the project. A Statement of Overriding Considerations was not adopted for this project. Findings were made pursuant to the provisions of CEQA.

This is to certify that the Negative Declaration with comments and responses and record of project approval is available to the General Public at:

Department of Planning and Building, County of San Luis Obispo,
County Government Center, Room 310, San Luis Obispo, CA 93408-2040

County of San Luis Obispo

Signature	Title	Date	Public Agency

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COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING AND BUILDING
ENVIRONMENTAL DIVISION

ENVIRONMENTAL DOCUMENT FILING FEE FORM

NOTICE: During environmental review, this project required consultation, review or development of mitigation measures by the California Department of Fish and Game. Therefore, the applicants will be assessed user fees pursuant to section 711.4 of the California Fish and Game Code.. The California Environmental Quality Act (Section 21089) provides that this project is not operative, vested or final until the filing fees are paid.

Lead Agency: **County of San Luis Obispo** Date: April 20, 2005

County: **San Luis Obispo** Project No. ED 03-579

Project Title: Arciero Winery Conditional Use Permit, D030030D

Project Applicant: Name: Arciero Farms

Address: P.O. Box 1179

City: Paso Robles, CA 93447

Phone #: (805) 239-2562

Please remit the following amount to the County Clerk-Recorder:

( ) Environmental Impact Report	$	850.00
(√) Negative Declaration	$	1250.00
(√) County Clerk's Fee	$	25.00
Total amount due:	$	**1250.00**

AMOUNT ENCLOSED: _____

Checks should be made out to the County of San Luis Obispo. Payment must be received by the County Clerk, 1144 Monterey Street, Suite A, San Luis Obispo, CA 93408-2040, within two days of project approval.

NOTE: Filing of the Notice of Determination for the attached environmental document requires a filing fee in the amount specified above. If the fee is not paid, the Notice of Determination cannot be filed.

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COUNTY OF SAN LUIS OBISPO
INITIAL STUDY SUMMARY - ENVIRONMENTAL CHECKLIST

Project Title & No: Arciero Winery Conditional Use Permit, D030030D ED03-579

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

■ Aesthetics	■ Geology and Soils	❑ Recreation
■ Agricultural Resources	■ Hazards/Hazardous Materials	■ Transportation/Circulation
■ Air Quality	❑ Noise	■ Wastewater
■ Biological Resources	■ Population/Housing	■ Water
❑ Cultural Resources	■ Public Services/Utilities	■ Land Use

❑ Mandatory Findings of Significance

DETERMINATION: (To be completed by the Lead Agency)

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

❑ The proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

■ Although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

❑ The proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

❑ The proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

❑ Although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Susan Callaro	Susan Callaro		4/12/05
Prepared by(Print)	Signature		Date
John Nall	John Nall	Ellen Carroll, Environmental Coordinator (for)	4/12/05
Reviewed by(Print)	Signature		Date

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Project Environmental Analysis

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

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

A. PROJECT

DESCRIPTION: - Request by Arciero Farms for a Conditional Use Permit to allow for the construction of a 27,380 square foot winery, 2,280 square foot banquet pavilion to be used for winery for special events, 2,280 square foot administration building, 2,280 square foot olive oil processing building, 2,280 square foot tasting room, 86 parking spaces with overflow parking for special events, a processed wastewater pond, one primary access road, one secondary access road including improvements to an existing creek crossing, and signage. In addition, the applicant is proposing to conduct 36 annual events; 10 events with up to 75 people, 22 events with up to 150 people and 4 events with up to 300 people. Amplified music at events (from 10 am to 5 pm) is also proposed. The project is located in the Agriculture land use category. The project site is located immediately north of Highway 46, approximately 1,300 feet east of McMillan Canyon Road, approximately two miles northwest of the community of Shandon, in the Shandon-Carrizo (rural) planning area.

ASSESSOR PARCEL NUMBER:017-163-002 SUPERVISORIAL DISTRICT #: 1

B. EXISTING SETTING

PLANNING AREA:	Shandon-Carrizo, rural
LAND USE CATEGORY:	Agriculture
COMBINING DESIGNATION(S):	None applicable
EXISTING USES:	Single-family residence, barns, agricultural accessory structures, dry farming
TOPOGRAPHY:	Nearly level to steeply sloping
VEGETATION:	Grasses, scattered oak trees, dry farm crops
PARCEL SIZE:	164 acres

SURROUNDING LAND USE CATEGORIES AND USES:

North: Agriculture/ undeveloped, scattered single family residences, livestock grazing

East: Agriculture/ undeveloped, vineyard

South: Agriculture/ undeveloped, scattered single family residences, livestock grazing

West: Agriculture/ undeveloped, scattered single-family residences, dry farm crops

C. ENVIRONMENTAL ANALYSIS

During the Initial Study process, several issues were identified as having potentially significant environmental effects (see following Initial Study). Those potentially significant items associated with the proposed uses can be minimized to less than significant levels.

COUNTY OF SAN LUIS OBISPO
INITIAL STUDY CHECKLIST

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

Setting. The proposed project site is a 164-acre parcel located on the northern side of Highway 46, approximately 1,300 feet east of McMillan Canyon Road, two miles northwest of Shandon (refer to Figures 1 through 3). The general area is characterized by gently rolling hillsides supporting grasses, forbs, scattered oak woodland, livestock grazing, and dry farming. Surrounding areas are currently undeveloped. The project site currently supports a dry farming operation, and existing land uses include a single family residence, barns, agricultural accessory structures, and signage.

The proposed building site would be located approximately 300 feet north of the highway, at an elevation 20 to 50 feet above the highway elevation. The proposed building location is gently sloping area back-dropped by a ridgeline that steeply slopes approximately 350 feet above the project site.

Impact. The proposed project site is currently visible from Highway 46 for approximately 1.5 miles from the eastbound travel lane, and 1.5 miles from the westbound travel lane. The applicant is proposing a 27,380-square foot winery, 2,280-square foot banquet pavilion, 2,280-square foot administration building, 2,280-square foot olive oil processing building, 2,280-square foot tasting room, 86 parking spaces and overflow parking for events, a processed wastewater pond, two access roads, and signage (refer to Figures 4 through 10). The proposed winery would be 40 feet above final grade, and the pavilion buildings would be 24 feet above final grade. The applicant submitted a Visual Analysis prepared by Pults and Associates (March 4, 2004). Based on the results of the analysis, the proposed project would be back-dropped by the ridgeline to the north, and would not silhouette into the skyline as seen from both the eastbound and westbound travel lanes of Highway 46. The design of the project combines elements that are agricultural and residential in nature. The materials proposed for the exterior of the building

include wood, stone, and metal roofs. The design includes trussed gables reminiscent of barns in the area and porches to break up the facade and give a residential feel to the structure. A part from being a large new structure in an area typified by grazing land, vineyards, dry farm crops, scattered single family residences, and agricultural accessory structures, as proposed, the new structure would appear to be consistent with the existing visual rural character along the Highway 46 corridor.

Exterior materials and colors are proposed to consist of bright yellow siding, exterior stone facade, and a dark green roofing. The applicant's proposed landscape and fencing plan includes lawn turf and a variety of native and non-native shrubs and trees (refer to Figure 8). Proposed screening trees would include olive, Chinese pistache, western cottonwood, crepe myrtle, coast live oak, and chitalpa. The proposed color scheme of the winery incorporating the use of bright yellow siding would not be consistent with the existing rural character and natural colors of the area.

Mitigation/Conclusion. The applicant has agreed to revise the proposed exterior colors on the winery to incorporate rural design standards. The landscape plans shall be consistent with the conceptual landscaping plan and visual study. In addition, an exterior lighting plan shall be required to demonstrate that proposed fixtures are shielded and directed to minimize light shining on the structure, into the night sky, and towards the highway. Implementation of these measures would mitigate potential visual impacts to less than significant.

	2. AGRICULTURAL RESOURCES - ***Will the project:***	**Potentially Significant**	**Impact can & will be mitigated**	**Insignificant Impact**	**Not Applicable**
a)	***Convert prime agricultural land to non-agricultural use?***	❑	❑	■	❑
b)	***Impair agricultural use of other property or result in conversion to other uses?***	❑	❑	■	❑
c)	***Conflict with existing zoning or Williamson Act program?***	❑	■	❑	❑
d)	***Other*** _____	❑	❑	❑	❑

Setting. The project site is located within the Agriculture land use category, and is surrounded on all sides by lands within the Agricultural land use category. The project site currently supports dry farming, and surrounding agricultural uses include vineyards and livestock grazing. The soil types mapped for the project site include: Nacimiento-Ayar Complex (9% - 50% slope), Class IVe irrigated and IVe non-irrigated; Nacimiento-Los Osos Complex (9% -30% slope), Class IVe irrigated and IVe non-irrigated; Balcom-Calleguas Complex (50% -75% slope), Class VIIe non-irrigated; and, Mocho Clay Loam (2% - 9% slope), Class IIe irrigated and IVe non-irrigated.

Impact. *Conversion of agricultural land.* The proposed project was reviewed by the County Agricultural Commissioner's Office. The Agricultural Commissioner's Office determined that the proposed winery, tasting room, and olive oil production facility are consistent with uses allowable in the Agriculture land use category, and with the policies of the County *Agriculture and Open Space Element.* The proposed project is located more than 1,000 feet from the nearest off-site residence, and would not result in significant land compatibility impacts for adjacent agricultural or residential property owners. Implementation of the proposed project would result in the loss of approximately 40,000 square feet of Class II (prime) agricultural soils; however this is not a significant loss or impact because the proposed location is suitable based on land use compatibility and acceptable circulation for existing and potential agricultural uses (Auchinachie; March 21, 2005).

Inconsistent uses. The original project came in with four separate pavilions including an administration pavilion, banquet, conference and tasting room pavilion at that time the both the Planning Department and

the County Agricultural Commissioner's Office had indicated that the proposed banquet, conference, and administration pavilion were not consistent with allowable land uses within the Agricultural land use category, and were not consistent with the *Agriculture and Open Space Element*, specifically, Agriculture Policy 6 or with AB 1492, both of which are stated below:

> *Allow limited visitor serving and incidental retail use and facilities in agricultural areas that are beneficial to the agricultural industry and farm operators and are compatible with long-term agricultural use of the land. Such uses shall be clearly incidental and secondary to the primary agricultural use of the site and shall comply with the performance standards in the LUO.*

> *Laird Bill. AB 1492 adds Section 51250 to the Government Code. Section 51250 provides an additional and alternate remedy from the contract cancellation petition (§51281-et. seq.) for a material breach of contract. Section 51250(b) defines a material breach on land subject to a Williamson Act contract as a commercial, industrial or residential building(s), exceeding 2,500 square feet that is not permissible under the Williamson Act or contract, local uniform rules or ordinances. AB 1492 only applies to structure(s) that have been permitted and constructed after January 1, 2004.*

AB1492 requires that any development on property subject to a Williamson Act contract must be incidental to the primary use of the land for agricultural purposes and in compliance with local uniform rules or ordinances. A use is incidental when it is required for or is part of the agricultural use and is valued in line with the expected return of the agriculture on the parcel.

Project Revision. In response to staff's concerns the project was revised to reduce the overall site area disturbance by compacting the visitor serving component and reducing outdoor courtyard/terrace areas and physically connecting the pavilion structures to the winery. In addition, the conference pavilion has been revised to an olive oil processing facility and the banquet pavilion is proposed to be limited to special events only.

The banquet pavilion and the location of the administration pavilion continues to not be supported by the Ag Commissioner's Office, because it is not considered as secondary and incidental to the Agriculture use.

Mitigation/Conclusion. Based on the new project description the redesign the proposed project and implementation of these measures would reduce potential impacts to a level of insignificance.

3.	**AIR QUALITY** - ***Will the project:***	**Potentially Significant**	**Impact can & will be mitigated**	**Insignificant Impact**	**Not Applicable**
a)	***Violate any state or federal ambient air quality standard, or exceed air quality emission thresholds as established by County Air Pollution Control District?***	☐	■	☐	☐
b)	***Expose any sensitive receptor to substantial air pollutant concentrations?***	☐	☐	■	☐
c)	***Create or subject individuals to objectionable odors?***	☐	☐	■	☐
d)	***Be inconsistent with the District's Clean Air Plan?***	☐	☐	■	☐

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3. AIR QUALITY - *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
e) Other _____	❑	❑	❑	❑

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

Impact. As proposed, the project will result in the disturbance of approximately 10.5 acres. This will result in both short-term vehicle emissions (which helps create ozone) and the creation of dust during construction. In addition, the project will generate 90 average daily trips on weekdays (Monday through Friday) and 440 average daily trips on weekends (Saturday and Sunday). Based on Table 1-1 of the CEQA Air Quality Handbook, construction and operation of the proposed project would generate over 25 lbs./day of pollutants including ROG, NOx, and PM10, which warrants measures to mitigate for air quality impacts.

Mitigation/Conclusion. The applicant has agreed to comply with the following standard construction and operational mitigation measures, as described in the CEQA Air Quality Handbook. The applicant shall reduce the area of disturbance, use water or establish vegetation for dust suppression, limit construction vehicle speeds, and cover haul vehicles during material transport. The applicant shall increase energy efficiency above minimum state requirements to mitigate for operational impacts. The applicant has agreed to incorporate these measures into the project (refer to Exhibit B). Based implementation of the proposed mitigation measures relating to air quality, impacts will be reduced to less than significant.

4. BIOLOGICAL RESOURCES - *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Result in a loss of unique or special status species or their habitats?	❑	■	❑	❑
b) Reduce the extent, diversity or quality of native or other important vegetation?	❑	❑	■	❑
c) Impact wetland or riparian habitat?	❑	■	❑	❑

4. BIOLOGICAL RESOURCES - *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
d) *Introduce barriers to movement of resident or migratory fish or wildlife species, or factors which could hinder the normal activities of wildlife?*	❑	■	❑	❑
e) *Other* _____	❑	❑	❑	❑

Setting.

Special Status Species. The California Natural Diversity Database (2004) identified the following special-status species on or in the vicinity of the project site: San Joaquin kit fox (*Vulpes macrotis mutica*), San Joaquin pocket mouse (*Perognathus inornatus inornatus*),San Joaquin whipsnake (*Masticophis flagellum ruddocki*), (Southwestern pond turtle (*Clemmys marmorata pallida*), and prairie falcon (*Falco mexicanus*).

San Joaquin Kit Fox

San Joaquin kit fox is a Federal Endangered and State Threatened species. Suitable habitat for SJKF includes saltbush scrub, oak savanna, and grasslands. The project site currently supports dry land grain farming and annual grassland, suitable habitat types for this species.

San Joaquin Pocket Mouse

The San Joaquin pocket mouse is a Federal and State Species of Special Concern. This species has been documented in dry, open grassland, hillsides, and ridgelines vegetated with grasses and scrub. Based on the lack of scrub onsite, it is unlikely this species is present.

San Joaquin Whipsnake

San Joaquin whipsnake is a State Species of Special Concern. This species occurs in open terrain and are most abundant in grass, desert, scrub, chaparral, and pasture habitats. The project site currently supports dry land grain farming and annual grassland, potentially suitable habitat types for this species.

Southwestern Pond Turtle

Southwestern pond turtle is a State Species of Special Concern. Preferred habitat includes creeks and streams with aquatic basking sites, shallow water, and dense submerged vegetation. McMillan Creek is a seasonal creek, which retains water only during rain events. Based on the lack of habitat, it is not likely this species is present onsite.

Prairie Falcon

Prairie falcon is a State Species of Special Concern. This species prefers perennial grasslands, savannahs, rangeland, some agricultural fields, and desert scrub areas. Nesting habitat includes sheltered cliff ledges overlooking a large, open area or on cliff, bluff, or rock outcrops. The project site does not contain suitable nesting habitat for this species, however the prairie falcon may utilize the site for foraging rodents.

Native and Important Vegetation. One blue oak tree (*Quercus douglasii*) is located on the west side of the existing access road.

Wetland and Riparian Vegetation. McMillan Creek is located immediately east of McMillan Canyon Road, and flows under Highway 46 into Estrella Creek. This section of the creek does not support riparian vegetation, and has been disturbed by the construction of an existing concrete "Arizona", at-grade crossing through the creek, which connects with McMillan Canyon Road.

Impact.

Special Status Species. A San Joaquin Kit Fox Habitat Evaluation Form was prepared by Dwayne Oberhoff on October 15, 2003. The evaluation form was reviewed by Bob Stafford of the California Department of Fish and Game. The evaluation, complete with Mr. Stafford's changes, resulted in a score of 63, which requires that all impacts to kit fox habitat be mitigated at a ratio of two acres conserved for each acre impacted (2:1) (Bob Stafford, CDFG; February 17, 2004). The project will result in the permanent disturbance of approximately10.5 acres of kit fox habitat. In addition, adverse impacts could occur during grading and construction activities, including inadvertent harm to special status species potentially onsite including San Joaquin kit fox, San Joaquin pocketmouse, San Joaquin whipsnake, and foraging prairie falcon.

Native and Important Vegetation. The applicant is not proposing to remove or impact the one blue oak tree onsite.

Wetland and Riparian Habitat. The applicant is proposing a secondary access road within an existing unpaved road alignment that crosses McMillan Creek. The existing crossing in an "Arizona", at-grade, concrete crossing. In order to meet the requirements for a secondary access road, the applicant is required to improve the crossing by either installing a culvert or constructing a bridge. Required road improvements would result in direct impacts to McMillan Creek, including the potential for sediment and pollutant discharge during construction.

Mitigation/Conclusion.

Special Status Species. Mr. Stafford recommended that specific measures be implemented to effectively mitigate impacts to San Joaquin kit fox (Bob Stafford, CDFG; February 17, 2004). The applicant will be required to mitigate the loss of 21 acres of kit fox habitat (10.5 acres multiplied by a 2:1 ratio) by one of the following ways: Deposit funds to an approved in-lieu fee program; provide for the protection of kit foxes in perpetuity through acquisition of fee or conservation easement of suitable habitat in the kit fox corridor area; or purchase credits in an approved conservation bank. At this time, there is no approved Conservation Bank that is operational in San Luis Obispo County. If none of the other three alternatives are available, the applicant may enter into a Mitigation Agreement with the Department of Fish and Game, including depositing funds into an escrow account (or other means of securing funds acceptable to the Department) which would assure the protection in perpetuity of suitable habitat in the kit fox corridor area and provide for a non-wasting endowment for management. To prevent inadvertent harm to kit fox and other special status species potentially onsite (i.e., San Joaquin pocketmouse, San Joaquin whipsnake, and foraging prairie falcon), the applicant has agreed to retain a biologist for a pre-construction survey, a pre-construction briefing for contractors, and monitoring activities in addition to implementing cautionary construction measures. These mitigation measures are listed in detail in Exhibit B Mitigation Summary Table. **Note: If the applicant can provide evidence to the satisfaction of the Department of Fish and Game that structures on the winery site were recently removed a lesser mitigation requirement may be allowed.**

Wetland and Riparian Habitat. To minimize impacts to McMillan Creek during construction of improvements to the required secondary access road, the applicant has agreed to implement protective mitigation measures during construction and restorative mitigation measures subsequent to construction. To minimize sedimentation and additional degradation of the creek channel, a creek protection plan will be prepared and submitted to the County of San Luis Obispo for approval. The protection plan shall incorporate a sedimentation and erosion control plan, spill prevention and clean-up plan, and describe the location and type of fencing to protect unnecessary incidental disturbance. To mitigate for disturbance to the creek channel during and following bridge installation, the applicant shall prepare and implement a restoration plan. Creek and restoration areas shall be located on the project parcel and will restore the area effected by the proposed improvements at a 2:1 ratio. Implementation of the creek protection and restoration plans will improve the creek channels and minimize the potential for inadvertent impacts during grading and construction activities.

In addition to mitigation measures required by the County of San Luis Obispo, the applicant is required to apply for and submit copies of potentially required permits from the state and federal agencies including, but not limited to, the following: 1) California Department of Fish and Game Streambed Alteration Permit for work within and adjacent to McMillan Creek; 2) Regional Water Quality Control Board 401 Water Quality Certification Permit for work within the creek; and 3) Army Corps of Engineers 404 Permit for work within the bed of the creek.

