

4.0 OTHER CEQA SECTIONS

This section presents the evaluation of additional environmental impacts analyses required by the California Environmental Quality Act (CEQA) that are not covered within the other sections of this Environmental Impact Report (EIR), including significant unavoidable environmental effects of the project, irreversible environmental changes, growth inducing impacts (including removal of obstacles to growth), and resource areas that are found not to be significant. In particular, Section 15126 of the CEQA Guidelines requires that all aspects of a project must be considered when evaluating its impact on the environment, including planning, acquisition, development, and operation. Accordingly, in addition to the analysis provided in Section 3.0, *Environmental Impact Analysis and Mitigation Measures*, this EIR must identify growth inducing impacts and significant irreversible environmental changes that would potentially result from implementation of the proposed Avila Ranch Development Project (Project).

4.1 IRREVERSIBLE ENVIRONMENTAL IMPACTS

CEQA Guidelines, Section 15126.2(c) requires that irreplaceable commitments of resources be evaluated to assure that such current consumption is justified. This includes use of nonrenewable resources, the commitment of future generations to similar uses, and irreversible damage which can result from environmental accidents associated with the Project.

Construction of new buildings and paved surfaces would involve consumption of building materials and energy, some of which are nonrenewable or locally limited natural resources (e.g., fossil fuels and wood). Nonrenewable resources utilized for the proposed Project could no longer be utilized for other purposes. Consumption of building materials and energy is associated with any development in the region, and these commitments of resources are not unique or unusual to the proposed Project. The proposed Project would represent an incremental commitment to long-term use of nonrenewable resources, particularly gasoline for substantially increased automobile use and oil, coal, and natural gas for power generation. Although not unique to the proposed Project, the auto-oriented nature of the proposed Project would result in it being one of the larger energy consuming developments, particularly for gasoline, of those recently considered by the City of San Luis Obispo (City). In addition, as discussed in Section 3.3, *Air Quality and Greenhouse Gas Emissions*, use of each of these forms of non-renewable energy would contribute to the generation of greenhouse gases (GHGs) with an incremental contribution to global climate change. To help alleviate impacts to non-renewable resources, the Project would

be compliant with the U.S. Green Building Council's Leadership in Energy and Environmental Design for Neighborhood Development ("LEED-ND") "silver" certification and San Luis Obispo County's (County's) Green Build "emerald" certification rating. Moreover, the Project is proposed to include photovoltaic solar panels on at least 50 percent of residential units. These sustainable building features could reduce new energy demand and the consumption of water and non-renewable fossil fuels. Consumption of these resources would occur with any development in the region and are not unique to the proposed Project.

As described in Section 3.2, *Agricultural Resources*, implementation of the proposed Project would irreversibly commit 71 acres of prime farmland soils from active agricultural production to residential development. The proposed Project would commit future generations to similar uses. The irretrievable commitment of this site for these uses is mitigated with permanent protection of offsite agricultural lands of equal area and quality by purchasing a parcel of at least 71 acres of equal quality farmland to be put into an agricultural conservation easement via mitigation MM AG-1. Further, the Project would provide local provisions and services to Project residents through the establishment of a 15,000 square feet (sf) Town Center consisting of Neighborhood Commercial uses (i.e., shopping, offices, and convenience stores).

The proposed Project would not be expected to result in environmental accidents that have the potential to cause irreversible damage to the natural or human environment.

4.2 GROWTH-INDUCING IMPACTS

Section 15126.2(d) of the CEQA Guidelines requires a discussion of how the proposed Project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. Induced growth is distinguished from the direct economic, population, or housing growth of a project. Induced growth is any growth that results from new development that would not have taken place in the absence of the project and that exceeds planned growth. CEQA Guidelines also state that growth in any area should not be assumed to be necessarily beneficial, detrimental, or of little significance to the environment.

Growth-inducing impacts are caused by those characteristics of a project that tend to foster or encourage population and/or economic growth. Inducements to growth include the generation of construction and permanent employment opportunities in the support sectors of the economy. The proposed Project could result in four types of growth-inducing

impacts: 1) the creation of short- and long-term employment opportunities which draw newcomers to the region; 2) the associated increase in housing demand; 3) the generation of new commercial and tourist accommodations to entice people to the area; and 4) expansion of utilities and infrastructure.

