



COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING & BUILDING
LOS OSOS COMMUNITY DEVELOPMENT TOWNHALL
FREQUENTLY ASKED QUESTIONS (SUMMARY)

LOS OSOS COMMUNITY PLAN (LOCP)

What is the Los Osos Community Plan?

The LOCP is the official plan for land use and transportation in Los Osos which determines how the community will grow and develop over the next 20 years. This plan is a component of the County's General Plan Land Use Element.

What is the Estero Area Plan?

The original Estero Area Plan (EAP) was certified by the California Coastal Commission in 1988 and contains coastal-wide policies, guidelines and standards for areas within the entire Estero planning area (Los Osos, Cayucos, and the rural areas of Estero). The first update to the EAP started in 1996 and was approved locally by the County Board of Supervisors in 2004 as part of the Local Coastal Program Amendment No. 2-04.

What recent action did the California Coastal Commission take on the LOCP on June 13, 2024?

On June 13, 2024, the California Coastal Commission (CCC) unanimously certified an amendment to the EAP with suggested modifications based on the LOCP. The amendment included new policies and regulations which do not take effect unless two final actions are completed: the County Board of Supervisors takes a local action to accept the suggested modifications and subsequently, CCC takes the final action recognizing the County Board of Supervisors' acceptance of the suggested modifications. Key policies and regulations from CCC's June 13, 2024 action include:

- Residential growth rate capped at 1% of total existing residential dwelling units
- Requirement for development to comply with the community-wide Los Osos Habitat Conservation Plan (LOHCP) and Incidental Take Permit
- Requirement for development to be served by a sustainable wastewater treatment system (such as the Los Osos sewer)

What are the next steps?

On October 29, 2024, the County Board of Supervisors will hold a hearing to consider acceptance of California Coastal Commission's suggested modifications, amendments to LOCP and EAP, establishment of Los Osos growth rate and protocols for implementation of the "Los Osos Waitlist to Build", and discussion on Los Osos Habitat Conservation Plan (LOHCP).



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LOS OSOS HABITAT CONSERVATION PLAN (LOHCP)

What is the LOHCP and what is a covered activity?

The LOHCP is a document required for an incidental take permit (ITP) under the Endangered Species Act, issued by U.S. Fish and Wildlife Service (USFWS). The plan identifies activities that are covered by the community-wide ITP (covered activities), their anticipated impacts to federally-listed species covered by the permit (covered species), and the steps that participants will take to avoid, minimize, and mitigate the impacts of the covered activities for the covered species. Covered activities include residential and commercial development, infrastructure development, habitat restoration conducted by the County, and fire hazard reduction.

What is the Programmatic Incidental Take Permit (ITP) and what is "take"?

"Take" is a term used by USFWS to describe harm to listed species and their habitat. The County worked with USFWS to incorporate avoidance and minimization measures to limit effects to listed species into the LOHCP and was issued an ITP to exempt effects that may occur incidental to covered activity undertaken in compliance with LOHCP requirements. This exemption is extended to future developments in Los Osos through participation in the LOHCP.

What species are covered by the Incidental Take Permit?

Covered species are Morro shoulderband snail, Morro Bay kangaroo rat, Morro Manzanita, Indian Knob mountainbalm.

What is a Certificate of Inclusion (COI) and do I need one?

A COI is an official document issued by the Department of Planning and Building and is required for all covered activities in the LOHCP area. A COI can be obtained with confirmation of available mitigation credit reserved, and payment of impact fees covering permitted activity resulting in ground disturbance.

If I want to build a home on my property, what do I need to comply with the LOHCP?

In general, building a home on a vacant parcel requires (1) a COI, (2) compliance with avoidance and minimization measures on the COI, and (3) payment of required fees for each square foot of area disturbed.

If I'm adding to my house or remodeling, what do I need to comply with the LOHCP?

All activities causing temporary or permanent disturbance, including house additions and redevelopment projects, will require a COI and payment of required fees.

What are the next steps?