The implementation of the above measures will mitigate biological impacts to a level of insignificance.

5.	**CULTURAL RESOURCES -** *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a)	***Disturb pre-historic resources?***	☐	☐	■	☐
b)	***Disturb historic resources?***	☐	☐	■	☐
c)	***Disturb paleontological resources?***	☐	☐	■	☐
d)	***Other*** _____	☐	☐	☐	☐

Setting/Impact. The proposed project site is located within an area historically occupied by the Obispeño Chumash and Southern Salinian Native Americans. A phase one surface survey and records search report was submitted by the applicant. Based on the results of the report (*Archaeological Surface Survey at the Arciero Shandon Winery)*, no archaeological or historical resources were observed onsite, and there are no documented resources in the immediate vicinity (Thor Conway; December 5, 2003). The project site does not contain features indicative of paleontological resource discovery. Based on the characteristics of the project site, and results of the archaeological report, impacts to cultural resources would not likely occur as a result of the proposed project.

Mitigation/Conclusion. No significant impacts to cultural resources was identified, and no mitigation measures are necessary.

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6. GEOLOGY AND SOILS -

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

Setting.

Geology. The topography of the project site ranges from gently to steeply sloping. The area proposed for development is gently sloping and outside of the Geologic Study Area designation. The landslide risk potential is considered low to moderate. The liquefaction potential during a ground-shaking event is considered moderate to high. No active faulting is known to exist on the property. A capable fault line is located approximately seven miles east of project site, and a potentially capable fault is located approximately six miles to the southeast. The project site is not within a known area containing serpentine rock.

Drainage. McMillan Creek is located along the western edge of the property, immediately east of McMillan Canyon Road. The creek flows south into a culvert under Highway 46 and into the Estrella

River. There is an existing "Arizona", at-grade, unpaved access road that crosses the creek and connects with McMillan Canyon Road. There is a 100-year Flood Hazard designation associated with McMillan Creek. As described in the Natural Resource Conservation Service (NRCS) Soil Survey, the soils mapped for the project site are not well drained to very poorly drained.

Sedimentation and Erosion. The soil types mapped for the project site include: Nacimiento-Ayar Complex (9% - 50% slope), Balcom-Calleguas Complex (50% -75% slope), Nacimiento-Los Osos Complex (9% -30% slope), and Mocho Clay Loam (2% - 9% slope). The soil surface is considered to have moderate to high erodibility and has a moderate to high shrink-swell characteristic.

Impact.

Geology. Based on the geologic characteristics of the project site, no significant impacts would occur as a result of the proposed project. There is no evidence that measures above what will already be required by ordinance or code are necessary.

Drainage. The applicant proposes to utilize an existing unpaved agricultural road for secondary access. The existing at-grade crossing through McMillan Creek would need to be improved by installing a culvert or construction a bridge crossing over the creek. Construction of the road improvements would require submittal of a drainage plan for the review and approval of the County Public Works Department and County Building Department. The improvements would continue to allow storm water flow through the creek corridor and into the Estrella River. There is no evidence that measures above what will already be required by ordinance or code are necessary.

Sedimentation and Erosion. Erosion of graded areas and discharge of sediment into McMillan Creek and the Estrella River would likely result if adequate temporary and permanent measures are not taken before, during and after vegetation removal and grading during the construction phase of the project. If not properly mitigated, these impacts both on the project site and within surrounding areas may be significant.

Mitigation/Conclusion. To mitigate for impacts resulting from storm water drainage, erosion and down-gradient sedimentation, the applicant is required by Sections 22.52.080 and 22.52.090 of the County Land Use Ordinance to submit a drainage plan and erosion and sedimentation plan including measures to control drainage onsite and implementation of both temporary and permanent erosion control measures. Implementation of required standards and the County-approved drainage and erosion and sediment control plans would mitigate geology and soils impacts to a level of insignificance.

	7. HAZARDS & HAZARDOUS MATERIALS - ***Will the project:***	**Potentially Significant**	**Impact can & will be mitigated**	**Insignificant Impact**	**Not Applicable**
a)	***Result in a risk of explosion or release of hazardous substances (e.g. oil, pesticides, chemicals, radiation) or exposure of people to hazardous substances?***	❑	❑	■	❑
b)	***Interfere with an emergency response or evacuation plan?***	❑	❑	■	❑

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7. HAZARDS & HAZARDOUS MATERIALS - *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
c) *Expose people to safety risk associated with airport flight pattern?*	❑	❑	■	❑
d) *Increase fire hazard risk or expose people or structures to high fire hazard conditions?*	❑	■	❑	❑
e) *Create any other health hazard or potential hazard?*	❑	❑	■	❑
f) *Other* _____	❑	❑	❑	❑

Setting. The proposed project is located in an area of predominantly agricultural uses. There are no known hazardous waste sites or pipelines underlying or in the vicinity of the project area and the project does not propose the use of hazardous materials. The proposed project is located within an area of moderate fire hazard and is subject to regulations enforced by the California Department of Forestry/County Fire Department.

Impact. The proposed project was referred to the California Department of Forestry/County Fire (CDF) for review. CDF did not identify any significant fire safety hazards, and provided a list of fire safety measures. Measures include both primary and secondary access, use of fire resistant roof materials, flammable vegetation clearance, installation of an operational water supply system and access roads prior to construction, installation of fire protection systems and fire extinguishers, roof access, and CDF notification within 30 days of a special event (Robert Lewin; August 25, 2003). CDF would inspect all fire safety measures prior to construction and prior to operation, as applicable.

Mitigation/Conclusion. Based on implementation of these required fire safety measures, in addition to compliance with the California Fire Code, Building Code, and Public Resources Code, potential fire safety impacts would be less than significant and no additional mitigation measures are required.

8. NOISE - *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) *Expose people to noise levels which exceed the County Noise Element thresholds?*	❑	❑	■	❑
b) *Generate increases in the ambient noise levels for adjoining areas?*	❑	❑	■	❑
c) *Expose people to severe noise or vibration?*	❑	❑	■	❑
d) *Other* _____	❑	❑	❑	❑

Setting. The proposed project site is located 300 feet north of Highway 46, at an elevation approximately 20 to 50 feet above the highway. The topography between the highway and the site is gently sloping. The nearest noise sensitive land use is located approximately 4,000 feet from the proposed winery facility.

Impact. The applicant submitted a *Noise Measurement and Assessment* report (David Lord; November 5, 2003). The report included noise measurements taken on the project site, and an analysis of potential noise impacts. The report concluded that the overall average noise level at the proposed building site is 56 decibels (dBA), and future noise levels are expected to remain below 60 dBA. Based on the results of the report, transportation-related noise impacts would be less than significant.

The applicant is proposing to conduct 36 annual events consisting of the following: 1) 10 events with 75 people; 2) 22 events with 150 people, and; 3) four events with 300 people. The applicant is requesting the use of amplified music at these events during the proposed hours of operation (10:00 AM to 5:00 PM). Based on the distance of 4,000 between the proposed facility and noise sensitive land uses, noise generated by the special events would not exceed noise thresholds.

Mitigation/Conclusion. Based on the location of the project site, and results of the *Noise Measurement and Assessment* report, noise impacts would be less than significant.

	9. POPULATION/HOUSING - *Will the project:*	**Potentially Significant**	**Impact can & will be mitigated**	**Insignificant Impact**	**Not Applicable**
a)	***Induce substantial growth in an area either directly or indirectly (e.g., through projects in an undeveloped area or extension of major infrastructure)?***	❑	❑	■	❑
b)	***Displace existing housing or people, requiring construction of replacement housing elsewhere?***	❑	❑	■	❑
c)	***Create the need for substantial new housing in the area?***	❑	❑	■	❑
d)	***Use substantial amount of fuel or energy?***	❑	❑	■	❑
e)	***Other*** _____	❑	❑	❑	❑

Setting/Impact. The proposed project is not anticipated to induce growth or use a substantial amount of fuel or energy to construct and maintain. The proposed winery facility does not displace existing housing or people. In its efforts to provide for affordable housing, the county currently administers the Home Investment Partnerships (HOME) Program and the Community Development Block Grant (CDBG) program, which provides limited financing to projects relating to affordable housing throughout the county.

In addition, the County has recently adopted a revised Housing Element. One of the new Housing Element Programs (Program HE 1.9) indicates that the County will prepare an Inclusionary Housing Ordinance during 2005. Upon adoption of the ordinance, future commercial development may be required to pay a fee to support development of new affordable housing.

Mitigation/Conclusion. No significant population or housing impacts would occur as a result of the proposed project, and no mitigation measures are necessary.

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

Setting. The project site is served by the County Sheriffs Department, and California Department of Forestry/San Luis Obispo County Fire Department as the primary emergency responders. The nearest CDF County Fire station is located in Shandon, approximately 1.25 miles from the project site. The nearest Sheriff station is located in the community of Templeton, approximately 22 miles from the project site. The project site is located within and served by the Shandon Unified School District.

Impact. This project, along with numerous others in the area will have a cumulative effect on police and fire protection, and schools. Public facility (county) and school (State Government Code 65995 et sec) fee programs have been adopted to address this impact and will reduce the cumulative impact to a level of insignificance.

Mitigation/Conclusion. Based on implementation of required fee programs, no significant public services or utilities impacts would occur and no mitigation measures are necessary.

11.	**RECREATION** - ***Will the project:***	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a)	***Increase the use or demand for parks or other recreation opportunities?***	❑	❑	■	❑
b)	***Affect the access to trails, parks or other recreation opportunities?***	❑	❑	■	❑
c)	***Other*** _____	❑	❑	❑	❑

Setting/Impact. The County Trails Plan does not show a future trail being considered on the subject

property. No recreational resources are located in the vicinity of the proposed project, and the project would not have a significant impact on regional recreational resources.

Mitigation/Conclusion. No significant impacts were identified, and no mitigation measures are necessary.

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

Setting/Impact. The proposed winery and visitor's center would be accessed from an existing access road located off of Highway 46. There are no left turn lanes or right deceleration lanes for the existing access. The segment of highway adjacent to the project site has one westbound travel lane, one eastbound travel lane and one eastbound passing lane. The passing lane is approximately one mile long, roughly centered on the site access driveway. Based on information provided by the applicant, an average of four to six employees would be onsite during non-crush days, eight to twelve employees would be onsite during the peak crush season, and an additional two to twelve employees would be onsite during special events. The applicant is proposing up to 36 annual events including the following: ten events of up to 75 people; twenty-two events up to 150 people, and; four events of up to 300 people.

The proposed project was referred to the County Public Works Department and California Department of Transportation (Caltrans). The Department of Public Works requested a traffic study to determine impacts including safety hazards (Mike Goodwin; September 13, 2003). Caltrans responded with a

statement that "this segment of State Route 46 is a designated Safety Corridor, and as such, attention must be given to the effects that additional development-generated traffic will have on the operational safety of that facility" and requested a traffic study (James Kilmer; September 25, 2003). Caltrans is proposing improvements to the Highway 46 corridor, including widening the highway to four lanes, installation of a median, and construction of a left turn lane. The projected time frame for improvements is 2009 - 2012.

The applicant submitted a traffic study (Orosz Engineering Group, Inc.; April 29, 2004). Currently, the highway carries 11,700 vehicles daily in the vicinity of the project site. The number of trips increases to 18,400 vehicles per day during the peak months (September and October). The existing roadway level of service is LOS A (average), and during the peak-crush month, the LOS is B. Future traffic conditions were determined to increase to 14,300 vehicles per day on average, and 22,400 vehicles per day during the peak month. The cumulative future level of service was determined to be LOS B (average) and LOS B (during the peak crush month). The traffic study report states that the proposed project would generate 90 average daily trips on weekdays, and up to 440 average daily trips on weekends. Based on the results of the report, the additional traffic trips would not result in a significant reduction in level of service on Highway 46. Based on the results of the traffic report and Caltrans review of the report, improvements to Highway 46 are necessary to ensure safe turning movements at the proposed access intersection with the highway (James Kilmer; August 9, 2004).

Mitigation/Conclusion. To mitigate for unsafe turning movements at the proposed access road's intersection with Highway 46, the applicant has agreed to construct a left-turn channelization lane and right-turn deceleration lane for traffic turning into the project site from the highway, and a right-turn acceleration lane for traffic turning onto the highway. In addition, the applicant is required to offer 40-foot wide right-of-way to Caltrans for the future highway widening project, and apply for an encroachment permit to construct required improvements, **or** submit a pro rata share of fees to Caltrans to mitigate for cumulative impacts to the Highway 46 corridor. Based on implementation of these measures, and Caltrans review and approval of required improvements, transportation and circulation impacts would be insignificant.

13.	**WASTEWATER** - ***Will the project:***	**Potentially Significant**	**Impact can & will be mitigated**	**Insignificant Impact**	**Not Applicable**
a)	***Violate waste discharge requirements or Central Coast Basin Plan criteria for wastewater systems?***	❑	■	❑	❑
b)	***Change the quality of surface or ground water (e.g., nitrogen-loading, daylighting)?***	❑	■	❑	❑
c)	***Adversely affect community wastewater service provider?***	❑	❑	❑	■
d)	***Other*** _____	❑	❑	❑	❑

Setting. Based on the Natural Resource Conservation Service (NRCS) Soil Survey map, the soil types where the on-site wastewater system will be placed is Nacimiento-Ayar Complex (9% - 50% slope), Balcom-Calleguas Complex (50% -75% slope), Nacimiento-Los Osos Complex (9% -30% slope), and Mocho Clay Loam (2% - 9% slope). For on-site septic systems, there are several key factors to consider for a system to operate successfully, including the soil's ability to percolate or "filter" effluent, the soil's

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

Impact. Based on the NRCS Soil Survey, the main limitation(s) of this soil for wastewater effluent include are poor filtering characteristics, shallow depth to bedrock, steep slopes, slow percolation, and wetness or high groundwater.

Poor Filtering. This characteristic indicates that due to the very permeable soil larger separations between the leach lines and the groundwater basin, or an engineered system, would be required to provide adequate filtering of the effluent. To achieve compliance with the Central Coast Basin Plan, additional information will be needed prior to issuance of a building permit, such as soil borings at leach line locations, to show that there will be adequate separation.

Shallow Depth to Bedrock. This characteristic indicates that there may not be sufficient soil depth to provide adequate soil filtering of effluent before reaching bedrock. Once effluent reaches bedrock, the chances increase for the effluent to infiltrate cracks that could lead directly to groundwater source or surrounding wells without adequate filtering, or allow for daylighting of effluent where bedrock is exposed to the earth's surface. To achieve compliance with the Central Coast Basin Plan, additional information will be needed prior to issuance of a building permit, such as soil borings at leach line locations, to show that there will be adequate distance between leach line and bedrock.

Steep Slopes. This characteristic indicates that portions of the soil unit may contain slopes steep enough to result in potential daylighting of wastewater effuent. The applicant is not proposing to locate the leachfield on steep slopes, therefore this characteristic does not apply.

Slow Percolation. This characteristic indicates that fluids may percolate too slowly through the soil for the natural processes to effectively break down the effluent into harmless components. The Basin Plan identifies the percolation rate should be less than 120 minutes per inch. To achieve compliance with the Central Coast Basin Plan, additional information will be needed prior to issuance of a building permit, that shows the leach area can adequately percolate to achieve this threshold.

Wetness or High Groundwater. This characteristic indicates that the soil at this location tends to frequently be in a saturated condition due to several possible factors, such as high groundwater or it is in a low lying area that is being regularly fed by a water source. The on-site system needs at least five feet between the bottom of the leach line to the saturated soil (e.g. high groundwater) that contains soil that does not remain in a saturated condition for any length of time. Otherwise, special engineering will be required to provide this separation. Prior to building permit approval, it must be shown to the satisfaction of the county that future leach lines of a new septic system show that at least a 5' separation will exist between the bottom of the trench and the top of the high groundwater area.

The proposed project was referred to the San Luis Obispo County Department of Environmental Health. In addition to final approval of septic system leach field and wastewater pond design by the County Department of Environmental Health, the applicant is required to apply for the Regional Water Quality Control Board "Form 200" Application/Report of Waste Discharge General Information Form for NPDES Permits and Waste Discharge Requirements.

Mitigation/Conclusion. To mitigate for potential wastewater impacts resulting from adverse soil characteristics, the applicant has agreed to submit additional information including a slope analysis, percolation tests, and soil borings data verifying that a standard leach field would adequately serve the proposed project. If a standard system is not adequate, the applicant shall submit plans for an engineered system designed to mitigate for the soil limitations and conform with the Basin Plan requirements. Prior to construction of the wastewater pond, the applicant shall be required to submit plans for the review and approval of the County Department of Public Works and Regional Water Quality Control Board (RWQCB) and obtain a wastewater discharge permit from the RWQCB. Implementation of these measures and permit conditions would reduce wastewater impacts to a level of insignificance.

14. WATER - ***Will the project:***	**Potentially Significant**	**Impact can & will be mitigated**	**Insignificant Impact**	**Not Applicable**
a) Violate any water quality standards?	❑	■	❑	❑
b) Discharge into surface waters or otherwise alter surface water quality (e.g., turbidity, temperature, dissolved oxygen, etc.)?	❑	■	❑	❑
c) Change the quality of groundwater (e.g., saltwater intrusion, nitrogen-loading, etc.)?	❑	❑	■	❑
d) Change the quantity or movement of available surface or ground water?	❑	■	❑	❑
e) Adversely affect community water service provider?	❑	❑	❑	■
f) Other _____	❑	❑	❑	❑

Setting/Impact.

Water Usage. Water would be provided for by an on-site well for the proposed project. The water source is the Paso Robles groundwater basin. The *Annual Resource Summary Report* (2003) states that there is no recommended level of severity for this basin; therefore projected water demand would not exceed water supply. The applicant estimates that the maximum water supply demand during peak flow would be approximately 1,200 gallons per day. Based on the existing available water source and number of tributaries and creeks in the vicinity of the proposed project, no impacts to water supply are anticipated.

Surface Water. Estrella Creek is located on the opposite side of the highway, approximately 400 feet south of the proposed project site. McMillan Creek is located approximately 4,000 feet west of the project site, and drains into Estrella Creek after crossing under the highway. The applicant's proposed secondary access road currently crosses McMillan Creek via an "Arizona", at-grade, concrete crossing. The applicant would be required to improve this crossing by installing a culvert or a bridge). Drainage, erosion, sedimentation, and pollution discharge control measures are required for the proposed project and will provide sufficient measures to adequately protect surface water quality (refer to Sections 4 and 6 of this document). In addition, the applicant would disturb over one acre, therefore a Storm Water Pollution Prevention Plan (SWPPP) is required for submittal to the State Water Resources Control Board. All approved plans would be implemented prior to and during proposed grading and construction activities.

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Mitigation/Conclusion.

Water Usage. To assure that adequate water will be available for the proposed development, the project will be subject to County's Title 19 (Building and Construction Ordinance, Sec. 19.20.238), which states that no grading or building permit shall be issued until either the water purveyor provides a written statement that potable water service will be provided (community systems), or an on-site well is installed, tested and certified to meet minimum capacity requirements and Health Department approval.

Surface Water. Implementation of the required SWPPP, along with the previously discussed sedimentation and erosion control measures and best management practices (BMPs) (refer to Sections 4 and 6) would adequately mitigate impacts to water quality to a level of insignificance.

15. LAND USE - *Will the project:*	Inconsistent	Potentially Inconsistent	Consistent	Not Applicable
a) Be potentially inconsistent with land use, policy/regulation (e.g., general plan [county land use element and ordinance], local coastal plan, specific plan, Clean Air Plan, etc.) adopted to avoid or mitigate for environmental effects?	☐	■	☐	☐
b) Be potentially inconsistent with any habitat or community conservation plan?	☐	☐	■	☐
c) Be potentially inconsistent with adopted agency environmental plans or policies with jurisdiction over the project?	☐	☐	■	☐
d) Be potentially incompatible with surrounding land uses?	☐	☐	■	☐
e) Other _____	☐	☐	☐	☐

Setting/Impact. The proposed project was reviewed for consistency with policy and/or regulatory documents relating to the environment and appropriate land use (e.g., County Land Use Ordinance, Shandon-Carizo Area Plan). The winery and tasting room components of the project were found to be consistent with these documents. The surrounding land uses consist of vacant land, scattered single family residences, vineyards, dry farm crops, and livestock grazing. These proposed project components are compatible with these surrounding uses because the applicant is proposing a winery and associated facilities.