As discussed in Section 3.10, *Population and Housing*, the proposed Project would construct 720 housing units and provide approximately 27 long-term jobs, in addition to short-term construction employment. Subsequently, with only 27 long-term jobs, there would be a very minor influx of growth inducement from long-term employment opportunities, if any growth at all, considering the probability of these 27 long-term jobs being absorbed by existing residents or future residents of the Project. The construction of 720 new units would result in a residential population growth of approximately 1,649 persons. However, construction of 720 housing units would alleviate the City's increased housing demand, and is thus not considered growth-inducing. Population growth within the City is directly related to the increase in available housing supply, and the City's Land Use Element Policy LU 1.11.2 allows for an increase in housing units up to one percent annually, excluding affordable housing.

Further, as a result of an influx of 1,649 people to the City population, secondary impacts would likely occur due to increased commuter traffic and associated air quality impacts, particularly generation of GHGs.

As discussed in Section 3.13, *Utilities*, the proposed Project would construct water supply and wastewater collection systems for the Project site that would tie into City systems. As part of this Project, utilities would not be provided outside of the Urban Reserve Line or City limits. Extension of the Earthwood Lane water line would eventually become a looping system that would contain a stubbed water main along Buckley Road to enable future eastern connections. Contrarily, the adjacent future development at Vachell Lane was planned to be served by septic systems when initially approved by the County. Revisions to that system and extension of sewer mains to this area are not a part of proposed improvements associated with the Project.

Extensions of road infrastructure resulting from the Buckley Road Extension, Horizon Lane Extension, and Earthwood Extension could also be potentially growth inducing, as they would facilitate improved access and circulation within the vicinity. In particular, roadway and utility extensions could facilitate the development of two currently undeveloped and used for agriculture parcels zoned M-1, Industrial, to the west of the Project site along Vachell Lane. Areas to the northwest of the Project site would be the first

to experience growth due to the improved access and circulation brought about by the Project; these parcels are currently used for agriculture but are zoned for industrial land uses. The Project may also induce growth by encouraging development toward the southern end of the City, and developing more intensive land uses within this area. This could have the effect of putting pressure on the County to encourage additional growth south of the City. However, additional growth or development is not expected to occur within the areas south of Buckley Road and east of Jespersen Road, as City policy framework prevents the expansion of utilities outside City limits and these County lands have been designated as prime and non-prime agricultural land under protection of the Williamson Act. Therefore, future growth and development of these lands after implementation of this Project remains unlikely.

4.3 EFFECTS FOUND NOT TO BE SIGNIFICANT

CEQA Guidelines state that the EIR shall contain a statement briefly indicating the reasons that various potentially significant effects of a project were determined not to be significant and were therefore not discussed in detail in the EIR (Section 15128). After standard regulatory conditions and/or mitigation measures are applied, several resource areas were found to be below a level of significance, as identified in the Initial Study Checklist (Appendix A). Some of these issues have been reassessed in this EIR, and further analysis resulted in mitigation measures provided as appropriate. Results of the environmental analyses are either presented in Section 3.0, *Environmental Impact Analysis and Mitigation Measures*, or discussed below.

4.3.1 Geological Resources

With regard to the proposed Project, geological resources were identified on the Initial Study Checklist as having *potentially significant* impacts unless mitigation measures are incorporated. No known fault lines are located on or in the immediate vicinity of the Project site. However, the Project is located within a seismically active region of the state of California, and strong ground shaking should be expected during the life of the proposed Project. As a result, structures have been engineered to withstand significant seismic activity, and impacts associated with potential seismic activity are expected to be *less than significant*.

Mitigation measures identified in the Initial Study to reduce potentially significant impacts related to geological resources are listed below.

MM GEO-1. Design and construction of the buildings, roadway infrastructure and all subgrades shall be engineered to withstand the expected ground acceleration that may occur at the Project site. The design shall take into consideration the soil type, potential for liquefaction, and the most current and applicable seismic attenuation methods that are available. All onsite structures shall comply with applicable provisions of the 2010 California Building Code (CBC), local codes, and the most recent California Department of Transportation seismic design standards.