The County received a community-wide programmatic ITP from USFWS (February 2024) which is valid for 25 years. On October 29, 2024, the County Board of Supervisors will discuss the LOHCP implementation package that includes the funding, staffing, implementation strategies and



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partnerships with organization to implement the LOHCP.

What is the PCA and can development occur in those areas?

The Priority Conservation Area (PCA) are the areas in the community with the highest conservation value for the covered species. The County, in collaboration with the implementing entity, will be acquiring, preserving, and restoring habitat within the PCA to gain mitigation credits from USFWS and establish a community greenbelt.

The PCA contains a mix of preserved, public, and private parcels. Although habitat preservation and restoration will be the primary focus in the PCA, **limited development is permitted in the PCA given compliance with mitigation measures of LOHCP.**

Mitigation for development in the PCA requires a payment of the mitigation impact fee and requires onsite mitigation in the form of 3 square feet set aside as habitat conservation for each square foot disturbed (3:1 Onsite Mitigation)

3:1 Onsite Mitigation Example: 1,000 square-feet disturbed = 3,000 square-feet conserved onsite

Are public maintenance/infrastructure projects conducted by agencies like County Parks & Recreation, County Public Works, Los Osos Community Services District required to comply with the LOHCP?

All projects meeting the characteristics of a Covered Activity under the LOHCP and community-wide programmatic ITP (regardless of entity; private citizen, County department, or public service provider) are required to comply with the requirements of the LOHCP.

With the community-wide programmatic ITP and LOHCP, are biological surveys still required and when must they occur? Surveys are time-sensitive because these need to be performed during certain season(s) and may expire.

Biological resource assessments (BRAs) allow the County to monitor compliance with the LOHCP's avoidance and minimization measures (AMMs) and **will be required for many parcels in Los Osos.** Some parcels may be able to rely on the community's Environmental Impact Report (EIR) and LOHCP mitigation measures to be exempt, however BRA requirements will be determined on a case-by-case basis.

In addition to ensuring compliance with the LOHCP's AMMs, BRA will be required for all parcels within the mapped habitat areas for Morro Bay kangaroo rat and Morro shoulderband snail. These special areas are considered environmentally sensitive habitat areas (ESHA) and additional land use permitting and CEQA compliance will warrant a BRA to be completed.



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Is the County considering purchasing the Cuesta Inlet properties to contribute to the conservation requirements of the LOHCP?

The adopted LOHCP does not identify the Cuesta Inlet as being part of the PCA and is not eligible to contribute to the conservation requirements of the LOHCP. The County is in the process of discussing the possibility of adding this area to the PCA with the USFWS. The change, if executed, would recognize the habitat value of the Cuesta Inlet and allow its incorporation into the LOHCP preserve system.

Inclusion of the Cuesta Inlet in the PCA would result in the designation of the area as a habitat area with it being managed for conservation of the four covered species. These conservation strategies may potentially limit public access to avoid impacts on covered species.

GROWTH MANAGEMENT ORDINANCE (GMO) AND THE LOS OSOS WAITLIST TO BUILD

What is the GMO?

The GMO, Title 26 of the County Code, was adopted in 1990 and requires the County Board of Supervisors to approve the unincorporated county's maximum annual growth rate for new dwelling units annually after consideration of the most recent resource reports to ensure new residential development is compatible with the availability of community resources.

How does the GMO effect Los Osos?

The GMO initially set a 0% growth rate for vacant parcels served by onsite septic systems in the Los Osos sewer service area (also known as Prohibition Zone) and resulted in a waitlist to build since 1990. The growth rate stayed at 0%, even after completion of the community sewer system, because vacant parcels were prohibited from connecting to the sewer until the EAP was amended to reflect updated buildout numbers in line with resource limitations and habitat impacts. Historically, properties outside of the Prohibition Zone have been subject to the 2.3% countywide growth rate.