Referrals were sent to several agencies to review for various policy consistencies including the County of San Luis Obispo Departments of Environmental Health, Public Works, Agricultural Commissioner, and Fire Department/California Department of Forestry, Regional Water Quality Control Board, California Department of Fish and Game, and the California Department of Transportation.

The applicant will obtain all required permits and approvals from CDF, Environmental Health, Caltrans, and the Regional Water Quality Control Board prior to construction or operation.

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The County Department of Agriculture identified a land use inconsistency because the proposed banquet pavilion and administration pavilion do not appear to be consistent with the Agriculture and Open Space Element Policy AGP6 and the AB1492. (refer to Section 2 for discussion).

Mitigation/Conclusion. In response to the Planning Department's concerns and the County Agriculture Department's concerns the applicant has revised the project to limit the use of the banquet room to special events only, replace the originally proposed conference room with an olive oil production facility, attach the administration building to the winery building and compact the entire pavilion area in to a smaller space to reduce the size of the outdoor Visitor Serving component. Implementation of these revisions and permit conditions would reduce impacts to a level of insignificance.

16. MANDATORY FINDINGS OF SIGNIFICANCE - *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) *Have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?*	☐	■	☐	☐
b) *Have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current project's, and the effects of probable future projects)*	☐	■	☐	☐
c) *Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?*	☐	☐	■	☐

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

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Exhibit A - Initial Study References and Agency Contacts

The County Planning or Environmental Division have contacted various agencies for their comments on the proposed project. With respect to the subject application, the following have been contacted (marked with an "**X**") and when a response was made, it is either attached or in the application file:

Contacted	Agency	Response
X	County Public Works Department	**Attached**
X	County Environmental Health Division	**Attached**
X	County Agricultural Commissioner's Office	**Attached**
___	County Airport Manager	**Not Applicable**
___	Airport Land Use Commission	**Not Applicable**
___	Air Pollution Control District	**Not Applicable**
___	County Sheriff's Department	**Not Applicable**
___	Regional Water Quality Control Board	**Not Applicable**
___	CA Coastal Commission	**Not Applicable**
X	CA Department of Fish and Game	**Attached**
X	CA Department of Forestry	**Attached**
X	CA Department of Transportation	**Attached**
X	Shandon Advisory Group	**Attached**
___	Other_____	

* *"No comment" or "No concerns"-type responses are usually not attached*

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

✔ Project File for the Subject Application

County documents

___ Airport Land Use Plans

✔ Annual Resource Summary Report

___ Building and Construction Ordinance

___ Coastal Policies

✔ Framework for Planning (Coastal & Inland)

✔ General Plan (Inland & Coastal), including all maps & elements; more pertinent elements considered include:

- ✔ Agriculture & Open Space Element
- ✔ Energy Element
- ✔ Environment Plan (Conservation, Historic and Esthetic Elements)
- ✔ Housing Element
- ✔ Noise Element
- ___ Parks & Recreation Element
- ✔ Safety Element

✔ Land Use Ordinance

___ Real Property Division Ordinance

✔ Trails Plan

___ Solid Waste Management Plan

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✔ Shandon-Carrizo Area Plan

___ _____ Circulation Study

Other documents

✔ Archaeological Resources Map

✔ Area of Critical Concerns Map

✔ Areas of Special Biological Importance Map

✔ California Natural Species Diversity Database

✔ Clean Air Plan

✔ Fire Hazard Severity Map

✔ Flood Hazard Maps

✔ Natural Resources Conservation Service Soil Survey for San Luis Obispo County

✔ Regional Transportation Plan

✔ Uniform Fire Code

✔ Water Quality Control Plan (Central Coast Basin - Region 3)

___ Other _____

___ Other _____

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

Conway, Thor. December 5, 2003. *An Archaeological Surface Survey at the Arciero Shandon Winery.*

Lord PH.D., David. November 5, 2003. *Noise Measurement and Assessment.*

Oberhoff, Dwayne, Morro Group, Inc. October 15, 2003. *San Joaquin Kit Fox Habitat Evaluation Form.*

Orosz Engineering Group, Inc. April 29, 2004. *Traffic Analysis for Proposed Tasting Room Arciero Winery.*

Exhibit B - Mitigation Summary Table

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Aesthetics

V-1 Prior to issuance of construction permits, the applicant shall submit revised architectural elevations to the Department of Planning and Building for review and approval. The elevations shall show revised exterior finish materials and colors, as follows:

a) Exterior wall and trim colors of structures shall be limited to dark muted earth-tones.

b) Exterior colors, specifically the bright yellow siding on the winery, shall be toned down to a color no brighter than 6 in chroma and value on the Munsell Color Scale on file in the County Department of Planning and Building.

c) Roof colors of structures shall be limited to deep earth tones, deep muted greens, browns and grays and no brighter than 6 in chroma and value on the Munsell Color Scale on file in the County Department of Planning and Building.

d) No reflective coatings shall be used on widows facing Highway 46.

V-2 Prior to issuance of construction permits, the applicant shall submit landscape plans to the Department of Planning and Building for review and approval.The landscape plans shall be consistent with the conceptual landscaping plan and visual study. Landscape trees and shrubs shall be maintained until fully established. Trees and shrubs that die shall be replaced.

V-3 Prior to issuance of construction permits, the applicant shall submit a bond to the County of San Luis Obispo for an amount determined by the County to be sufficient to cover the estimated cost of planting and establishing the equivalent of the total number of trees and shrubs included in the Mitigation Concept Plan, as shown on the Landscape Plan. The bond shall be held for a minimum of three years to ensure the successful establishment and maintenance of the mitigation planting.

V-4 Prior to final inspection, the Landscape Plan shall be implemented, and the applicant shall provide a letter or other sufficient evidence to the County of San Luis Obispo Department of Planning and Building for approval demonstrating that the applicant has entered into a contract with a qualified professional for the purpose of monitoring the success of the mitigation planting area. The monitoring contract shall include a requirement that the monitor conduct at a minimum an annual site visit and assessment of the planting success for three years. At the end of the three-year monitoring period, the monitoring report shall be submitted to the County Department of Planning and Building for approval and shall be used as a determining factor in assessing the successful establishment of the planting as it relates to the bond posted by the applicant.

V-5 Prior to issuance of construction permits, the applicant shall submit an exterior lighting plan for review and approval by the Department of Planning and Building which includes the following:

a) Direct views of all exterior lighting sources shall be shielded from view from Highway 46.

b) Exterior lighting shall be designed to not focus illumination onto exterior walls.

c) Any security lighting installed on the property shall be equipped with motion detectors to prevent the illumination from remaining on.

d) "White" colored light shall not be used for exterior lighting.

e) If access road lighting is proposed, the luminaires shall be a shielded "bollard-type" and shall be a maximum of 3 feet above the ground.

V-6 Winery related materials stored out of doors shall be screened by solid fencing unless the storage area is not visible from Highway 46.

Air Quality

AQ-1 During construction/ground disturbing activities, the applicant shall implement the following particulate (dust) control measures. These measures shall be shown on the grading and building plans. In addition, the contractor or builder shall designate a person or persons to monitor the dust control program and to order increased watering, as necessary, to prevent transport of dust off site. Their duties shall include holiday and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the APCD prior to commencement of construction.

a) Reduce the amount of disturbed area where possible;

b) Use of water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (nonpotable) water should be used whenever possible;

c) All dirt stock-pile areas should be sprayed daily as needed;

d) All roadways, driveways, sidewalks, etc. to be paved shall be completed as soon as possible; and,

e) Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.

AQ-2 Prior to issuance of building permits, the applicant shall demonstrate that the building energy efficiency rating would be increased by 10% above what is required by Title 24 requirements. This can be accomplished in a number of ways including, but not limited to, the following measures:

a) Roof material with a solar reflectance to reduce summer cooling needs;

b) High efficiency, gas or solar water heaters;

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c) Double-paned windows;

d) Energy efficient interior lighting;

e) Installation of door sweeps and weather stripping if more efficient doors and windows are not available; and,

f) High efficiency or gas space heating.

AQ-3 Prior to issuance of construction permits, the following notes shall be shown on construction plans, and shall be implemented during construction:

a) Maintain all construction equipment in proper tune according to manufacturer's specifications;

b) Fuel all off-road and portable diesel powered equipment, including but not limited to bulldozers, graders, cranes, loaders, scrapers, backhoes, generator sets, compressors, auxiliary power units, with ARB certified motor vehicle diesel fuel (non-taxed version suitable for use off-road);

c) Maximize to the extent feasible, the use of diesel construction equipment meeting the ARB's 1996 or newer certification standard for off-road heavy-duty diesel engines; and,

d) Install District approved emission reduction retrofit devices.

Biological Resources

The Kit Fox Evaluation, which was completed for the Arciero Winery Conditional Use Permit (D0300030D) on October 15, 2003 by Dwayne Oberhoff, Morro Group, Inc., and revised by Mr. Bob Stafford of the California Department of Fish and Game on February 17, 2004, indicates the project will impact 10.5 acres of San Joaquin kit fox habitat. The project earned a score of 63 on the evaluation, which requires that all impacts be mitigated at a ratio of two acres conserved for each acre impacted (2:1). Total compensatory mitigation required for the project is 21 acres, based on 2 times 10.5 acres impacted. The mitigation options identified in BR-1 through BR-11 apply to the proposed project only; should the project change, the mitigation obligation may also change, and a reevaluation of the mitigation measures would be required.

BR-1 Prior to issuance of a grading permit, the applicant shall submit evidence to the County of San Luis Obispo, Department of Planning and Building, Environmental and Resource Management Division (County) (see contact information below) that states that one or a combination of the following four San Joaquin kit fox mitigation measures has been implemented: **Note: If the applicant can provide evidence to the satisfaction of the Department of Fish and Game that structures on the winery site were recently removed a lesser mitigation requirement may be allowed.**

a) Provide for the protection in perpetuity, through acquisition of fee or a conservation easement of 21 acres of suitable habitat in the kit fox corridor area (e.g. within the San Luis Obispo County kit fox habitat area, northwest of Highway 58), either on-site or off-site, and provide for a non-wasting

endowment to provide for management and monitoring of the property in perpetuity. Lands conserved shall be subject to the review and approval of the California Department of Fish and Game (Department) and the County.

This mitigation alternative (a.) requires that all aspects of this program must be in place before County permit issuance or initiation of any ground disturbing activities.

b) Deposit funds into an approved in-lieu fee program, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area within San Luis Obispo County, and provide for a non-wasting endowment for management and monitoring of the property in perpetuity.

Mitigation alternative (b) above, can be completed by providing funds to The Nature Conservancy (TNC) or other Department-approved organization pursuant to the Voluntary Fee-Based Compensatory Mitigation Program (Program). The Program was established in agreement between the Department and TNC to preserve San Joaquin kit fox habitat, and to provide a voluntary mitigation alternative to project proponents who must mitigate the impacts of projects in accordance with the California Environmental Quality Act (CEQA). The fee, payable to "The Nature Conservancy", totals $52,500. This fee must be paid after the Department provides written notification about the approved mitigation options, and prior to County permit issuance and initiation of any ground disturbing activities.

c) Purchase 21 credits in an approved conservation bank, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area and provide for a non-wasting endowment for management and monitoring of the property in perpetuity.

At this time, there is no approved conservation bank that is operational in San Luis Obispo County. A conservation bank is expected to be operational in the near future. Purchase of credits must be completed prior to County permit issuance and initiation of any ground disturbing activities.

d) If none of the above measures (a, b, or c) are available, the applicant may enter into a Mitigation Agreement with the Department, including depositing of funds into an escrow account (or other means of securing funds acceptable to the Department) which would ensure the protection in perpetuity of 21 acres of suitable habitat in the kit fox corridor area and provide for a non-wasting endowment for management and monitoring in perpetuity. The Department can provide a draft agreement to review; a Mitigation Agreement would need to be in place prior to County permit issuance and initiation of any ground disturbing activities.

The purpose of the easement is to retain the existing wildlife movement corridor located on the project site and to set aside an un-fragmented section of land that will benefit the San Joaquin kit fox along with other associated plant and animal species. The easement shall:

1) Provide a complete corridor through the subject property;

2) Prohibit development of the area, including agricultural development;

3) Prohibit removal or alteration of native plants and animals;

4) Prohibit use of the area for agricultural staging activities or storage of any kind;

5) Allow for scientific investigation conducted as part of a project of plan instigated by the land owner, or otherwise approved by the land owner and the United States Fish and Wildlife Service and/or California Department of Fish and Game; and

6) Allow for flood control and stream bank stabilization activities conducted with approved state, federal, and local permits.

The easement shall not:

7) Allow for or imply public access.

BR-2 Prior to issuance of construction permit, the applicant shall retain a qualified biologist acceptable to the U.S. Fish and Wildlife Service, California Department of Fish and Game and the San Luis Obispo County Department of Planning and Building/Division of Environmental and Resource Management. The retained biologist shall perform the following monitoring activities:

a) Prior to issuance of construction permit and within 30 days prior to initiation of construction, conduct a pre-construction survey for active kit fox dens and submit a letter to the Department of Planning and Building confirming the completion and results of pre-construction survey.

b) Conduct weekly site visits during construction activities and submit weekly reports to the County Planning and Building Department to ensure compliance with mitigation measures.

BR-3 Prior to initiation of grading and construction activities, the retained biologist shall perform the following monitoring activities:

a) Conduct a pre-construction survey for San Joaquin pocket mouse, San Joaquin whipsnake, and prairie falcon and submit a letter to the Department of Planning and Building confirming the completion and results of pre-construction survey.

b) Conduct weekly site visits during construction activities in conjunction with San Joaquin kit fox monitoring and submit weekly reports to the County Planning and Building Department to ensure compliance with mitigation measures.

BR-4 Prior to issuance of construction permit, roads on the subject property shall be posted with a 25-mile per hour (mph) speed limit or lower to reduce the likelihood of road mortality of the San Joaquin kit fox and special status species. The retained biologist shall discuss compliance in the initial pre-construction survey letter.

BR-5 Prior to construction, all personnel associated with the project shall attend a worker education program conducted by the retained biologist regarding the San Joaquin kit fox, San Joaquin pocket mouse, San Joaquin whipsnake, and prairie falcon . Specifics of this program should include species histories and careful review of the mitigation measures implemented to reduce impacts. A fact sheet conveying this information shall also be prepared for distribution to all contractors, their employers, and other personnel involved with construction of the project. The Department of Planning and Building shall be notified of the time that the applicant intends to hold this meeting.

BR-6 To prevent entrapment of the San Joaquin kit fox and other special status species during the construction phase of the project, all excavation, steep-walled holes or trenches in excess of two feet in depth shall be covered at the close of each working day by plywood or similar materials, or provided with one or more escape ramps constructed of earth fill or wooden planks. Trenches shall also be inspected for entrapped species each morning prior to onset of field activities and immediately prior to covering with plywood at the end of each working day. Before such holes or trenches are filled, they shall be thoroughly inspected for entrapped species. Any San Joaquin kit fox or other special status species so discovered shall be allowed to escape before field activities resume, or removed from the trench or hole by a qualified biologist and allowed to escape unimpeded.

BR-7 During the construction, any pipes, culverts, or similar structures with a diameter of four inches or greater that are stored at the project site for one or more overnight periods shall be thoroughly inspected for trapped San Joaquin kit foxes before the subject pipe is subsequently buried, capped, or otherwise used or moved in any way. If during the construction phase a San Joaquin kit fox or other special status species is discovered inside a pipe, that section of pipe will not be moved, or if necessary will be moved only once to remove it from the path of activity, until the species has escaped.

BR-8 All food-related trash items such as wrappers, cans, bottles, and food scraps generated during the construction phase shall be disposed of in closed containers only and regularly removed from the site. Food items may attract San Joaquin kit foxes onto the project site, consequently exposing such animals to increased risk of injury or mortality. No deliberate feeding of wildlife shall be allowed. All waste

products shall be disposed of in a manner that would not attract red fox, coyotes, or domestic dogs to the area.

BR-9 Use of pesticides shall be in compliance with all local, state and federal regulations. This is necessary to prevent primary or secondary poisoning of endangered species utilizing adjacent habitats, and the depletion of prey upon which San Joaquin kit foxes depend.

BR-10 All workers and associated personnel shall obey the posted 25-mph speed limit. Additionally, vehicular activity between dusk and dawn shall be kept to a minimum.

BR-11 No San Joaquin kit fox dens were observed during the field surveys. However, if any potential or known San Joaquin kit fox dens are subsequently observed during the required pre-activity survey, the following mitigation measures shall apply:

a) Fenced exclusion zones shall be established around all San Joaquin kit fox dens that can be avoided but may be inadvertently impacted by project activities. Exclusion zone fencing shall consist of either large flagged stakes connected by rope or cord, or survey laths or wooden stakes prominently flagged with survey ribbon. Each exclusion zone shall be roughly circular in configuration with a radius of the following distance measured outward from the den or burrow entrances:

1) Potential San Joaquin kit fox den: 50 feet

2) Known San Joaquin kit fox den: 100 feet

3) San Joaquin kit fox pupping den: 150 feet

b) Only essential vehicle operation on existing roads (if the exclusion zone intersects a road) and simple foot traffic shall be permitted within these exclusion zones. Otherwise, all project activities such as vehicle operation, materials storage, etc., shall be prohibited. Exclusion zones shall be maintained until all project-related disturbances have been terminated, and then shall be removed. If specified exclusion zones cannot be observed for any reason, the U.S. Fish and Wildlife Service and California Department of Fish and Game shall be contacted for guidance prior to ground disturbing activities on or near the subject den or burrow.

c) If any known or potential San Joaquin kit fox dens are discovered within the building envelope that shall be unavoidably destroyed by the proposed project, excavation of San Joaquin kit fox dens shall not proceed without authorization from the U.S. Fish and Wildlife Service and California Department of Fish and Game.

BR-12 Any project contractor or employee that inadvertently kills or injures a San Joaquin kit fox or who finds any such animal either dead, injured, or entrapped shall be required to report the incident immediately to a supervisor overseeing the project or operation. In the event that such observations are made of injured or dead San Joaquin kit fox, the applicant shall immediately notify the US Fish and Wildlife Service and the California Department of Fish and Game by telephone. In addition, formal notification shall be provided in writing within three working days of the finding of any such animal(s). Notification shall include the date, time, location and circumstances of the incident. Any threatened or endangered species found dead or injured shall be turned over immediately to the California Department of Fish and Game for care, analysis, or disposition.

BR-13 Prior to final inspection, should any long internal or perimeter fencing be installed, the applicant shall do the following to provide for kit fox passage:

a) If a wire stand/pole is uses, the lowest strand shall be no closer to the ground than twelve inches;

b) If a solid wire mesh fence is used, eight-inch by twelve-inch openings near the ground shall be provided at least every 300 feet.

Contact Information

California Department of Fish and Game
Central Coast Region
P.O. Box 47
Yountville, CA 94559
(805) 528-8670
(805) 772-4318

U.S. Fish and Wildlife Service
Ventura Field Office
2493 Portola Road, Suite B
Ventura, CA 93003
(805) 644-1766

County of San Luis Obispo
Department of Planning and Building
Division of Environmental and Resource Management
County Government Center, Room 310
San Luis Obispo, CA 93408
ATTN: Ms. Julie Eliason
(805) 781-5029

BR-14 Prior to issuance of permits to construct improvements to the secondary access road across McMillan Creek, the applicant shall submit copies of permits and authorizations from the California Department of Fish and Game, Regional

Water Quality Control Board, and United States Army Corps of Engineers or documentation that these permits and/or authorizations are not necessary.