MM GEO-2. For commercial retail stores included in the Project, goods for sale may be stacked no higher than 8 feet from the floor in any area where customers are present, unless provisions are made to prevent the goods from falling during an earthquake of up to 7.5 magnitude. The stacking or restraint methods shall be reviewed and approved by the City before approval of occupancy permits, and shall be a standing condition of occupancy.

MM GEO-3. A geotechnical study shall be prepared for the Project site prior to site development. This report shall include an analysis of the liquefaction potential of the underlying materials according to the most current liquefaction analysis procedures. If the Project site is confirmed to be in an area prone to seismically-induced liquefaction, appropriate techniques to minimize liquefaction potential shall be prescribed and implemented. All onsite structures, transportation infrastructure, and subgrades shall comply with applicable methods of State and Local Building Codes and all transportation infrastructure shall comply with the most current California Department of Transportation design standards. Suitable measures to reduce liquefaction impacts could include one or more of the following techniques, as determined by a registered geotechnical engineer:

- Specialized design of foundations by a structural engineer;*
- Removal or treatment of liquefiable soils to reduce the potential for liquefaction;*
- Drainage to lower the groundwater table to below the level of liquefiable soil;*
- In-situ densification of soils or other alterations to the ground characteristics; or*

- *Other alterations to the ground characteristics.*

MM GEO-4. The Site Geotechnical Investigation shall include an evaluation of the potential for soil settlement beneath the Project site. If the Project site is identified to be in a high potential for settlement zone based on the Site Geotechnical Investigation, the building foundations, transportation infrastructure, and subgrades shall be designed by a structural engineer to withstand the existing conditions, or the site shall be graded in such a manner as to address the conditions. Suitable measures to reduce settlement impacts could include one or more of the following techniques, as determined by a qualified geotechnical engineer:

- *Excavation and recompaction of onsite or imported soils;*
- *Treatment of existing soils by mixing a chemical grout into the soils prior to recompaction; or*

Foundation design that can accommodate certain amounts of differential settlement such as post tensional slab and/or ribbed foundations designed in accordance with the CBC.

MM GEO-5. The Site Geotechnical Investigation shall include an evaluation of the potential for soil expansion beneath the Project site. If the Project site is identified to be in a high expansive soil zone based on the Site Geotechnical Investigation, the foundations and transportation infrastructure shall be designed by a structural engineer to withstand the existing conditions, or the site shall be graded in such a manner as to address the conditions. Suitable measures to reduce impacts from expansive soils could include one or more of the following techniques, as determined by a qualified geotechnical engineer:

- *Excavation of existing soils and importation of non-expansive soils; and*

Foundation design to accommodate certain amounts of differential expansion such as post tensional slab and/or ribbed foundations designed in accordance with the CBC.

MM GEO-6. The Site Geotechnical Investigation shall include soil parameter analyses to determine the potential for subsidence at the Project site. If the potential for subsidence is found to be significant, then structural and grading

engineering measures shall be implemented to incorporate the results of the geotechnical study. These measures would be similar to those recommended to mitigate impacts to soil settlement.

MM GEO-7. During drought periods, groundwater pumping limitations for the unconsolidated aquifer underlying the Project site shall be assessed and implemented to prevent soil subsidence.

According to the soils map shown in Section 4.2 of the Land Use and Circulation Elements Update EIR (LUCE Update EIR), the Project site contains soils with moderate shrink-swell potential and high erosion potential. Therefore, development in these areas could occur on soils that have the potential to present hazards related to differential settlement, expansive soils, and erosion. However, new development would conform to the CBC. Proper engineering, including compliance with the CBC, the City of San Luis Obispo Municipal Code, and General Plan policies would reduce program level impacts from expansive soils, erosive soils, and differential settlement to ***significant but mitigable***.

4.3.2 Mineral and Forestry Resources

No known mineral or forestry resources are associated with the Project site; therefore, ***no impact*** to mineral or forestry resources are expected from the proposed Project.