The proposed GMO amendments reflect the CCC's suggested modifications and how the County would manage the allowed growth in Los Osos. *If the recommended amendments to the GMO are approved by the County Board of Supervisors on October 29, 2024, the following amendments will become effective:*

- Maximum residential growth rate may not exceed 1%.
- The annual growth rate will begin at a metered approach starting at 0.4%, 0.6% 0.8% and 1% thereafter.
- The annual growth rate must be dependent upon the best available groundwater basin data with a rolling 5-year average of the Basin Yield Metric.
- Before July 1 of every calendar year, the total number of new dwelling units allowed under



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the annual residential growth rate will be distributed as follows:

- 75% of new units reserved for inside the Los Osos sewer service area;
- 25% of new units reserved for outside the Los Osos sewer service area, deed-restricted affordable dwelling units, and accessory dwelling units.*
- After July 1 of every calendar year, the remaining amount of the total number of new dwelling units allowed under the residential growth rate will be distributed to the Los Osos sewer service area.
- For the entirety of the calendar year, the total number of new dwelling units allowed under the residential growth rate will be distributed as follows:
 - 65% of new units for Single-Family dwelling units
 - 35% of new units for Multi-Family dwelling units
- A noticing structure and allocation procedure for Waitlist to Build property owners.
- Requirements for construction permit application.

**Accessory Dwelling Units are currently not allowable in Los Osos per the Title 23 Coastal Zone Land Use ordinance.*

How will the 5-year rolling average of the Basin Yield Metric effect the Los Osos annual growth rate?

Per the recommended amendments to the County Growth Management Ordinance, the annual growth rate would be based on a 5-year rolling average of the Basin Yield Metric as follows:

5-Year Rolling Average of Annual Basin Yield Metric	Annual Growth Rate
≤80%	1.0%
>80% to 81%	0.8%
>81% to 82%	0.6%
>82% to 83%	0.4%
>83% to 84%	0.2%
>84%	0.0%

If the 5-year rolling average of the Basin Yield Metric is to exceed 84%, then the Board of Supervisors must adopt a 0.0% growth rate for the upcoming calendar year. A Basin Yield Metric of 80% aligns with the management objective of the Los Osos Basin Management Committee’s Los Osos Basin Plan, and means that estimated groundwater pumping is not exceeding 80% of the sustainable yield of the Los Osos groundwater basin.



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What is the Los Osos Waitlist to Build?

Since vacant parcels in the [community sewer service area](#) have been unable to be developed due to the current 0% growth rate and Coastal Commissions' permit limitations for the Los Osos Wastewater project, the County maintains a waitlist for development of these parcels ("Waitlist") until they are able to apply for construction permits.

The Waitlist was established in 1990. To be added to the Waitlist, property owners pay an administrative fee of \$32 per property and \$500 deposit per dwelling unit.

Positions on the Waitlist are tied to the property and remain effective when properties are conveyed but may not be transferred between properties.

LOS OSOS GROUNDWATER BASIN (LOGWB)

What is the LOGWB?

The LOGWB is made up of several aquifer layers, underlying the Los Osos community and surrounding areas. The Upper and Lower aquifers are the main sources of municipal and domestic water supplies. LOGWB is currently the only source of drinking water for Los Osos.

Who manages the LOGWB?

LOGWB is managed by the [Los Osos Basin Management Committee \(BMC\)](#), consisting of representatives from community service providers and the County. The Los Osos Basin Plan (Basin Plan) contains comprehensive groundwater management strategies to address seawater intrusion and elevated nitrate concentrations from historic septic system contamination, and for restoration of basin water resources, while respecting existing water rights. The BMC annually reports on monitoring data, typically publishing Annual Reports in the Spring.

All BMC Annual Reports can be found here: [Annual Reports - Los Osos Basin Management Committee \(lososobmc.org\)](#)

What is the current status of the LOGWB?

The current sustainable yield estimate for the Basin is 2,380 acre-feet per year (AFY) ([BMC Annual Report, 2023](#)). This sustainable yield estimate was updated by the BMC in 2022 to use more conservative groundwater modeling assumptions and is an estimate of the amount that can be withdrawn from the basin by existing infrastructure without causing an increase in seawater intrusion. The most recent (2023) groundwater production estimate (1,650 AFY) is 69 percent of the current sustainable yield estimate (2,380 AFY) and, as such, estimated groundwater production does not exceed the sustainable yield estimate, is expected to cause a retreat in the seawater intrusion front, and achieves the Basin Plan management objective. The 2023 Water Level Metric shows



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further significant improvement and a recovery in groundwater elevation to levels last seen in the 1970's. Fluctuations in the Water Level, Nitrate, and Chloride metrics are expected, as the Basin continues to recover from historic seawater intrusion and nitrate contamination at a pace consistent with the Basin model projections.