BR-15 Prior to issuance of permits to construct improvements to the secondary access road across McMillan Creek, the applicant shall submit a creek protection and restoration plan. Creek restoration areas shall be located on the project parcel and shall equate or exceed the area impacted by the proposed improvements. A compatible native seed mix and cuttings of "in-kind" species shall be used to revegetate the disturbed areas. The plan shall incorporate, but not be limited to, the following:

a) Prior to issuance of grading permit, the "project limits" shall be clearly delineated on all construction plans. In addition, sturdy, high-visibility fencing shall be installed in the field showing the "project limits" protecting creek habitat not to be disturbed. No construction (including storage of materials) shall occur outside of the "project limits". This fencing shall remain in place during the entire construction period.

b) The proposed erosion and sedimentation control plan shall include both temporary and permanent measures to minimize discharge of sediment into the creek channel.

c) The proposed spill and clean-up plan shall include Best Management Practices (BMPs) designed to minimize the potential for a mechanical leak or spill, a list of emergency clean-up materials to be stored onsite, designation of staging areas outside of areas that could result in pollutant discharge into the creek corridor, and a contingency plan in the event of a leak or spill.

BR-16 Prior to final inspection and when all restoration work has been completed, the applicant shall notify the County Planning and Building Department for a verification inspection.

BR-17 Prior to issuance of grading and/or construction permits, the applicant shall install bright construction protection fencing around the oak tree onsite. The fencing shall be installed at a distance from the trunk 1.5 times the dripline of the canopy. No activities, including use and storage of equipment and storage of materials and fill shall be allowed within the protection fencing.

Geology and Soils

GS-1 Prior to issuance of a grading permit, the applicant shall submit an erosion and sedimentation control plan and drainage plan pursuant to Sections 22.52.080 and 22.52.090 of the Land Use Ordinance.

Transportation and Circulation

TR-1 Prior to issuance of grading and construction permits, the applicant shall submit highway improvement plans to the County Department of Planning and Building, County Department of Public Works, and California Department of Transportation (Caltrans) for review and approval. Proposed improvements shall be constructed based on Caltrans standards. Prior to final inspection and operation of the proposed winery facility, the applicant shall submit verification that the improvements were inspected and approved by Caltrans. The plans shall show the following:

a) Left-turn channelization for traffic turning left on the eastbound Highway 46 travel lanes;

b) Right-turn acceleration and deceleration lanes, and;

c) Westbound through and right-turn movements at the ingress/egress at the project entrance and Highway 46.

TR-2 Prior to issuance of grading and construction permits, the applicant shall submit documentation of right-of-way dedication to Caltrans to accommodate the future Highway 46 widening project. The right-of-way dedication shall include a portion of APN 017-163-002, and shall extend approximately 40 feet in width from approximately 400 meters to the east of the proposed access drive and continuing to the east property line, or the applicant shall contribute a pro rata share contribution for Highway 46 cumulative impacts to be banked within an internal Caltrans account assigned to the Expense Authorization for the Highway 46 widening project.

TR-3 Prior to issuance of grading and construction permits, the applicant shall obtain an Encroachment Permit from Caltrans to construct required improvements and submit a copy of the permit to the County Department of Planning and Building.

Wastewater

WW-1 Prior to building permit approval, it must be shown to the satisfaction of the county that future leach lines of a new septic system show that at least a 5' separation will exist between the bottom of the trench and the top of the high groundwater area. An engineered system may be required to achieve Basin Plan requirements.

WW-2 All wash water shall be controlled such that it cannot enter any stream or other surface water body. Winery process liquid waste generated by future winery operations must be discharged to an approved septic system or other wastewater system approved by the Regional Water Quality Control Board, with no such waste material discharged to the ground surface or otherwise allowed to any stream or other surface water body.

WW-3 Solid winery waste (pomace), if any, generated by the winery operation shall be composted on-site and disced into the vineyard, or transported off-site and disposed of in a manner that will not result in the degradation of surface or groundwater.

WW-4 Liquid waste generated by the winery operations must be discharged to a separate wastewater system designed by a civil engineer with expertise in the design of winery wastewater systems and approved by the County Building Official or Regional Water Quality Control Board. Such system shall not create offensive odors or materially impair the quality of groundwater for domestic or agricultural use.

a) Prior to discharge of winery wastewater in excess of 2,500 gallons per day, the applicant shall obtain approval and/or permits from the Regional Water Quality Control Board. In no case shall winery wastewater be discharged into a stream or other surface water.

WW-5 Prior to operation of the winery and the tasting room, the applicant shall obtain the appropriate Health Department permits. The Health Department will require the following information:

a) Anticipated amount of wastewater discharge from production and domestic waste;

b) The location of water well(s) in relation to wastewater discharge area(s);

c) Operational plans for pomace and solid waste disposal; and

d) A vector control plan addressing insect and rodent control.

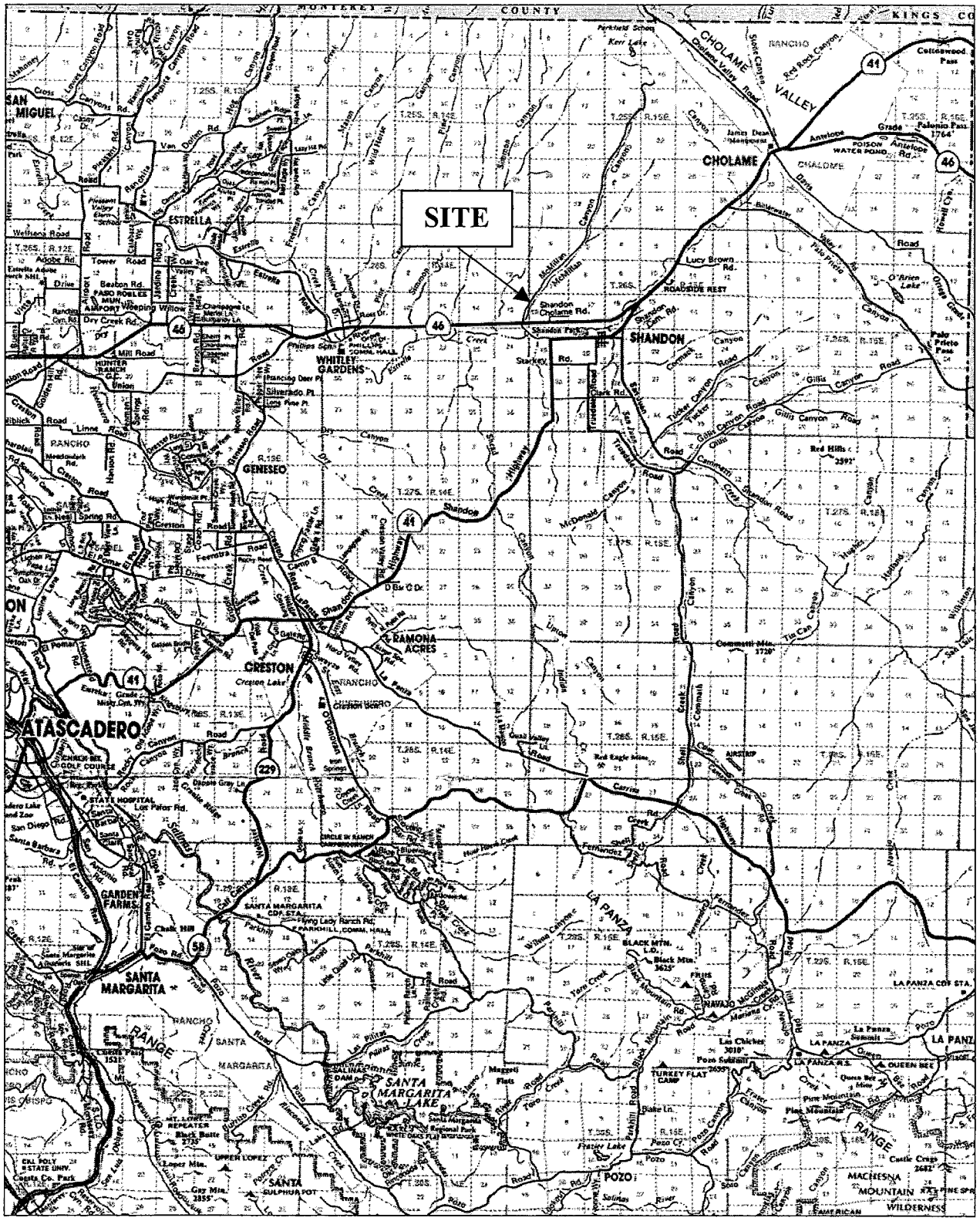
WW-6 Solid waste by the winery shall be transported off-site for disposal in a manner that will not result in the degradation of any surface or groundwater.

WW-7 Prior to issuance of building permits, the applicant shall submit copies of wastewater discharge permits or approvals from the Regional Water Quality Control Board.

Water

W-1 Prior to issuance of a grading permit, the applicant shall submit a Stormwater Pollution Prevention Plan (SWPPP) that has been approved by the State Water Resources Control Board (SWRCB).

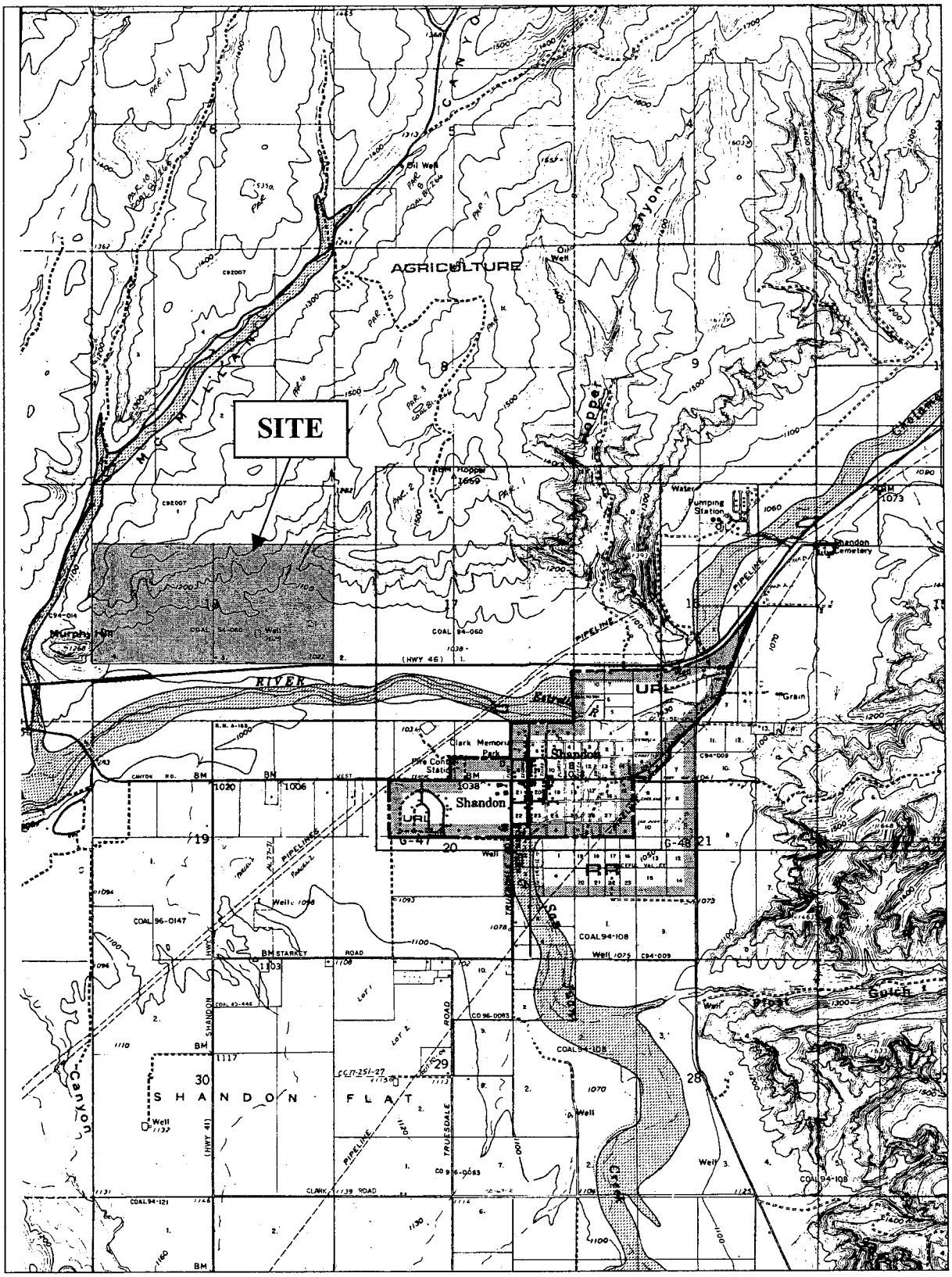
5-71



Source: Compass Maps

NORTH
Not to Scale

VICINITY MAP
FIGURE 1



Source: County of San Luis Obispo

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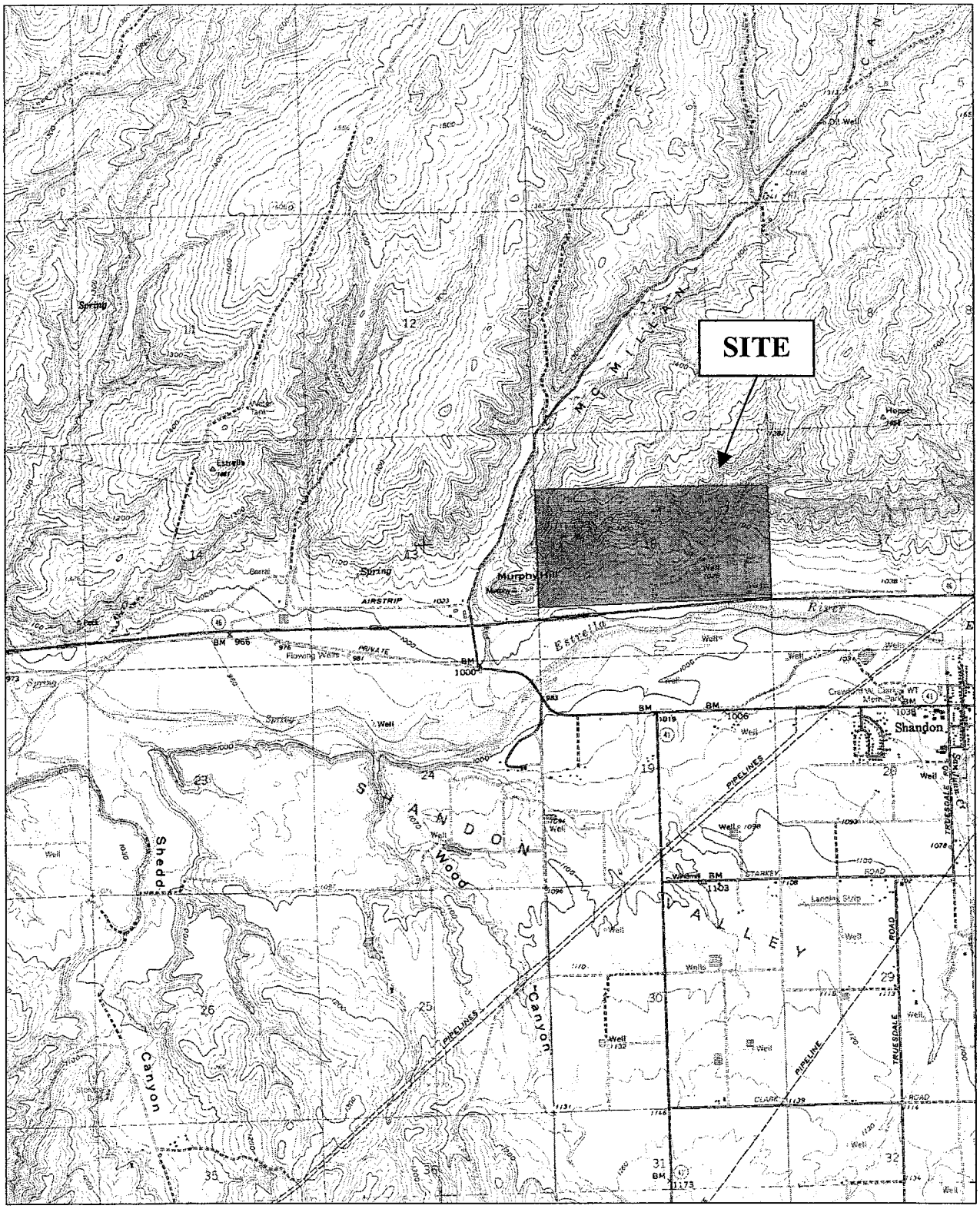
LAND USE CATEGORY
FIGURE 3



Source: USGS Quadrangle

NORTH
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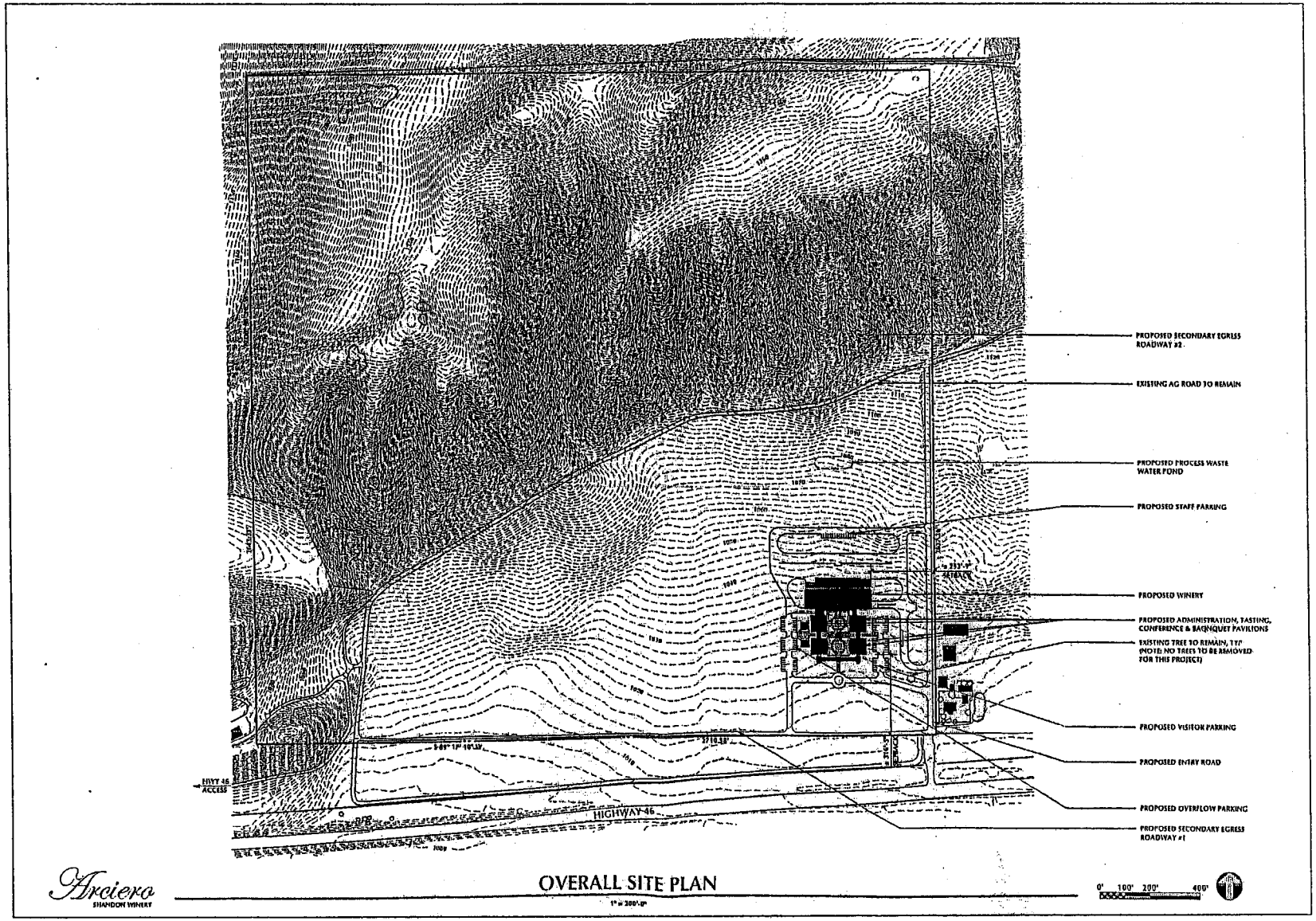
LOCATION MAP
FIGURE 2