4.3.3 Energy Conservation

Per Appendix F of the CEQA Guidelines and Public Resources Code Section 21100(b)(2), an EIR must disclose and discuss the potential for the project to result in impacts on energy conservation and/or consumption. A project may have the potential to cause such impacts if it would result in the inefficient, wasteful, or unnecessary consumption of energy, including electricity, natural gas, or transportation fuel supplies and/or resources.

The Project's anticipated energy demand (including fuel consumption), energy conserving features, and required mitigation measures that have an effect on energy conservation are evaluated in this section to determine whether the Project would result in unnecessary or wasteful energy consumption. The discussion of the Project's anticipated energy demands includes natural gas, electricity, and fuel consumption during construction and operations of the Project.

4.3.3.1 Existing Energy Consumption

A description of existing energy sources, energy consumption in California, existing energy service providers serving the City, and existing energy infrastructure in the Project vicinity is provided in Section 3.13.2.4, *Energy Services* within Section 3.13, *Utilities*.

As described in Section 3.13, *Utilities*, electrical and natural gas services for the City and Project area are provided by Pacific Gas and Electric Company (PG&E) and Southern California Gas Company (SoCal Gas), respectively. In 2015, PG&E provided 85,988.75 gigawatt-hours (GWh) of electricity to nearly 16 million customers across a service area of 700,000 square miles (CEC 2017; PG&E 2017). In the same year, SoCal Gas provided a total of 4,946.74 million therms of natural gas to nearly 21.6 million customers across its 20,000 square mile service area (CEC 2017; SoCal Gas 2017). Within the County, total demand for PG&E electrical services was 1,716.97 GWh, and total demand for SoCal Gas natural gas services was 77.7 million therms in 2015. Total state and countywide energy demands, including per capita calculations of energy demands based on 2015 populations, are provided in Table 4-1, below.

Table 4-1. 2015 County and State Energy Demands

	<u>2015 Population</u>	<u>Total 2015 Energy Demand</u>		<u>2015 Energy Demand Per Capita</u>	
		<u>Natural Gas Demand (therms)</u>	<u>Electricity Demand (MWh)</u>	<u>Natural Gas Demand (therms)</u>	<u>Electricity Demand (MWh)</u>
County	<u>281,401</u>	<u>77,699,926</u>	<u>1,716,968.9</u>	<u>276.1</u>	<u>6.1</u>
State	<u>39,144,818</u>	<u>10,054,479,145</u>	<u>282,896,292.3</u>	<u>256.6</u>	<u>7.2</u>

Source: CEC 2017; U.S. Census Bureau 2015.

The California Department of Transportation (Caltrans) reports that approximately 24.4 million automobiles, 5.6 million trucks, and 880,588 motorcycles were registered in the state in 2016, resulting in a total estimated 334.7 billion vehicles miles traveled (VMT) (Caltrans 2016a) and 15.1 billion gallons of gasoline consumed (CEC 2016). Within the County, an estimated 3.03 million vehicle miles were traveled in 2016, accounting for approximately 0.00009 percent of the state’s total VMT (Caltrans 2016b).

The State of California strongly supports production and use of renewable energy sources, including solar photovoltaic (PV), wind, hydrologic, and biomass. For example, in-state operating capacity of renewable resources was 26,300 MW as of October 31, 2016. This total includes a little more than 5,200 MW of self-generation capacity, almost 5,100 MW of which is self-generation solar photovoltaic (PV). The state’s renewable energy portfolio

includes wind (6,000 MW), solar photovoltaic (PV) (13,000 MW), geothermal (2,700 MW), small hydrologic (1,800 MW), solar thermal (1,300 MW) and biomass (1,300 MW) (CEC 2016a).

4.3.3.2 Regulatory Setting

Federal

Energy Policy Act of 2005

The Energy Policy Act of 2005 seeks to reduce reliance on non-renewable energy resources and provide incentives to reduce current demand on these resources. For example, under the Act, consumers and businesses can obtain federal tax credits for purchasing fuel efficient appliances and products, including buying hybrid vehicles, building energy-efficient buildings, and improving the energy efficiency of commercial buildings. Additionally, tax credits are available for the installation of qualified fuel cells, stationary microturbine power plants, and solar power equipment.