October 27, 2021 BMC Discussion about the updated sustainable yield methodology: [Board Meeting - Los Osos Basin Management Committee \(losososbmc.org\)](#)

What is the basin yield metric (BYM)?

The Basin Yield Metric compares annual groundwater production with the sustainable yield estimate in a given year and is the primary indicator of sustainable pumping volume. The Basin Plan established a sustainable yield estimate for the Basin and aims to maintain groundwater production at 80% or less of the sustainable yield estimate to provide a conservative buffer to account for uncertainty in the groundwater modeling assumptions.

What is sustainable yield?

The Basin Plan created a process to establish the sustainable yield estimate for the Basin based on infrastructure and pumping distribution combinations and aims to maintain groundwater production at 80 percent or less of the sustainable yield estimate to provide a conservative buffer to account for uncertainty in the groundwater modeling assumptions. The sustainable yield estimate is the maximum amount of water that may be extracted from the Basin in a given year (a) using available infrastructure, (b) without causing seawater to intrude further than the current extent, and (c) without active wells producing water with a chloride concentration exceeding 250 mg/L (BMC Annual Report, 2022). The federal secondary drinking water standard for chloride concentration is 250 mg/L.

PERMITTING PROCESS FOR NEW HOMES ON VACANT LOTS

What is the permit process to build new homes on vacant lots in Los Osos?

Depending on specific site characteristics and resources, a discretionary (i.e. Minor Use Permit) or ministerial (i.e. Plot Plan) land use permit may be required as the first step prior to building permit application.

For building permit application submittal, the following are required:

- Verification of water supply: water will-serve letter or on-site well has demonstrated adequate availability of potable water.
- Verification of wastewater treatment: sewer will-serve letter or on-site wastewater treatment system that complies with all applicable regulations.
- Compliance with Title 19 Retrofit-to-Build requirements, as applicable.



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If recommended amendments to the GMO are approved by the County Board of Supervisors on October 29, 2024, the following will also be required for building permit application submittal:

- Residential growth rate allocation: written confirmation from the County of available allocations
- Los Osos Habitat Conservation Plan (LOHCP) Certificate of Inclusion (COI), or equivalent.

What water conservation measures are required by the County in Los Osos?

The [Title 19 Retrofit-to-Build program](#) requires new development that uses water from the Los Osos Groundwater Basin to retrofit older plumbing fixtures in existing homes and businesses to save twice the amount of water the new development will use. Retrofit-to-Build applicants must receive a water conservation certificate prior to building permit issuance. The Title 19 Retrofit-to-Build program was updated in June 2023 to include updated average water savings requirements based on historical consumption data from the Los Osos water purveyors. To review the Los Osos Water Offset Study and update materials (Board of Supervisors hearing on February 27, 2024), please visit [Agenda item details \(ca.gov\)](#).

** For built homes, the [Title 8 Retrofit-Upon-Sale program](#) requires sellers to retrofit existing plumbing fixtures to the low-flow requirements.*

What is the process of the Title 19 Retrofit-to-Build program?

It is a requirement for the building permit. The applicant must receive a Title 19 water conservation certificate before the building permit is issued. An applicant can begin the Title 19 process before submitting the building permit. The Title 19 water conservation certificate does not expire.

The applicant must retrieve a [Title 19 Retrofit-to-Build program](#) application and use page 3 to determine the required total water savings for the type of dwelling (i.e., Single-Family, Multi-Family, Mobile Home) to receive the water conservation certificate.

Applicants are responsible for finding toilets, showerheads, clothes washers that need retrofitting within the community. Commonly, applicants will ask neighbors or use social media sites to find neighbors that have older plumbing fixtures that need to be retrofitted.