Source: *County of San Luis Obispo*

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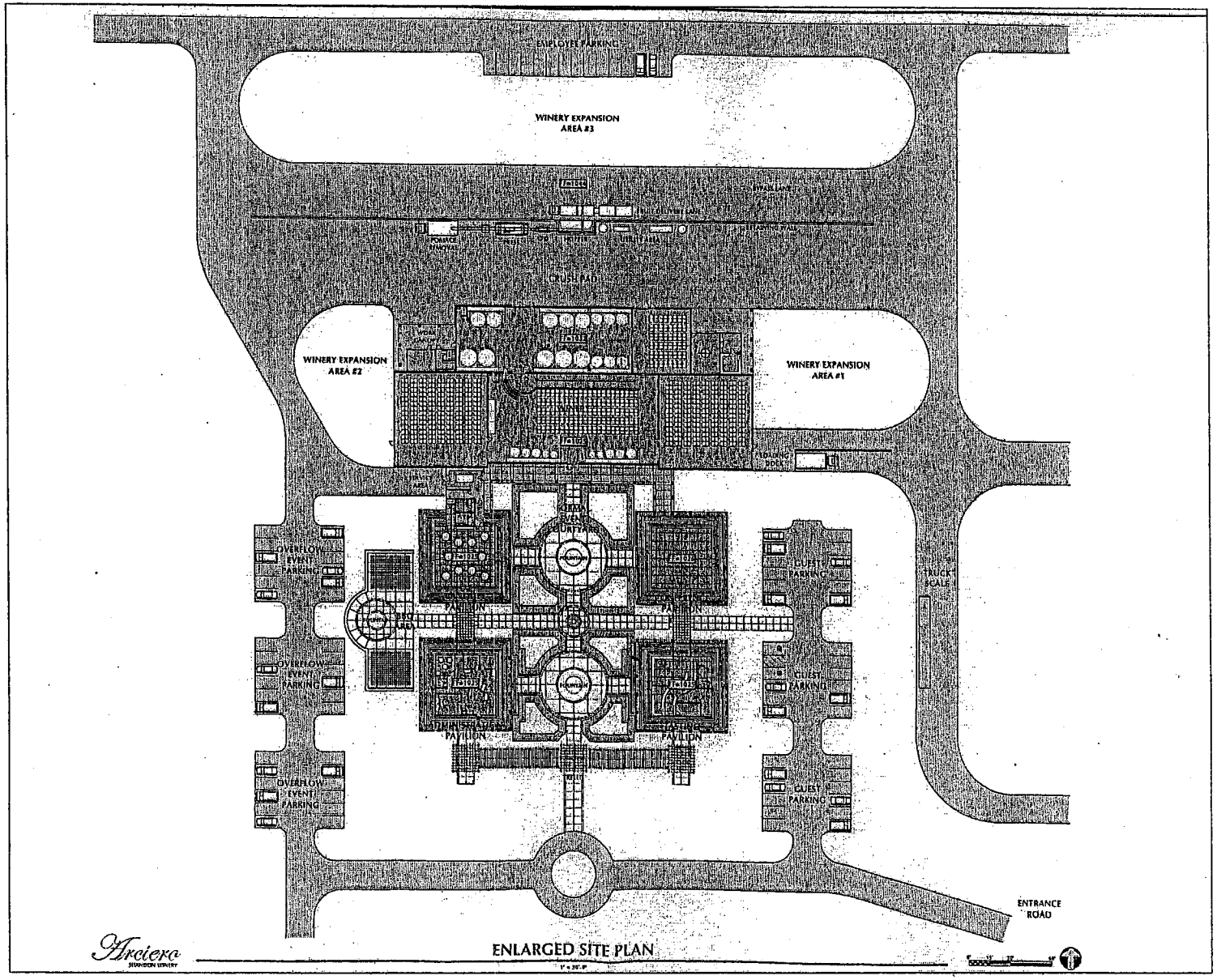
SITE PLAN
FIGURE 4

5-74



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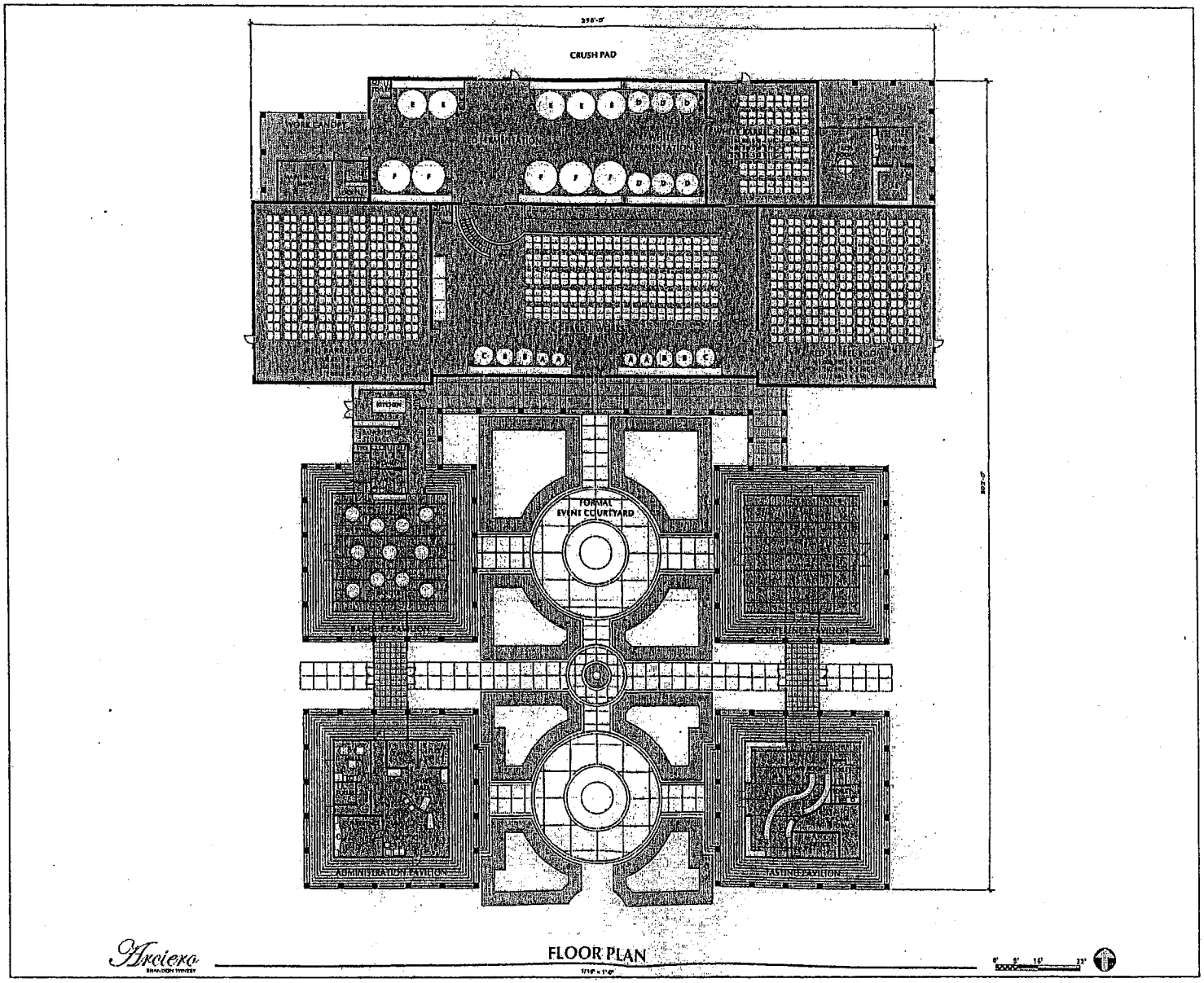
ENLARGED SITE PLAN
FIGURE 5

5-75



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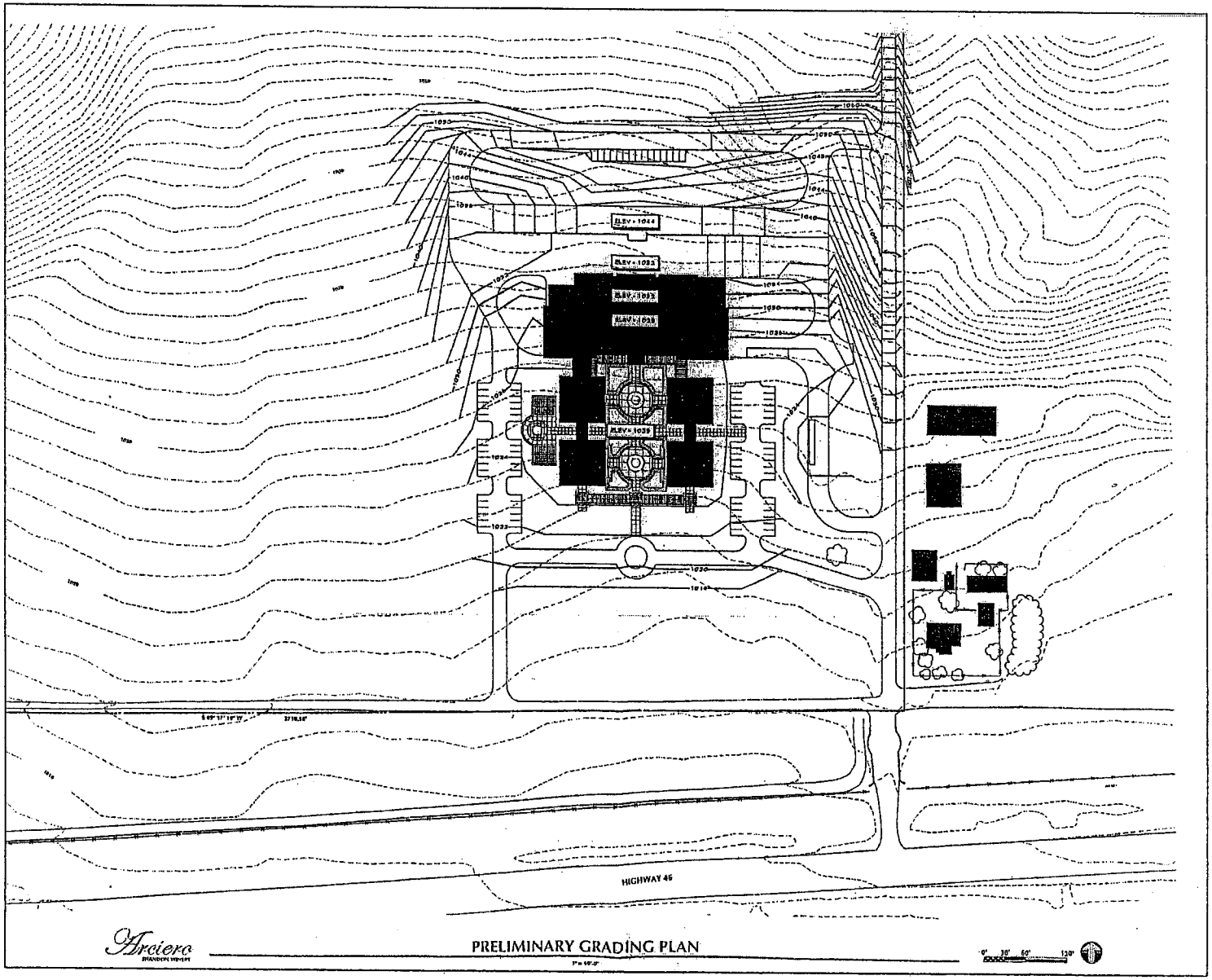
FLOOR PLAN
FIGURE 6

5.70



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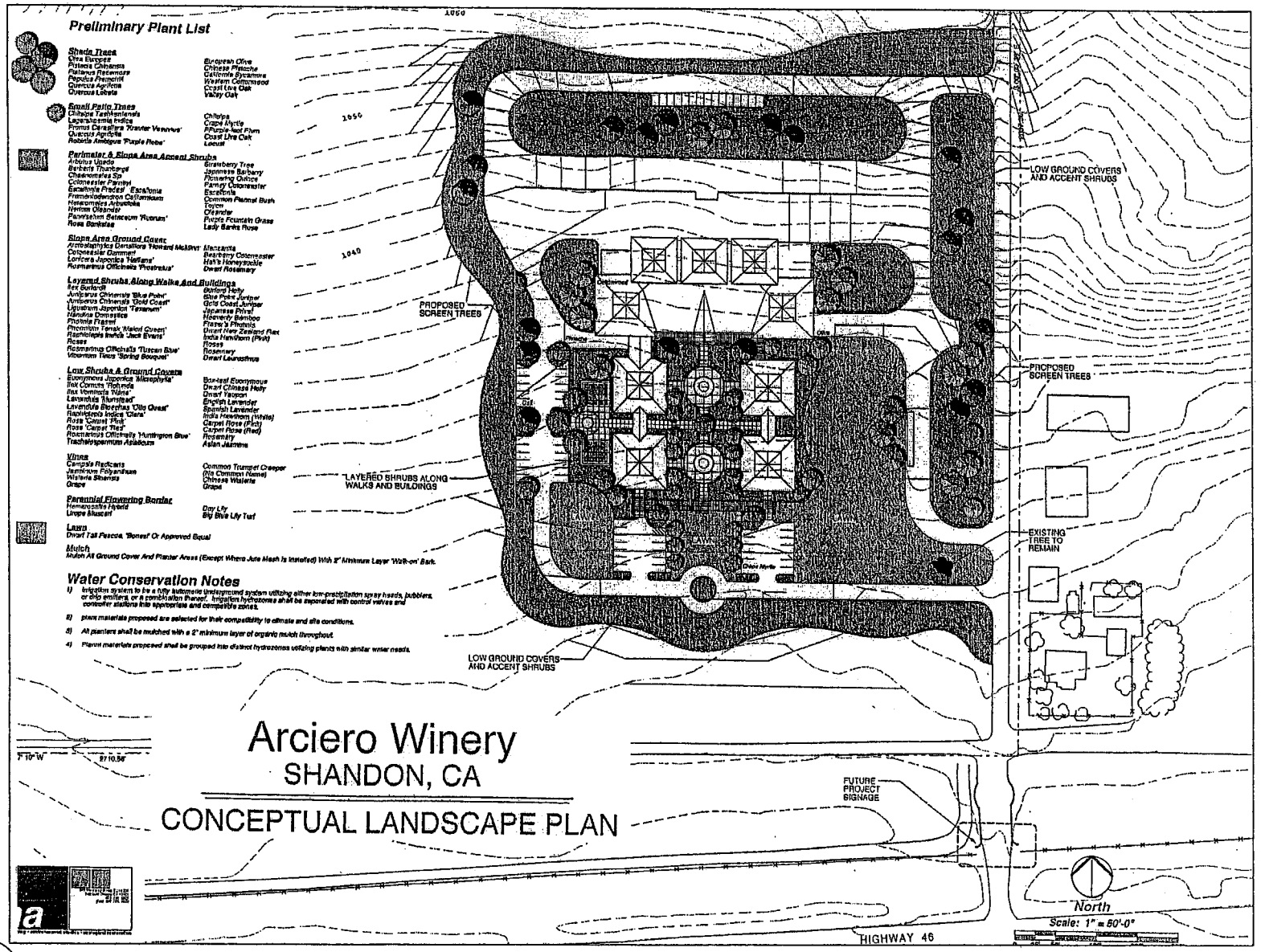
PRELIMINARY GRADING PLAN
FIGURE 7

5-77



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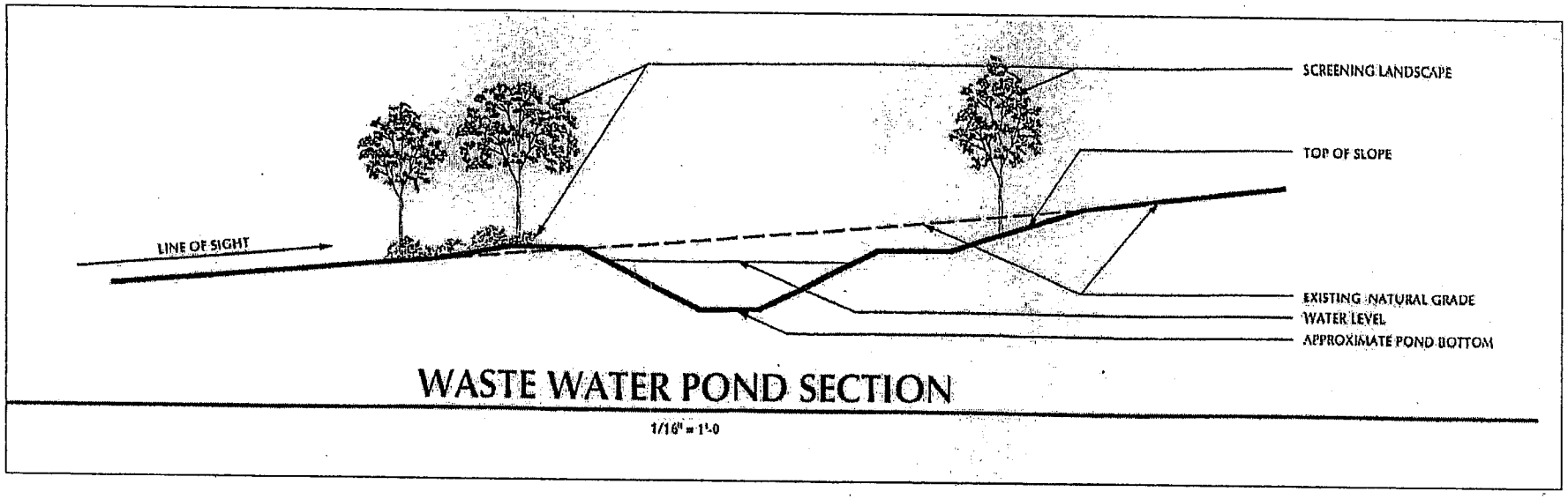
CONCEPTUAL LANDSCAPE PLAN
FIGURE 8

5-72



5-79

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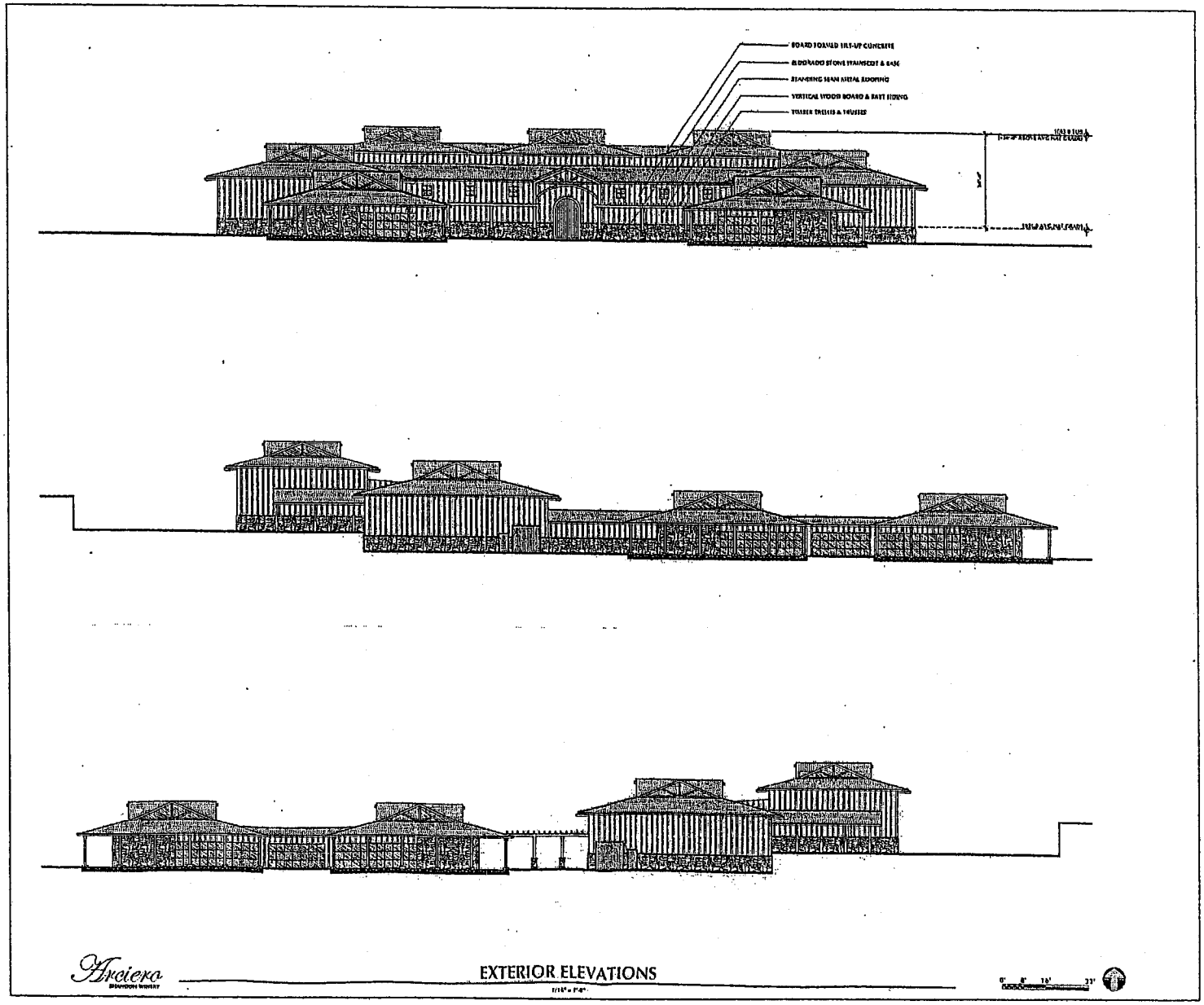
WASTEWATER POND SECTION
FIGURE 9



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ELEVATIONS
FIGURE 10

5-80

DEVELOPER'S STATEMENT FOR THE ARCIERO CONDITIONAL USE PERMIT; D030030D

The applicant agrees to incorporate the following measures into the project. These measures become a part to the project description and therefore become a part of the record of action upon which the environmental determination is based. All construction/grading activity must occur in strict compliance with the following mitigation measures. These measures shall be perpetual and run with the land. These measures are binding on all successors in interest of the subject property.