State

California Energy Commission

The California Energy Commission CEC was created in 1974 to serve as the state's primary energy policy and planning agency. The CEC is tasked with reducing energy costs and environmental impacts of energy use - such as greenhouse gas emissions - while ensuring a safe, resilient, and reliable supply of energy.

State of California Integrated Energy Policy (SB 1389)

In 2002, the Legislature passed Senate Bill 1389, which required the California Energy Commission (CEC) to develop an integrated energy plan every two years for electricity, natural gas, and transportation fuels, for the California Energy Policy Report. The plan calls for the state to assist in the transformation of the transportation system to improve air quality, reduce congestion, and increase the efficient use of fuel supplies with the least environmental and energy costs. To further this policy, the plan identifies a number of strategies, including assistance to public agencies and fleet operators in implementing incentive programs for Zero Emission Vehicles and their infrastructure needs, and encouragement of urban designs that reduce vehicles miles traveled and accommodate pedestrian and bicycle access.

The CEC adopted the 2013 Integrated Energy Policy Report on February 20, 2014. The 2013 Integrated Energy Policy Report provides the results of the CEC's assessment of a variety of issues, including:

- Ensuring that the state has sufficient, reliable, and sage energy infrastructure to meet current and future energy demands;
- Monitoring publicly-owned utilities' progress towards achieving 10-year energy efficiency targets; defining and including zero-net-energy goals in state building standards;
- Overcoming challenges to increased use of geothermal heat pump/ground loop technologies and procurement of biomethane;
- Using demand response to meet California's energy needs and integrate renewable technologies;
- Removing barriers to bioenergy development; planning for California's electricity infrastructure needs given potential retirement of power plants and the closure of the San Onofre Nuclear Generating Station;
- Estimating new generation costs for utility-scale renewable and fossil-fueled generation;
- Planning for new or upgraded transmission infrastructure;
- Monitoring utilities' progress in implementing past recommendations related to nuclear power plants;
- Tracking natural gas market trends;
- Implementing the Alternative and Renewable Fuel and Vehicle Technology Program; and,
- Addressing the vulnerability of California's energy supply and demand infrastructure to the effects of climate change; and planning for potential electricity system needs in 2030.

California Global Warming Solutions Act of 2006 (Assembly Bill 32)

Assembly Bill 32 (Health and Safety Code Sections 38500–38599; AB 32), also known as the California Global Warming Solutions Act of 2006, commits the state to achieving year 2000 GHG emission levels by 2010 and year 1990 levels by 2020. To achieve these goals, AB 32 tasked the California Public Utilities Commission and CEC with providing information, analysis, and recommendations to the California Air Resources Board regarding ways to reduce GHG emissions in the electricity and natural gas utility sectors.

California Energy Code (Title 24, Part 6, Building Energy Efficiency Standards)

California Code of Regulations Title 24, Part 6 comprises the California Energy Code, which was adopted to ensure that building construction, system design and installation achieve energy efficiency. The California Energy Code was first established in 1978 by the CEC in response to a legislative mandate to reduce California's energy consumption, and apply to energy consumed for heating, cooling, ventilation, water heating, and lighting in new residential and non-residential buildings. The standards are updated periodically to increase the baseline energy efficiency requirements. The 2013 Building Energy Efficiency Standards focus on several key areas to improve the energy efficiency of newly constructed buildings and additions and alterations to existing buildings and include requirements to enable both demand reductions during critical peak periods and future solar electric and thermal system installations. Although it was not originally intended to reduce greenhouse gas (GHG) emissions, electricity production by fossil fuels results in GHG emissions and energy efficient buildings require less electricity. Therefore, increased energy efficiency results in decreased GHG emissions.

California Green Building Standards Code (Title 24, Part II, CALGreen)

The California Building Standards Commission adopted the California Green Buildings Standards Code (CALGreen in Part 11 of the Title 24 Building Standards Code) for all new construction statewide on July 17, 2008. Originally a volunteer measure, the code became mandatory in 2010 and the most recent update (2013) went into effect on January 1, 2014. CALGreen sets targets for energy efficiency, water consumption, dual plumbing systems for potable and recyclable water, diversion of construction waste from landfills, and use of environmentally sensitive materials in construction and design, including eco-friendly flooring, carpeting, paint, coatings, thermal insulation, and acoustical wall and ceiling panels. The 2013 CALGreen Code includes mandatory measures for non-residential development related to site development; water use; weather resistance and moisture management; construction waste reduction, disposal, and recycling; building maintenance and operation; pollutant control; indoor air quality; environmental comfort; and outdoor air quality. Mandatory measures for residential development pertain to green building; planning and design; energy efficiency; water efficiency and conservation; material conservation and resource efficiency; environmental quality; and installer and special inspector qualifications.

Clean Energy and Pollution Reduction Act (SB 350)

The Clean Energy and Pollution Reduction Act (SB 350) was passed by California Governor Brown on October 7, 2015, and establishes new clean energy, clean air, and greenhouse gas reduction goals for the year 2030 and beyond. SB 350 establishes a greenhouse gas reduction target of 40 percent below 1990 levels for the State of California, further enhancing the ability for the state to meet the goal of reducing greenhouse gas emissions by 80 percent below 1990 levels by the year 2050.

Renewable Portfolio Standard (SB 1078 and SB 107)

Established in 2002 under SB 1078, the state's Renewables Portfolio Standard (RPS) was amended under SB 107 to require accelerated energy reduction goals by requiring that by the year 2010, 20 percent of electricity sales in the state be served by renewable energy resources. In years following its adoption, Executive Order S-14-08 was signed, requiring electricity retail sellers to provide 33 percent of their service loads with renewable energy by the year 2020. In 2011, SB X1-2 was signed, aligning the RPS target with the 33 percent requirement by the year 2020. This new RPS applied to all state electricity retailers, including publically owned utilities, investor-owned utilities, electrical service providers, and community choice aggregators. All entities included under the RPS were required to adopted the RPS 20 percent by year 2020 reduction goal by the end of 2013, adopt a reduction goal of 25 percent by the end of 2016, and meet the 33 percent reduction goal by the end of 2020. In addition, the Air Resources Board, under Executive Order S-21-09, was required to adopt regulations consistent with these 33 percent renewable energy targets.

Local

City of San Luis Obispo General Plan

The City's General Plan contains policies which encourage energy efficiency and sustainable practices to reduce the use of energy resources. The following goals and policies are contained in the various elements of the City's General Plan; additional analysis of the City's General Plan is provided in Section 3.8, *Land Use and Planning*.

Land Use Element

Policy 1.5. Jobs/Housing Relationship. The gap between housing demand (due to more jobs and college enrollment) and supply should not increase.

Policy 1.13.2. Recycled Water. Provision of recycled water outside of City limits may only be considered in compliance with Water and Wastewater Element Policy A 7.3.4 and the following findings: A. Non-potable/recycled water is necessary to support continued agricultural operations; B. Provision of non-potable/recycled water will not be used to increase development potential of property being served; C. Non-potable/recycled water will not be further treated to make it potable; D. Prior to provision of non-potable/recycled water, the property to be served will record a conservation, open space, Williamson Act, or other easement instrument to maintain the area being served in agriculture and open space while recycled water is being provided.

Policy 2.3.1. Mixed Uses and Convenience. The City shall promote a mix of compatible uses in neighborhoods to serve the daily needs of nearby residents, including schools, parks, churches, and convenience retail stores. Neighborhood shopping and services should be available within about one mile of all dwellings. When nonresidential, neighborhood serving uses are developed, existing housing shall be preserved and new housing added where possible. If existing dwellings are removed for such uses, the development shall include replacement dwellings (no net loss of residential units).