Note: The items contained in the boxes labeled "Monitoring" describe the County procedures to be used to ensure compliance with the mitigation measures.

AESTHETICS

V-1 **Prior to issuance of construction permits**, the applicant shall submit revised architectural elevations to the Department of Planning and Building for review and approval. The elevations shall show revised exterior finish materials and colors, as follows:

a) Exterior wall and trim colors of structures shall be limited to muted earth-tones.
b) Exterior colors, specifically the bright yellow siding on the winery, shall be toned down to a color no brighter than 6 in chroma and value on the Munsell Color Scale on file in the County Department of Planning and Building.
c) Roof colors of structures shall be limited to deep earth tones, deep muted greens, browns and grays and no brighter than 6 in chroma and value on the Munsell Color Scale on file in the County Department of Planning and Building.
d) No reflective coatings shall be used on widows facing Highway 46.

Monitoring: The County Planning and Building Department shall verify required elements on plans and implementation in the field.

V-2 **Prior to issuance of construction permits**, the applicant shall submit final landscape plans to the Department of Planning and Building for review and approval. The landscape plans shall be consistent with the conceptual landscaping plan and visual study. Landscape trees and shrubs shall be maintained until fully established. Trees and shrubs that die shall be replaced.

Monitoring: The County Planning and Building Department shall verify required elements on plans and implementation in the field.

V-3 **Prior to issuance of construction permits**, the applicant shall submit a bond to the County of San Luis Obispo for an amount determined by the County to be sufficient to cover the estimated cost of planting and establishing the equivalent of the total number of trees and shrubs included in the Mitigation Concept Plan, as shown on the Landscape Plan. The bond shall be held for a minimum of three years to ensure the successful establishment and maintenance of the mitigation planting.

Monitoring: The County Planning and Building Department shall verify compliance.

V-4 **Prior to final inspection**, the Landscape Plan shall be implemented, and the applicant shall provide a letter or other sufficient evidence to the County of San Luis Obispo Department of Planning and Building for approval demonstrating that the applicant has entered into a contract with a qualified professional for the purpose of monitoring the success of the mitigation planting area. The monitoring contract shall include a requirement that the monitor conduct at a minimum an annual site visit and assessment of the planting success for three years. At the end of the three-year monitoring period, the monitoring report shall be submitted to the County Department of Planning and Building for approval and shall be used as a determining factor in assessing the successful establishment of the planting as it relates to the bond posted by the applicant.

Monitoring: The County Planning and Building Department shall verify compliance and receipt of monitoring reports.

V-5 **Prior to issuance of construction permits**, the applicant shall submit an exterior lighting plan for review and approval by the Department of Planning and Building which includes the following:

a) Direct views of all exterior lighting sources shall be shielded from view from Highway 46.
b) Exterior lighting shall be designed to not focus illumination onto exterior walls.
c) Any security lighting installed on the property shall be equipped with motion detectors to prevent the illumination from remaining on.
d) "White" colored light shall not be used for exterior lighting.
e) If access road lighting is proposed, the luminaires shall be a shielded "bollard-type" and shall be a maximum of 3 feet above the ground.

Monitoring: The County Planning and Building Department shall verify required elements on plans and implementation in the field.

V-6 Winery related materials stored out of doors shall be screened by solid fencing unless the storage area is not visible from Highway 46.

Monitoring: The County Planning and Building Department shall verify compliance.

AIR QUALITY

AQ-1 **During construction/ground disturbing activities**, the applicant shall implement the following particulate (dust) control measures. **These measures shall be shown on the grading and building plans**. In addition, the contractor or builder shall designate a person or persons to monitor the dust control program and to order increased watering, as necessary, to prevent transport of dust off site. Their duties shall include holiday and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the APCD prior to commencement of construction.

a) Reduce the amount of disturbed area where possible;
b) Use of water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site. Increased watering frequency would be required whenever wind speeds

exceed 15 mph. Reclaimed (nonpotable) water should be used whenever possible;

c) All dirt stock-pile areas should be sprayed daily as needed;
d) All roadways, driveways, sidewalks, etc. to be paved shall be completed as soon as possible; and,
e) Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.

Monitoring:	The County Planning and Building Department shall verify required elements on plans and implementation in the field, in consultation with the Air Pollution Control District.

AQ-2 **Prior to issuance of building permits**, the applicant shall demonstrate that the building energy efficiency rating would be increased by 10% above what is required by Title 24 requirements. This can be accomplished in a number of ways including, but not limited to, the following measures:

a) Roof material with a solar reflectance value to reduce summer cooling needs;
b) High efficiency, gas or solar water heaters;
c) Double-paned windows;
d) Energy efficient interior lighting;
e) Installation of door sweeps and weather stripping if more efficient doors and windows are not available; and,
f) High efficiency or gas space heating.

Monitoring:	The County Planning and Building Department shall verify required elements on plans and implementation in the field.

AQ-3 **Prior to issuance of construction permits**, the following notes shall be shown on construction plans, and shall be implemented during construction:

a) Maintain all construction equipment in proper tune according to manufacturer's specifications;
b) Fuel all off-road and portable diesel powered equipment, including but not limited to bulldozers, graders, cranes, loaders, scrapers, backhoes, generator sets, compressors, auxiliary power units, with ARB certified motor vehicle diesel fuel (non-taxed version suitable for use off-road);
c) Maximize to the extent feasible, the use of diesel construction equipment meeting the ARB's 1996 or newer certification standard for off-road heavy-duty diesel engines; and,
d) Install District approved emission reduction retrofit devices.

Monitoring:	The County Planning and Building Department shall verify required elements on plans and implementation in the field.

BIOLOGICAL RESOURCES

The Kit Fox Evaluation, which was completed for the Arciero Winery Conditional Use Permit (D0300030D) on October 15, 2003 by Dwayne Oberhoff, Morro Group, Inc., and revised by Mr. Bob

Stafford of the California Department of Fish and Game on February 17, 2004, indicates the project will impact 10.5 acres of San Joaquin kit fox habitat. The project earned a score of 63 on the evaluation, which requires that all impacts be mitigated at a ratio of two acres conserved for each acre impacted (2:1). Total compensatory mitigation required for the project is 21 acres, based on 2 times 10.5 acres impacted. The mitigation options identified in BR-1 through BR-11 apply to the proposed project only; should the project change, the mitigation obligation may also change, and a reevaluation of the mitigation measures would be required. **Note: If the applicant can provide evidence to the satisfaction of the Department of Fish and Game that structures on the winery site were recently removed a lesser mitigation requirement may be allowed.**

BR-1 **Prior to issuance of a grading permit**, the applicant shall submit evidence to the County of San Luis Obispo, Department of Planning and Building, Environmental and Resource Management Division (County) (see contact information below) that states that one or a combination of the following four San Joaquin kit fox mitigation measures has been implemented:

a) Provide for the protection in perpetuity, through acquisition of fee or a conservation easement of 21 acres of suitable habitat in the kit fox corridor area (e.g. within the San Luis Obispo County kit fox habitat area, northwest of Highway 58), either on-site or off-site, and provide for a non-wasting endowment to provide for management and monitoring of the property in perpetuity. Lands conserved shall be subject to the review and approval of the California Department of Fish and Game (Department) and the County.

This mitigation alternative (a.) requires that all aspects of this program must be in place before County permit issuance or initiation of any ground disturbing activities.

b) Deposit funds into an approved in-lieu fee program, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area within San Luis Obispo County, and provide for a non-wasting endowment for management and monitoring of the property in perpetuity.

Mitigation alternative (b) above, can be completed by providing funds to The Nature Conservancy (TNC) or other Department-approved organization pursuant to the Voluntary Fee-Based Compensatory Mitigation Program (Program). The Program was established in agreement between the Department and TNC to preserve San Joaquin kit fox habitat, and to provide a voluntary mitigation alternative to project proponents who must mitigate the impacts of projects in accordance with the California Environmental Quality Act (CEQA). The fee, payable to "The Nature Conservancy", totals $52,500. This fee must be paid after the Department provides written notification about the approved mitigation options, and prior to County permit issuance and initiation of any ground disturbing activities.

c) Purchase 21 credits in an approved conservation bank, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area and provide for a non-wasting endowment for management and monitoring of the property in perpetuity.

At this time, there is no approved conservation bank that is operational in San Luis Obispo County. A conservation bank is expected to be operational in the near future. Purchase of credits must be completed prior to County permit issuance and initiation of any ground disturbing activities.

d) If none of the above measures (a, b, or c) are available, the applicant may enter into a Mitigation Agreement with the Department, including depositing of funds into an escrow

account (or other means of securing funds acceptable to the Department) which would ensure the protection in perpetuity of 21 acres of suitable habitat in the kit fox corridor area and provide for a non-wasting endowment for management and monitoring in perpetuity. The Department can provide a draft agreement to review; a Mitigation Agreement would need to be in place prior to County permit issuance and initiation of any ground disturbing activities.

The purpose of the easement is to retain the existing wildlife movement corridor located on the project site and to set aside an un-fragmented section of land that will benefit the San Joaquin kit fox along with other associated plant and animal species. The easement shall:

1) Provide a complete corridor through the subject property;
2) Prohibit development of the area, including agricultural development;
3) Prohibit removal or alteration of native plants and animals;
4) Prohibit use of the area for agricultural staging activities or storage of any kind;
5) Allow for scientific investigation conducted as part of a project of plan instigated by the land owner, or otherwise approved by the land owner and the United States Fish and Wildlife Service and/or California Department of Fish and Game; and
6) Allow for flood control and stream bank stabilization activities conducted with approved state, federal, and local permits.

The easement shall not:

7) Allow for or imply public access.

Monitoring: The Department of Planning and Building shall verify receipt of verification letter and shall approve mitigation in consultation with the California Department of Fish and Game.

BR-2 **Prior to issuance of construction permit**, the applicant shall retain a qualified biologist acceptable to the U.S. Fish and Wildlife Service, California Department of Fish and Game and the San Luis Obispo County Department of Planning and Building/Division of Environmental and Resource Management. The retained biologist shall perform the following monitoring activities:

a) Prior to issuance of construction permit and within 30 days prior to initiation of construction, conduct a pre-construction survey for active kit fox dens and submit a letter to the Department of Planning and Building confirming the completion and results of pre-construction survey.
b) Conduct weekly site visits during construction activities and submit weekly reports to the County Planning and Building Department to ensure compliance with mitigation measures.

Monitoring: The Department of Planning and Building/Division of Environmental and Resource Management shall verify compliance. The Department of Planning and Building shall verify receipt of pre-construction survey letter and monitoring reports.

BR-3 **Prior to initiation of grading and construction activities**, the retained biologist shall perform the following monitoring activities:

a) Conduct a pre-construction survey for San Joaquin pocket mouse, San Joaquin whipsnake, and prairie falcon and submit a letter to the Department of Planning and Building confirming the completion and results of pre-construction survey.
b) Conduct weekly site visits during construction activities in conjunction with San Joaquin kit fox monitoring and submit weekly reports to the County Planning and Building Department to ensure compliance with mitigation measures.

> **Monitoring:** The Department of Planning and Building/Division of Environmental and Resource Management shall verify compliance. The Department of Planning and Building shall verify receipt of pre-construction survey letter and monitoring reports.

BR-4 **Prior to issuance of construction permit**, roads on the subject property shall be posted with a 25-mile per hour (mph) speed limit or lower to reduce the likelihood of road mortality of the San Joaquin kit fox and special status species. The retained biologist shall discuss compliance in the initial pre-construction survey letter.

> **Monitoring:** The Department of Planning and Building/Division of Environmental and Resource Management shall verify compliance. The Department of Planning and Building shall verify receipt of pre-construction survey letter and monitoring reports.

BR-5 **Prior to construction**, all personnel associated with the project shall attend a worker education program conducted by the retained biologist regarding the San Joaquin kit fox, San Joaquin pocket mouse, San Joaquin whipsnake, and prairie falcon . Specifics of this program should include species histories and careful review of the mitigation measures implemented to reduce impacts. A fact sheet conveying this information shall also be prepared for distribution to all contractors, their employers, and other personnel involved with construction of the project. The Department of Planning and Building shall be notified of the time that the applicant intends to hold this meeting.

> **Monitoring:** All workers shall sign a training attendance sheet; the sheet shall be submitted to the Department of Planning and Building.

BR-6 **To prevent entrapment of the San Joaquin kit fox and other special status species during the construction phase of the project**, all excavation, steep-walled holes or trenches in excess of two feet in depth shall be covered at the close of each working day by plywood or similar materials, or provided with one or more escape ramps constructed of earth fill or wooden planks. Trenches shall also be inspected for entrapped species each morning prior to onset of field activities and immediately prior to covering with plywood at the end of each working day. Before such holes or trenches are filled, they shall be thoroughly inspected for entrapped species. Any San Joaquin kit fox or other special status species so discovered shall be allowed to escape before field activities resume, or removed from the trench or hole by a qualified biologist and allowed to escape unimpeded.

Monitoring: Compliance shall be documented in the weekly monitoring reports.

BR-7 **During the construction**, any pipes, culverts, or similar structures with a diameter of four inches or greater that are stored at the project site for one or more overnight periods shall be thoroughly inspected for trapped San Joaquin kit foxes before the subject pipe is subsequently buried, capped, or otherwise used or moved in any way. If during the construction phase a San Joaquin kit fox or other special status species is discovered inside a pipe, that section of pipe will not be moved, or if necessary will be moved only once to remove it from the path of activity, until the species has escaped.

Monitoring: Compliance shall be documented in the weekly monitoring reports.

BR-8 **All food-related trash items such as wrappers, cans, bottles, and food scraps generated during the construction phase** shall be disposed of in closed containers only and regularly removed from the site. Food items may attract San Joaquin kit foxes onto the project site, consequently exposing such animals to increased risk of injury or mortality. No deliberate feeding of wildlife shall be allowed. All waste products shall be disposed of in a manner that would not attract red fox, coyotes, or domestic dogs to the area.

Monitoring: Compliance shall be documented in the weekly monitoring reports.

BR-9 Use of pesticides shall be in compliance with all local, state and federal regulations. This is necessary to prevent primary or secondary poisoning of endangered species utilizing adjacent habitats, and the depletion of prey upon which San Joaquin kit foxes depend.

Monitoring: Compliance shall be documented in the weekly monitoring reports.

BR-10 All workers and associated personnel shall obey the posted 25-mph speed limit. Additionally, vehicular activity between dusk and dawn shall be kept to a minimum.

Monitoring: Compliance shall be documented in the weekly monitoring reports.

BR-11 No San Joaquin kit fox dens were observed during the field surveys. However, if any potential or known San Joaquin kit fox dens are subsequently observed during the required pre-activity survey, the following mitigation measures shall apply:

a) Fenced exclusion zones shall be established around all San Joaquin kit fox dens that can be avoided but may be inadvertently impacted by project activities. Exclusion zone fencing shall consist of either large flagged stakes connected by rope or cord, or survey laths or wooden stakes prominently flagged with survey ribbon. Each exclusion zone shall be

roughly circular in configuration with a radius of the following distance measured outward from the den or burrow entrances:

1) Potential San Joaquin kit fox den: 50 feet
2) Known San Joaquin kit fox den: 100 feet
3) San Joaquin kit fox pupping den: 150 feet

b) Only essential vehicle operation on existing roads (if the exclusion zone intersects a road) and simple foot traffic shall be permitted within these exclusion zones. Otherwise, all project activities such as vehicle operation, materials storage, etc., shall be prohibited. Exclusion zones shall be maintained until all project-related disturbances have been terminated, and then shall be removed. If specified exclusion zones cannot be observed for any reason, the U.S. Fish and Wildlife Service and California Department of Fish and Game shall be contacted for guidance prior to ground disturbing activities on or near the subject den or burrow.

c) If any known or potential San Joaquin kit fox dens are discovered within the building envelope that shall be unavoidably destroyed by the proposed project, excavation of San Joaquin kit fox dens shall not proceed without authorization from the U.S. Fish and Wildlife Service and California Department of Fish and Game.

Monitoring: Compliance shall be documented in the weekly monitoring reports.

BR-12 Any project contractor or employee that inadvertently kills or injures a San Joaquin kit fox or who finds any such animal either dead, injured, or entrapped shall be required to report the incident immediately to a supervisor overseeing the project or operation. In the event that such observations are made of injured or dead San Joaquin kit fox, the applicant shall immediately notify the US Fish and Wildlife Service and the California Department of Fish and Game by telephone. In addition, formal notification shall be provided in writing within three working days of the finding of any such animal(s). Notification shall include the date, time, location and circumstances of the incident. Any threatened or endangered species found dead or injured shall be turned over immediately to the California Department of Fish and Game for care, analysis, or disposition.

Monitoring: Compliance shall be documented in the weekly monitoring reports.

BR-13 Prior to final inspection, should any long internal or perimeter fencing be installed, the applicant shall do the following to provide for kit fox passage:

a) If a wire stand/pole is uses, the lowest strand shall be no closer to the ground than twelve inches;
b) If a solid wire mesh fence is used, eight-inch by twelve-inch openings near the ground shall be provided at least every 300 feet.

Monitoring: Compliance shall be documented in the weekly monitoring reports.

Contact Information

California Department of Fish and Game
Central Coast Region
P.O. Box 47
Yountville, CA 94559
(805) 528-8670
(805) 772-4318

U.S. Fish and Wildlife Service
Ventura Field Office
2493 Portola Road, Suite B
Ventura, CA 93003
(805) 644-1766

County of San Luis Obispo
Department of Planning and Building
Division of Environmental and Resource Management
County Government Center, Room 310
San Luis Obispo, CA 93408
ATTN: Ms. Julie Eliason
(805) 781-5029

BR-14 Prior to issuance of permits to construct improvements to the secondary access road across McMillan Creek, the applicant shall submit copies of permits and authorizations from the California Department of Fish and Game, Regional Water Quality Control Board, and United States Army Corps of Engineers or documentation that these permits and/or authorizations are not necessary.