Policy 3.3.1. New or Expanded Areas of Neighborhood Commercial Use. The City shall provide for new or expanded areas of neighborhood commercial uses that: A. Are created within, or extended into, nonresidential areas adjacent to residential neighborhoods; B. Provide uses to serve nearby residents, not the whole city; C. Have access from arterial streets, and not increase traffic on residential streets; D. Have safe and pleasant pedestrian access from the surrounding service area, as well as good internal circulation; E. Are designed to be pedestrian-oriented, and architecturally compatible with the adjacent neighborhoods being served. Pedestrian-oriented features of project design should include: i. Off-street parking areas located to the side or rear of buildings rather than between buildings and the street; ii. Landscaped areas with public seating; and iii. Indoor or outdoor space for public use, designed to provide a focus for some neighborhood activities.

Policy 9.7 Sustainable Design. The City shall promote, and where appropriate, require sustainable building practices that consume less energy, water and other resources, facilitate natural ventilation, use daylight effectively, and are healthy, safe, comfortable, and durable. Projects shall include, unless deemed infeasible by the City, the following sustainable design features.

- A. Energy Efficient Structure. Utilize building standards and materials that achieve or surpass best practices for energy efficiency.

- B. Energy-Efficient Appliances. Utilize appliances, including air conditioning and heating systems that achieve high energy efficiency. Incorporation of alternative energy systems (e.g. passive and/or active solar, heat pumps) is encouraged.
- C. Naturalized Ventilation. Optimized potential for cooling through natural ventilation.
- D. Plumbing. Utilize plumbing fixtures that conserve or reuse water such as low flow faucets or grey water systems and implement a builder incentive program that will encourage new homes to be built with onsite water/heat recycling systems to help achieve the goal of net zero water and energy use.
- E. Efficient Landscaping. Include landscaping that reduces water use through use of drought-tolerant/native plant species, high-efficiency irrigation (drip irrigation), and reduction or elimination of the use of turf. Collection and use of site runoff and rainwater harvesting in landscape irrigation is encouraged.
- F. Solar Orientation. Optimize solar orientation of structures to the extent possible.
- G. Privacy and Solar Access. New buildings outside of the downtown will respect the privacy and solar access of neighboring buildings and outdoor areas, particularly where multistory buildings or additions may overlook backyards of adjacent dwellings.
- H. Solar Ready. The City shall encourage new development to be build “solar ready” so that owners may easily install solar infrastructure, as appropriate.
- I. Solar Canopies. The City shall encourage the inclusion of solar canopies that include solar panels (such as structures over parking lots) on new construction, as appropriate.

Policy 9.13 Incentive Program. The City shall consider the feasibility of providing incentives for new and renovate projects that incorporate sustainable design features such as constructing new buildings that are solar ready, or off-setting significant operational energy use through use of solar water heating, photovoltaic systems, geothermal or wind energy systems.

Conservation and Open Space Element

Goal 4.2 Sustainable energy use. Increase the use of sustainable energy sources such as solar, wind and thermal energy, and reduce reliance on non-sustainable energy sources to the extent possible with available technology and resources.

Policy 4.3.1 Use of best available practices. The City will employ the best available practices in energy conservation, procurement, use and production, and will encourage individuals, organizations and other agencies to do likewise. “Best available practices” means behavior and technologies that reflect recommendations of specialists and that use the least energy for a desired outcome, considering available equipment, life-cycle costs, social and environmental side effects, and the regulations of other agencies. Best available practices include use of sustainable sources. Sustainable sources are naturally renewed in a relatively short time and avoid substantial undesirable side effects. Table 1 summarizes Sustainable Energy Sources.

Policy 4.3.3 Energy-efficient improvements. The City will continue to identify energy efficiency improvement measures to the greatest extent possible, undertake all necessary steps to seek funding for their implementation and, upon securing availability of funds, implement the measures in a timely manner.

Policy 4.3.6 Energy Efficiency and Green Building in new developments. The City shall encourage energy-efficient “green buildings” as certified by the U.S. Green Buildings Council’s LEED (Leadership in Energy and Environmental Design) Program or equivalent certification, as further described in Chapter 5.5.7.