Monitoring:	The Department of Planning and Building shall verify receipt of required documents.

BR-15 Prior to issuance of permits to construct improvements to the secondary access road across McMillan Creek, the applicant shall submit a creek protection and restoration plan. Creek restoration areas shall be located on the project parcel and shall equate or exceed the area impacted by the proposed improvements. A compatible native seed mix and cuttings of "in-kind" species shall be used to revegetate the disturbed areas. The plan shall incorporate, but not be limited to, the following:

a) Prior to issuance of grading permit, the "project limits" shall be clearly delineated on all construction plans. In addition, sturdy, high-visibility fencing shall be installed in the field showing the "project limits" protecting creek habitat not to be disturbed. No construction (including storage of materials) shall occur outside of the "project limits". This fencing shall remain in place during the entire construction period.
b) The proposed erosion and sedimentation control plan shall include both temporary and permanent measures to minimize discharge of sediment into the creek channel.
c) The proposed spill and clean-up plan shall include Best Management Practices (BMPs) designed to minimize the potential for a mechanical leak or spill, a list of emergency clean-up materials to be stored onsite, designation of staging areas outside of areas that could result in pollutant discharge into the creek corridor, and a contingency plan in the event of a leak or spill.

Monitoring:	The Department of Planning and Building shall verify receipt of required elements on plans and implementation in the field.

BR-16 **Prior to final inspection and when all restoration work has been completed**, the applicant shall notify the County Planning and Building Department for a verification inspection.

Monitoring: The Department of Planning and Building shall verify compliance.

BR-17 **Prior to issuance of grading and/or construction permits,** the applicant shall install bright construction protection fencing around the oak tree onsite. The fencing shall be installed at a distance from the trunk 1.5 times the dripline of the canopy. No activities, including use and storage of equipment and storage of materials and fill shall be allowed within the protection fencing.

Monitoring: The Department of Planning and Building shall verify compliance.

GEOLOGY AND SOILS

GS-1 **Prior to issuance of a grading permit,** the applicant shall submit an erosion and sedimentation control plan and drainage plan pursuant to Sections 22.52.080 and 22.52.090 of the Land Use Ordinance.

Monitoring: The Department of Planning and Building, in consultation with the Department of Public Works shall review and approve all required plans.

TRANSPORTATION AND CIRCULATION

TR-1 **Prior to issuance of grading and construction permits**, the applicant shall submit highway improvement plans to the County Department of Planning and Building, County Department of Public Works, and California Department of Transportation (Caltrans) for review and approval. Proposed improvements shall be constructed based on Caltrans standards. Prior to final inspection and operation of the proposed winery facility, the applicant shall submit verification that the improvements were inspected and approved by Caltrans. The plans shall show the following:

a) Left-turn channelization for traffic turning left on the eastbound Highway 46 travel lanes;
b) Right-turn acceleration and deceleration lanes, and;
c) Westbound through and right-turn movements at the ingress/egress at the project entrance and Highway 46.

Monitoring: The Department of Planning and Building, in consultation with the Department of Public Works and California Department of Transportation shall review and approve all required plans.

TR-2 **Prior to issuance of grading and construction permits**, the applicant shall submit documentation of right-of-way dedication or other mitigation acceptable to Caltrans to accommodate the future Highway 46 widening project. The right-of-way dedication shall include

a portion of APN 017-163-002, and shall extend approximately 40 feet in width from approximately 400 meters to the east of the proposed access drive and continuing to the east property line, **or** the applicant shall contribute a pro rata share contribution for Highway 46 cumulative impacts to be banked within an internal Caltrans account assigned to the Expense Authorization for the Highway 46 widening project.

Monitoring:	The Department of Planning and Building, in consultation with the Department of Public Works and California Department of Transportation shall review and approve all required plans.

TR-3 **Prior to issuance of grading and construction permits**, the applicant shall obtain an Encroachment Permit from Caltrans to construct required improvements and submit a copy of the permit to the County Department of Planning and Building.

Monitoring:	The Department of Planning and Building, in consultation with the Department of Public Works and California Department of Transportation shall verify receipt of required permits.

WASTEWATER

WW-1 **Prior to building permit approval**, it must be shown to the satisfaction of the county that future leach lines of a new septic system show that at least a 5' separation will exist between the bottom of the trench and the top of the high groundwater area. An engineered system may be required to achieve Basin Plan requirements.

Monitoring:	The Department of Planning and Building, in consultation with the Department of Environmental Health shall verify compliance.

WW-2 All wash water shall be controlled such that it cannot enter any stream or other surface water body. Winery process liquid waste generated by future winery operations must be discharged to an approved septic system or other wastewater system approved by the Regional Water Quality Control Board, with no such waste material discharged to the ground surface or otherwise allowed to any stream or other surface water body.

Monitoring:	The Department of Planning and Building, in consultation with the Department of Environmental Health and Regional Water Quality Control Board shall verify compliance.

WW-3 Solid winery waste (pomace), if any, generated by the winery operation shall be composted on-site and disced into the vineyard, or transported off-site and disposed of in a manner that will not result in the degradation of surface or groundwater.

Monitoring:	The Department of Planning and Building, in consultation with the Department of Environmental Health and Regional Water Quality Control

Board shall verify compliance.

WW-4 Liquid waste generated by the winery operations must be discharged to a separate wastewater system designed by a civil engineer with expertise in the design of winery wastewater systems and approved by the County Building Official or Regional Water Quality Control Board. Such system shall not create offensive odors or materially impair the quality of groundwater for domestic or agricultural use.

a) Prior to discharge of winery wastewater in excess of 2,500 gallons per day, the applicant shall obtain approval and/or permits from the Regional Water Quality Control Board. In no case shall winery wastewater be discharged into a stream or other surface water.

Monitoring:	The Department of Planning and Building, in consultation with the Department of Environmental Health and Regional Water Quality Control Board shall verify compliance.

WW-5 **Prior to operation of the winery and the tasting room**, the applicant shall obtain the appropriate Health Department permits. The Health Department will require the following information:

a) Anticipated amount of wastewater discharge from production and domestic waste;
b) The location of water well(s) in relation to wastewater discharge area(s);
c) Operational plans for pomace and solid waste disposal, and;
d) A vector control plan addressing insect and rodent control.

Monitoring:	The Department of Planning and Building, in consultation with the Department of Environmental Health shall verify compliance.

WW-6 Solid waste by the winery shall be transported off-site for disposal in a manner that will not result in the degradation of any surface or groundwater.

Monitoring:	The Department of Planning and Building, in consultation with the Department of Environmental Health shall verify compliance.

WW-7 **Prior to issuance of building permits**, the applicant shall submit copies of wastewater discharge permits or approvals from the Regional Water Quality Control Board.

Monitoring:	The Department of Planning and Building, in consultation with the Department of Environmental Health and Regional Water Quality Control Board shall verify compliance.

WATER

W-1 **Prior to issuance of a grading permit,** the applicant shall submit a Stormwater Pollution Prevention Plan (SWPPP) that has been approved by the State Water Resources Control Board (SWRCB).

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Environmental Determination: 03-579 Date: April 12, 2005

Monitoring:	The Department of Planning and Building, in consultation with the Department of Public Works shall review and approve all required plans.

The applicant understands that any changes made to the project subsequent to this environmental determination must be reviewed by the Environmental Coordinator and may require a new environmental determination for the project. By signing this agreement, the owner(s) agrees to and accepts the incorporation of the above measures into the proposed project description.

Signature of Owner(s)

4/20/05
Date

FRANK ARCIERO
Name (Print)

Environmental Determination: 03-579 594 Date: April 12, 2005

Monitoring: The Department of Planning and Building, in consultation with the Department of Public Works shall review and approve all required plans.

The applicant understands that any changes made to the project subsequent to this environmental determination must be reviewed by the Environmental Coordinator and may require a new environmental determination for the project. By signing this agreement, the owner(s) agrees to and accepts the incorporation of the above measures into the proposed project description.

Signature of Owner(s) APPLICANT

Date 4/20/05

Name (Print)

2

SAN LUIS OBISPO COUNTY
DEPARTMENT OF PLANNING AND BUILDING

5-95

VICTOR HOLANDA, AICP
DIRECTOR

RECEIVED
AUG 13 2003
COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PUBLIC WORKS

THIS IS A NEW PROJECT REFERRAL

DATE: August 11, 2003

FROM: Pub Works

FROM: No County Team
(Please direct response to the above)

D030030D / Arciero Farms
Project Name and Number

Development Review Section (Phone: ~~781-~~ 788-2009) ( )

PROJECT DESCRIPTION: Winery & tasting room.

Return this letter with your comments attached no later than: August 25, 2003

PART I IS THE ATTACHED INFORMATION ADEQUATE FOR YOU TO DO YOUR REVIEW?

✓ YES (Please go on to Part II)
___ NO (Call me ASAP to discuss what else you need. We have only 30 days in which we must accept the project as complete or request additional information.)

PART II ARE THERE SIGNIFICANT CONCERNS, PROBLEMS OR IMPACTS IN YOUR AREA OF REVIEW?

✓ NO (Please go on to Part III)
___ YES (Please describe impacts, along with recommended mitigation measures to reduce the impacts to less-than-significant levels, and attach to this letter.)

PART III **INDICATE YOUR RECOMMENDATION FOR FINAL ACTION. Please attach any conditions of approval you recommend to be incorporated into the project's approval, or state reasons for recommending denial. IF YOU HAVE "NO COMMENT," PLEASE INDICATE OR CALL.**

Recommend Approval — Referral to CalTrans? Need traffic study to determine impacts to Hwy traffic — already dangerous Hwy, changing driveway use from farm to tasting room and off site grape trucks for winery (No winery questionnaire?) May need left & right turn pockets/accel/decel lanes. Maybe a frontage road to McMillan Cyn inters?

Date 19 Sep 2003 Name Goodwin Phone 5252

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Janie

5-90

SAN LUIS OBISPO COUNTY
DEPARTMENT OF PLANNING AND BUILDING

VICTOR HOLANDA, AICP
DIRECTOR

THIS IS A NEW PROJECT REFERRAL

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RECEIVED
AUG 13 2003
ENVIRONMENTAL HEALTH

DATE: August 11, 2003

TO: Env. Health

FROM: No County Team
(Please direct response to the above)

D030030D / Arciero Farms
Project Name and Number

Development Review Section (Phone: ~~781-~~ 788-2009) ( )

PROJECT DESCRIPTION: Winery & tasting room.

Return this letter with your comments attached no later than: August 25, 2003

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_____ NO (Please go on to Part III)
_____ YES (Please describe impacts, along with recommended mitigation measures to reduce the impacts to less-than-significant levels, and attach to this letter.)

PART III **INDICATE YOUR RECOMMENDATION FOR FINAL ACTION. Please attach any conditions of approval you recommend to be incorporated into the project's approval, or state reasons for recommending denial. IF YOU HAVE "NO COMMENT," PLEASE INDICATE OR CALL.**

Information on the existing well is needed i.e. pump test, well drillers log, and chemical analysis in order to ensure that use of the existing well is acceptable. Also, please provide a full size map showing the exact location of the existing septic tank and leach area. Regional Water Quality Control Board may need to issue a discharge permit depending on wastewater.

8/19/03 — Date
Laurie Salz — Name
781-5551 — Phone

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COUNTY OF SAN LUIS OBISPO

Department of Agriculture/Measurement Standards

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

5-97

DATE: **March 21, 2005**

TO: **Susan Callado, Planner III**

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

SUBJECT: **Arciero Farms Conditional Use Permit Revisions D030030P (0770)**

Background
The Agriculture Department found the winery and tasting room components of original proposal to be consistent with Laird Bill – AB 1492/Williamson Act provisions, Agriculture and Open Space Element Policy 6 (AGP6), and Land Use Ordinance (LUO) Section 22.30.070 (See attached report dated 4/10/04). However, we did not believe the Banquet Pavilion, Conference Pavilion, and Administrative Pavilion facilities/uses were in compliance with the incidental requirement of the AB 1492, AGP6 or the LUO.

Proposed Revisions
To address staff's concerns and attempt to meet the requirements of the county and state rules, the applicant has proposed to:

- Develop an olive oil processing facility instead of the Conference Pavilion.
- Restrict use of the Banquet Pavilion to authorized special events only.
- Create a more compact visitor-serving component of the project by reducing outdoor courtyard/terrace areas and physically connecting the pavilion structures to the winery.

Staff recognize and appreciate the applicant's revisions to make the project more appropriate on land zoned Agriculture and in the County's Agriculture Preserve Program.

The applicant has indicated the administration space is a necessary part of the winery operation and with the exception of moving the facility closer to the winery, no changes are proposed.

Evaluation of Proposed Revisions
The Agriculture Department has reviewed the proposed project revisions. Comments are summarized below:

- Olive oil processing facility – The proposed relocation of the olive press from the winery to the visitor serving area of the site does offer the opportunity to expose

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visitors to the olive oil process. Olive and olive oil production is a growing industry in the county. Such a facility is viewed as supporting on-site agriculture as well as having the potential to support processing olives grown throughout the area. Additionally, the non-complying Conference Pavilion has been eliminated. The processing facility is considered a component of agriculture and appears to be consistent with both AB 1492 and AGP8.

- Restricted use of Banquet Pavilion – The Agriculture Department recognizes the importance of special/temporary events as a marketing tool for the wine industry. However, winery special events have historically been an incidental use associated with the winery, and not in a permanent stand-alone facility dedicated to accommodate such events. Even with the restricted use mentioned in the revisions, the permanent stand-alone facility does not appear to be consistent with both AB 1492 and AGP6.

- Compact visitor serving area – The proposed outdoor courtyard and terrace area revision would reduce the area dedicated to visitor serving uses thus reducing potential impacts to agriculture.

- Administration Pavilion – The Agriculture Department recognizes that administration space may be needed for a winery facility. The concern is a stand-alone office facility that is not clearly incidental to the winery. The Agriculture Department recommends the office component be incorporated within the winery structure.

- Prime Soils – At the request of the Agriculture Department, the applicant has agreed to relocate development off of prime soils to be consistent with AGP6.

Conclusion

The Agriculture Department determines the proposal is consistent with county and state rules with the exception of the Banquet Pavilion and the location of the administration building. The Agriculture Department recommends removing the proposed Banquet Pavilion and incorporating the administration space within the winery structure.

If you have questions, please call 781-5914.

COUNTY OF SAN LUIS OBISPO 5-99

Department of Agriculture/Measurement Standards

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

DATE: **April 19, 2004**

TO: **North County Team**

FROM: **Lynda L. Auchinachie, Environmental Resource Specialist** LA

SUBJECT: **Arciero Farms Conditional Use Permit, D030030P (0770)**

Summary of Findings

The Agriculture Department has reviewed the proposed Arciero Farms Conditional Use Permit for a winery with accessory facilities including a tasting pavilion, banquet pavilion with service area, conference pavilion, administration pavilion and formal outdoor event areas. The findings are summarized below:

- The proposed winery is consistent with Agriculture and Open Space Element Policy 8 (AGP8) because the winery would support the wine grape industry in the greater Paso Robles area.

- Title 22 of the Land Use Ordinance (LUO) defines a winery as an agricultural processing facility used for the processing of juices into wine or the refermenting of still wine into sparkling wine. The proposed project includes an approximately 57,730 square foot winery. The project also includes a 2,025 square foot tasting room pavilion with associated outdoor area (parking has not been included in the calculation). AGP6 allows limited visitor serving and incidental retail use in agricultural areas, such as a tasting room in conjunction with a winery facility. Both AGP6 and Title 22 require that a tasting room be clearly incidental, related and subordinate to the primary operation of the winery as a production facility. The tasting room pavilion appears to meet the requirement of incidental, related and subordinate when viewed separate from the other proposed accessory uses.

  However, the project also proposes three additional structures for a total amount of 7,075 square feet plus an additional 43,325 square feet of outdoor formal event courtyards (associated parking has not been included in the calculation). The proposed uses for these

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structures are a banquet pavilion with service area, a conference pavilion, and an administration pavilion. These proposed facilities do not meet LUO or AGP6 requirements because:

- The conference and banquet pavilion do not meet the intent of limited visitor serving facilities that are allowed in association with a winery. As designed, these facilities appear to be uses defined as Public Assembly in the LUO. Such uses are not allowed in the Agriculture land use category, per LUO, or the Rules of Procedure for contracted lands such as this project site. To qualify as secondary and incidental, the conference and banquet pavilions would need to be significantly reduced in size and incorporated into the design of the tasting room facility.

- The separate administration pavilion appears to be a stand alone facility. If this space were reduced in size and incorporated into the winery structure the proposal would appear to meet policy requirements.

- The development of the winery and accessory facilities at the proposed location would result in the loss of approximately 40,000 square feet of Class II irrigated soils. Although a small portion of the development would be located on prime soils, the proposed site is considered suitable as it meets policy criteria for land use compatibility and circulation for existing and potential agricultural uses because of its close proximity to existing access roads.

- Adjacent land uses consist of grazing and vineyard production. The proposed winery and tasting room are each located more than 1,000 feet from the nearest off-site residence. For these reasons, land use compatibility issues for adjacent agricultural or residential property owners are not considered significant.

Recommended Mitigation Measures

Based on our findings and conclusion in the previous section,

- ❑ no mitigation measures are recommended

- ■ the following mitigation measure is recommended to achieve compliance with the Agriculture and Open Space Element AGP 6.

1. The proposed project should be redesigned so that the proposed accessory uses meet the policy criteria of "clearly incidental". The proposed banquet room, conference center, and administrative pavilion do not meet the limited visitor serving intent of AGP6 and therefore are not considered acceptable accessory uses for a winery facility. A smaller administrative office incorporated into the proposed winery would be acceptable.

The comments and recommendations in our report are based on policies in the San Luis Obispo County Agriculture and Open Space Element, the Land Use Ordinance, the California Environmental Quality Act (CEQA), and on current departmental policy to conserve agricultural resources and to provide for public health, safety and welfare while mitigating negative impacts of development to agriculture.

If you have questions or would like to review a detailed report, please call 781-5914.

SAN LUIS OBISPO COUNTY
DEPARTMENT OF PLANNING AND BUILDING
VICTOR HOLANDA, AICP
DIRECTOR

5-102

THIS IS A NEW PROJECT REFERRAL

DATE: 2/17/04

TO: Department of Fish and Game — Arciero Winery D030030D (Project Name & Number)

FROM: Jamie Kirk, Kirk Consulting
Please respond to above
Development Review Section (PHONE: 788-2352)

PROJECT DESCRIPTION: Proposal to construct a new winery

Return this letter with your comments attached no later than _____

PART I IS THE ATTACHED INFORMATION ADEQUATE FOR YOU TO DO YOUR REVIEW?

X YES (Please go on to PART II.)

___ NO (Call me ASAP to discuss what else you need. We have only 30 days in which we must accept the project as complete or request additional information.)

PART II ARE THERE SIGNIFICANT CONCERNS, PROBLEMS OR IMPACTS IN YOUR AREA OF REVIEW?

___ NO (Please go on to PART III.)

X YES (Please describe impacts, along with recommended mitigation measures to reduce the impacts to less-than-significant levels, and attach to this letter.)

PART III INDICATE YOUR RECOMMENDATION FOR FINAL ACTION. Please attach any conditions of approval you recommend to be incorporated into the project's approval, or state reasons for recommending denial. **IF YOU HAVE "NO COMMENT," PLEASE SO INDICATE, OR CALL.**

Answer to Question #3 should be changed to indicate project area adjacent to at least 40 acres of habitat (south of 46). Score increased to 63. 2:1 mitigation needed to offset impact to kit fox habitat.

Date	Name	Phone
2-17-04	Bob Stafford	528-8670

5-103

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AUG 2 7 2003
Planning & Bldg

CDF/San Luis Obispo County Fire Department

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

August 25, 2003

North County Team
County Planning
County Government Center
San Luis Obispo, Ca. 93408

Subject: Development Plan #D030030D – Arciero Farms Winery

Dear North County Team:

I have reviewed the Project Referral for the Arciero Farms Winery project located on Highway 46 in Shandon. This project is located in a moderate fire severity zone and has a response time of 5 minutes from the nearest County Fire Station. The project must meet all requirements of the 2001 California Fire Code (CFC), 2001 Building Code(CBC), Public Resources Code(PRC) and all other applicable fire requirements.

Building Set Backs
A minimum 30-foot setback shall be provided from all property lines, PRC 4290, Section 1276.01.

Access
All roads width shall be a minimum of 18 feet and meet fire department standards. Two access and egress routes must be provided. All emergency fire lanes shall be a minimum of 20 feet wide. All road and driveways shall be all weather surfaces. Roads exceeding a 12% grade have additional requirements. All buildings must be within 150 feet of fire access roads. CFC 902.

Addressing
Address numbers must be legible from the roadway and on all buildings, CFC 901.4.4.

Roof Coverings and Fire Resistive Construction
All roof coverings within a moderate fire severity zone shall have a minimum of a Class A roof. CBC Section 1503

5-104

Defensible Space
Each building site will be built with a "Defensible Space". PRC 4291 requires all structures to have 30 feet clearance of flammable vegetation. This does not mean all vegetation must be removed but that the vegetation shall not provide a means of readily transmitting fire.

Fire Safety During Construction
Prior to construction, an operational water supply system and established access roads must be installed. CFC Section 902 & 903

Fire Protection Systems
This project will require installing a fire/life safety fire protection system. The automatic fire extinguishing system shall comply with the National Fire Protection Association (NFPA) 13, 231, 20, 22. The applicant will have to identify what Hazard Class the project is for review by the fire department (exp. Ordinary Hazard Class II), for each of the buildings in the project. Three sets of plans and calculations shall be submitted for functional review and approval to the County Fire Department. The contractor shall be licensed by the State of California as a C-16 contractor, CFC 1003.1.1. A licensed alarm company shall monitor the fire sprinkler and alarm system. The fire department connection (FDC) supporting the sprinkler systems shall be within 20 feet of a County standard hydrant and visible on fire engine approach to the building.

Technical Opinion/Report
We require that the applicant provide technical support from a licensed Fire Protection Engineer on the fire protection systems. The applicant will submit the name(s) of the fire protection engineer to the County Fire Marshal for approval prior to contracting. A list of approved fire protection engineers is available from our website www.cdfslo.org The fire protection engineer should confer with the County Fire Marshal or his designee prior to reviewing the project. CFC 103

Fire Flow
A commercial water system shall be required with fire flows meeting the standards of CFC 903 and Appendix III A with a minimum fire flow of 1500 GPM for the required duration, but no less than 120 minutes. The minimum main size shall not be less than 6 inches. Pressures may not be less than 20 psi or more than 150 psi. The water storage tank shall have automatic fill and have a site gage and venting system. Plans should be submitted to the county fire department.

Water Supply Connection
Fire hydrants are to be located with a maximum normal spacing of 300 feet as measured along vehicular travel ways. Plans shall be submitted to the County Fire Department for approval of distribution system and hydrant locations. Fire hydrants shall have two, 2 ½ inch outlets with National Standard Fire threads and one 4 inch suction outlet with National Standard Fire threads. Each hydrant shall be identified by a blue reflective dot located on a non-skid surface located just off of center on the fire hydrant side.

Portable Fire Extinguishers
Portable fire extinguishers shall be installed in all the occupancies in compliance with the CFC 1002 and Standards 10-1. The contractor shall be licensed by the State Fire Marshal.

5-105

Roof Access

Presently the County Fire Department can provide a maximum of only 18 feet vertical access therefore the following requirements are necessary:

- Buildings have a protected stairway access to the roof if the building is over 18 feet in height and the buildings are over 5,000 square feet.
- Buildings over 20,000 square feet and are over 18 feet in height will have a 21/2 inch dry standpipe system which includes an outlet on the roof near the roof access.
- All buildings over 18 feet in height will have fixed laddering at two remote locations or provide landscaping which reduces the ladder access height to 18 feet. The exception to this requirement is if the building has a protected stairway to the roof.
- All buildings that are 12,001 square feet that will be used for high piled storage or the building has an undetermined use capable of high piled storage will be required to have a smoke and heat removal system as required in Table 81A of the

Special Events

All special events shall be approved by the County Fire Department 30 days in advance, CFC 105. Special events may require on site fire and medical services. The buildings, which will be used for special events, must be identified during plan review as they may impact the occupancy classification, thus changing the building requirements. Any tent facility shall comply with CFC Article 32.

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

Sincerely,

Robert Lewin, Fire Marshal
Battalion Chief

Cc: Mike Abarca, Battalion Chief
Clint Bullard, Fire Inspector
Chad Zrelak, Captain Inspector
Tim Woodle, AIA, Pultz & Assoc.

DEPARTMENT OF TRANSPORTATION
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TDD (805) 549-3259
http://www.dot.ca.gov/dist05

5-106

Flex your power!
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August 9, 2004

SLO-46 PM 46.33
Arciero Farms Winery & Tasting Room
Project # D030030D

Traffic Impact Study

Ms. Susan Callado, Development Review
San Luis Obispo County
Department of Planning & Building
County Government Center
San Luis Obispo, CA. 93408

Dear Ms Callado;

Thank you for forwarding the traffic impact study (TIS) for the Arciero Winery to the California Department of Transportation (Department, for our review). District 5, Development Review offers the following comments regarding the study.

1. (Ref. Page 5, 1st Paragraph) Please be informed that the Design Engineer for the SLO-46 Widening Project has confirmed (as of 8-9-04) that the widening project will need the Right of Way (R/W) dedication discussed in previous Development Review correspondence, a subsequent meeting with Department Staff and the applicant, and this TIS. The TIS acknowledges our request of the Lead Agency to require as a condition of approval for this project, the irrevocable offer of R/W for cumulative traffic impact mitigation that includes a portion of parcel # 017-163-002, that extends approximately 40 feet in width beginning near "400 meters to the east of the site access" and continuing to the easterly property line.

2. (Ref. Page 5, 2nd Paragraph) Please be advised that the Department considers the left-turn channelization and the right-turn deceleration lane for traffic turning into this project from Route 46, entirely project specific mitigation and as such, the cost of constructing both facilities is solely the responsibility of the applicant. The TIS has referenced and applied The Department's pro rata share formula for cumulative impact analysis to a project specific impact on Route 46. This is a misapplication of the pro rata share formula.

5-107

Both the left-turn channelization and the right-turn deceleration lane need to be constructed and operational prior to the issuance of the Certificate of Occupancy.

The applicant will need to file for an encroachment permit for the project specific mitigation. Please contact Mr. Steve Senet (549-3206), Senior Permit Engineer for more information regarding the encroachment permit process. Please also be advised that all work done in the State's R/W will be performed to the Department's Engineering and Environmental Standards and at no cost to the State.

Also, please set as a condition of occupancy the requirement that the project applicant substantiate that the above mentioned project specific improvements were completed to Department standards (through a letter of acknowledgement from the Department Permits Office). The wording of this condition should further stipulate that the Department's verification letter will be submitted to the Lead Agency prior to and a precondition of, the issuance of the Certificate of Occupancy.

Again, thank you for the opportunity to comment on the Arciero Winery Traffic Study. If you have any questions please call me at 549-3683.

Sincerely;

James Kilmer
District 5
Development Review

cc: File, D. Murray, R. Barnes, S. Senet, T. Houston, S. Hoode, D. Brown - SLOCOG

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5-108

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September 25, 2003

SLO-46 PM 46.33
Arciero Farms Winery and Wine Tasting Room – D030030D

New Project Referral

Ms. Jamie Kirk, Planner - North County Team
SLO County Dept. of Planning and Building
County Government Center
San Luis Obispo, CA. 93408

Dear Ms. Kirk;

The California Department of Transportation (Department) Staff has reviewed the above referenced document and as a result, the following comments were generated.

The Department requests that the applicant perform a Traffic Study by a licensed Traffic Engineer to include trip generation data prepared for peak volume traffic scenarios that include, crush-operation truck traffic, special events and weekend tourist trips into the winery. This segment of State Route 46 is a designated Safety Corridor, and as such, attention must be given to the effects that additional development-generated traffic will have on the operational safety of that facility. Featured below are the traffic scenarios typically included in Traffic Impact Study submitted for Department review.

- Existing Conditions – Current year traffic volumes and peak hour LOS analysis of effected State highway facilities.

- Proposed Project Only – Trip generation, distribution and assignment in the year the project is anticipated to complete construction.

- Cumulative Conditions – (Existing conditions Plus Other Approved and Pending Projects Without the Proposed Project) – Trip assignment and peak hour LOS analysis in the year the project is anticipated to complete construction.

5-109

- Cumulative Conditions Plus Proposed Project - (Existing conditions Plus Other Approved and Pending Projects Plus the Proposed Project) – Trip assignment and peak hour LOS analysis in the year the project is anticipated to complete construction.

For a complete copy of the Caltrans, *Guide for the Preparation of Traffic Impact Studies*, please utilize the following internet site: http://www.dot.ca.gov/hq/traffops/developserv/operationalsystems/reports/tisguide.pdf.

The Department foresees that the following improvements will be needed.

- Construct Left-turn channelization for traffic turning left on the east-bound Route 46 travel lanes. The vehicle storage capacity for the left-turn channelization needs to accommodate truck volumes anticipated for peak season crush operations and/or the other peak hour traffic scenarios which ever requires the most storage capacity. This will insure that conflicts will not occur between left turning vehicles and vehicles traveling east on Route 46 through-lanes.

- Construct Right-turn acceleration and deceleration lanes to help avoid conflicts between, west-bound through and right-turn movements at the ingress/egress at the project entrance and State Route 46.

- The Department requests that the Traffic Impact Study include a cumulative impact analysis, complete with a pro rata share formula contribution for this project's cumulative impacts on the SR 46 Corridor Improvement-Shandon (widening) Project.

Please be advised that the applicant will need to apply for an Encroachment Permit from the Department for any work related to this project that will be done in State Right Of Way (ROW). Contact Mr. Steve Senet, Senior Permit Engineer (549-3206) for information regarding the application process. All work done in the State ROW will be done to Department engineering and environmental standards at no cost to the State. The Department similarly requests that the Lead Agency condition this project for the same project specific mitigation enumerated above.

- The applicant needs to verify, utilizing the Department's ROW maps, potential project improvements that may impinge on Route 46 access denial locations, (Mr. John Maddux, ROW Field Office Chief, 549-3352). Also, current alternatives plan lines from the SR 46 Corridor Improvement (Shandon) Project, (Mr. Tom Houston, Project Manager, 549-3016) and engineering schematics/site plans for their winery expansion need to be compared in order to verify if enough ROW exists to accommodate the footprint of the Route 46 widening project and the existing plan lines for this project. If there isn't enough room to accommodate the widening project, the Department requests that the Lead Agency condition this project for an irrevocable offer of ROW for the SR 46 improvement build-out. This will ensure that this widening project of

5-110

Interregional importance will be guaranteed the needed ROW at a cost that is not inflated. The Department requests that the pro rata share contribution for SR 46 cumulative impacts be banked within an internal Department account, assigned to the Expense Authorization (EA) for this project. In this way, the contributions are not subject to the AB1600 "use it or lose it" clause. This needs to be defined in the conditions of approval for this project.

- The Department also recommends early development and submittal of preliminary grading and drainage plans to account for runoff flow from the addition of impervious surfaces. Route 46 appears to be between the project and natural runoff courses.

I hope this gives you an understanding of the Department's concerns regarding this project. If you have any questions please call me at 549-3683.

Sincerely;

James Kilmer

James Kilmer
District 5
Development Review

cc: File, D. Murray, R. Barnes, L. Wickham, S. Senet, J. Maddox

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January 27, 2004

SLO – 46 PM 46.3
Arciero Farms Winery and
Wine tasting Room -
D030030D Traffic Study

New Project Referral

Mr. Stephan A. Orosz, PE
Orosz Engineering Group, Inc.
1627 Calzado Avenue
Santa Inez, CA. 93460

Dear Steve;

Upon closer analysis of the OEG traffic study for the Arciero Winery (and our request for Route 46 cumulative impact mitigation from that proposed project), the following is submitted for your consideration.

In our telephone conversation I asked if you had used the traffic analysis from the Route 46 Corridor Improvement Project (R46CIP) EIS as a basis in part for the OEG traffic study. You informed me that you did.

You also contend that there is no need for the Arciero Winery to consider its cumulative impacts because the Level of Service (LOS) on Route 46 is currently LOS "B" and will be LOS "B" at the traffic analysis cumulative buildout time horizon. Hence the proposed winery's project-generated traffic would not breech the threshold of significance based on the Department's threshold of cusp C/D you claim. The OEG traffic study purportedly uses the "10-year forecast traffic volumes for the Highway 46 project". According to the R46CIP traffic analysis, the LOS on Route 46 is LOS "E" in 2005 (current traffic conditions) and is LOS "F" in 2025 (cumulative impact time horizon), within the widening-project limits. This contradicts the OEG traffic analysis claim that existing Route 46 conditions are at, LOS "B" and buildout conditions are also LOS "B".

Any private development, project-generated traffic added onto a State highway facility at future LOS "F", would automatically constitute a significant cumulative impact under the Department's best engineering judgement and therefore, the California Environmental Quality Act (CEQA). The OEG traffic analysis is correspondingly incorrect when it states, "from a level of service viewpoint, the project does not significantly impact the existing or

5-112

cumulative traffic volumes on Highway 46 in the vicinity of the project site." The R46CIP EIS traffic analysis also extends out to the 2025 time horizon which is consistent with the Department's practice of designing State highway facility improvements to traffic conditions that will exist in the "Design Year" which, in this case, is 20 years after the 46-Widening improvement project is scheduled to be constructed per the Environmental Document. The cumulative analysis in the OEG Traffic Study needs to be based on the 2025 projections and LOS analysis provided in the EIS as this is the most up to date and meaningful data that exists.

In addition, the R46CIP EIS utilizes Percent Time Following/Average Travel Speed (MPH) Measure of effectiveness (MOE) to gauge LOS on this stretch of Route 46. This is the appropriate MOE to gauge LOS on a two-lane Highway. The OEG Traffic Study utilizes the HCS 2000 Multilane Highway Analysis to gauge the LOS. The OEG Traffic analysis must use the appropriate MOE, in this case, percent time following analysis. Additionally, the OEG Traffic Study incorrectly uses 10% as the percentage of truck traffic traveling on this stretch of Route 46. The correct percent truck traffic volume as stated in the S46CIP EIS is 20% and needs to be included in the Percent Time Spent Following/Average Travel Speed MOE traffic analysis worksheets.

It was agreed at meetings with the project proponents that the Department would accept as cumulative impact mitigation, an irrevocable offer of Right of Way (R/W) described on page 5 of the OEG Traffic Study (April 29, 2004). The OEG Traffic study, states; "Caltrans has requested that the rights of way be reserved for the future highway widening project. Based on the selected alternative for the widening and safety project, some R/W will be required to be dedicated to the State. From a point 400 meters to the east of the site access to the easterly property line, an additional right of way dedication of approximately 12 m (40 feet) from parcel 017-163-022. Caltrans designs have been attached to this report for reference."

Based on the above quote in the OEG traffic study, I find it most curious and disingenuous that OEG would claim to have no recollection that the applicant/applicants representatives agreed to offer the R/W dedication mentioned above as a mitigation strategy for cumulative impacts.

The Department remains resolute in accepting the irrevocable offer of R/W as the dedication previously negotiated and offered in the OEG Traffic Study. Or, as stated in the Department's most recent communication with The County (email to Ms. Susan Callado 1-10-05), that the Lead Agency set as a condition of approval that the project proponents for the Arciero Winery must offer a revised traffic study/cumulative impact analysis/mitigation strategy that is more accurate.

Please be informed that the revised traffic analysis will be required to use (summer months - peak season) weekend (Sunday) peak hour trips (PHT) – LOS analysis for this

5-113

stretch of Route 46, as this scenario generates higher PHTs than the traditional midweek (off-season) peak hour trips.

Also, in the Institute of Transportation Engineers (ITE) *Trip Generation*, 7th Edition, there is no land use category heading for wineries or wine tasting. Therefore one cannot say with accuracy, how many PHTs will be generated by the winery based on per 1000 square feet of building footprint. The OEG traffic study does not specify the land use category or even if the ITE *Trip Generation* (industry standard) was used to derive the number of PHTs for the winery. The OEG Traffic Study does state that there will be 36 special events a year at the winery (almost 3 out of 4 weekends a month). The winery plans to include enough special event parking to accommodate 300 people for the largest of these events. The Traffic Study further estimates that there will be 2.4 occupants per vehicle for these events.

Therefore, the Arciero Winery is planning to be able to accommodate parking for 125 vehicles (300/2.4 = 125 parking spaces) at any given time they choose or during the course of normal weekend peak hour operations. If one agrees with these assumptions then the Traffic Study should use 125 weekend PHTs as the winery's trip generation number as there would be no way to enforce a limitation on who enters during a typical weekend peak hour interval other than their ability to provide safe parking accommodations.

The 125 PHTs should then be applied to the Department's pro rata share/proportional cost formulas and ultimately, the total cost of the 46 Widening project (approximately $100 million) in order to generate an appropriate cumulative mitigation strategy for the Winery.

The Department still considers the Route 46 left-turn channelization, the acceleration and deceleration lanes mentioned in the OEG Traffic Study, as appropriate project-specific mitigation for the proposed winery. Therefore, The Department emphatically encourages the Lead Agency to continue to condition this project accordingly in order to offset project-specific traffic impacts on this stretch of Route 46 that is currently designated as a "Safety Corridor".

The applicants will need to apply for an encroachment permit from the Department for the above referenced project-specific mitigation. Please contact Mr. Steve Senet (549-3206), Senior Permit Engineer for more information regarding the encroachment permit process. All work performed in the State's R/W will be done to The Department's engineering and environmental standards and at no cost to the State.

5-114

Development Review remains available for a new scoping meeting for the revised traffic study if the applicant/applicant's representatives so desire. Please contact me at 549-3683 to initiate the meeting.

Sincerely,

James Kilmer
District 5
Development Review/CEQA Coordination

c: D. Murray, R. Barnes, P. McClintic, T. Houston, S. Senet, J. Walker, S. Hoode, S. Callado – SLO County Planning,

2

SAN LUIS OBISPO COUNTY
DEPARTMENT OF PLANNING AND BUILDING

5-115

VICTOR HOLANDA, AICP
DIRECTOR

THIS IS A NEW PROJECT REFERRAL

RECEIVED
SEP 8 2003
Planning & Bldg

DATE: August 11, 2003

TO: Shandon Advisory

FROM: No County Team
(Please direct response to the above)

D030030D / Arciero Farms
Project Name and Number

Development Review Section (Phone: ~~781-~~ 788-2009) ( )

PROJECT DESCRIPTION: Winery & tasting room.

Return this letter with your comments attached no later than: August 25, 2003 * mailed to SAC 8/26 rcvd 8/27 or 8/28

PART I IS THE ATTACHED INFORMATION ADEQUATE FOR YOU TO DO YOUR REVIEW?

X YES (Please go on to Part II)
___ NO (Call me ASAP to discuss what else you need. We have only 30 days in which we must accept the project as complete or request additional information.)

PART II ARE THERE SIGNIFICANT CONCERNS, PROBLEMS OR IMPACTS IN YOUR AREA OF REVIEW?

X NO (Please go on to Part III)
___ YES (Please describe impacts, along with recommended mitigation measures to reduce the impacts to less-than-significant levels, and attach to this letter.)

PART III **INDICATE YOUR RECOMMENDATION FOR FINAL ACTION. Please attach any conditions of approval you recommend to be incorporated into the project's approval, or state reasons for recommending denial. IF YOU HAVE "NO COMMENT," PLEASE INDICATE OR CALL.**

GREAT ASSET AND MAJOR IMPROVEMENT WE LOVE THE PROJECT AND BELIEVE IT IS A MAJOR IMPROVEMENT IN SHANDON.

07-04-03 — Date
Duane Ellis — Name
805-2386453 — Phone

M:\PI-Forms\Project Referral - #216 Word.doc
Revised 4/4/03