Policy 4.4.1 Pedestrian- and bicycle-friendly design. Residences, work places and facilities for all other activities will be located and designed to promote travel by pedestrians and bicyclists. (Also see the Land Use and Circulation Elements)

Policy 4.4.2 Alternative transportation. The City’s transportation and circulation systems shall foster travel by modes other than motor vehicles, including walking, bicycles and public transit. (See also the Community Trip Reduction Policies in the Circulation Element)

Policy 4.5.1 Solar access standards. To encourage use of solar energy, reasonable solar access shall be provided and protected. The City will protect reasonable solar exposure for existing collectors and likely locations for future collectors, both active and passive. Standards for the subdivision and development of property should assure desirable solar access, as described in Table 2. Protection beyond that established by the City may be provided by recorded agreement among private parties.

Policy 4.5.2 Subdivision design for solar access. In subdivisions, the layout of streets and lots shall provide and protect solar exposure. To assure the maximum control over potential shading features, the longest dimension of each lot should be oriented within 30 degrees of south, unless the subdivider demonstrates that for certain lots any of the following applies:

- A. The lots are large enough to allow desirable solar access, regardless of lot orientation.
- B. Buildings will be constructed as part of the tract development, and the buildings will be properly oriented, with adequate solar access.
- C. Topography makes variations from the prescribed orientation desirable to reduce grading or tree removal, or to take advantage of a setting that would favor greater reliance on early morning or late afternoon solar exposure.
- D. Topographical conditions, such as steep, north-facing slopes or shading by the mass of a hill, make solar energy infeasible.
- E. The size of the subdivision, combined with the existing orientation of surrounding streets and lots, precludes desirable lot orientation.

Policy 4.5.3 Solar Access Easements. Solar access easements will be required in all new subdivisions, as provided in the State of California Solar Rights Act, unless any of the following applies:

- A. The subdivision incorporates a building development plan that will assure desirable solar access.
- B. Desirable solar exposure will be protected by the City's Zoning Regulations.
- C. The subdivision establishes yard or height standards designed to assure desirable solar access, supplementary to the Zoning Regulations, which would make a system of easements for each lot unnecessary.

Policy 4.6.8 Energy-efficient in project design. Encourage energy-efficient project design by emphasizing use of daylight and solar exposure, shading and natural ventilation, as opposed to designing a particular image and relying on mechanical systems to maintain functionality and comfort. Educate City staff, citizen advisers, developers and designers on ways to exceed minimum state energy standards.

Policy 4.6.11 Financial assistance for energy efficiency improvements. The City will actively seek all available sources of funding for implementing energy efficiency improvement and utilities infrastructure renewable projects, including federal and state budget appropriations, federal, state, and private sector grant opportunities, utilities and other unique public/private sector financing.

Policy 4.6.17 Require solar power for new dwellings. Within new single-family residential projects of 20 or more dwelling units, 5% of the total number of dwellings shall be built with photovoltaic solar collectors beginning in 2008; this percentage shall increase 4% each year until 2020. Multi-family residential developments shall be exempt from this requirement, except for common-use facilities such as recreation rooms, spas, or swimming pools. In these cases, the common facilities shall be built with photovoltaic solar collectors.

Water and Wastewater Element

Policy A 7.2.1 Recycled Water Supply. The City will make available recycled water to substitute for existing potable water uses as allowed by law and to supply new non-potable uses.

Circulation Element

Policy 1.7.1. Encourage Better Transportation Habits. San Luis Obispo should: 1. Increase the use of alternative forms of transportation (as shown on Table 1) and depend less on the single-occupant use of vehicles; and 2. Ask the San Luis Obispo Regional Transportation Agency to establish an objective similar to #1 and support programs that reduce the interregional use of single-occupant vehicles and increase the use of alternative forms of transportation.

Policy 1.7.2. Promote Alternative Forms of Transportation. San Luis Obispo should: 1. Complete a network of bicycle lanes and paths, sidewalks and pedestrian paths within existing developed parts of the city by 2035, and extend the system to serve new growth areas; 2. Complete improvements to the city's transit system serving existing developed areas by 2035, and provide service to new growth areas; 3. Support the efforts of the County Air Pollution Control District to implement traffic reduction programs; and 4. Support and develop education programs directed at promoting types of transportation other than the single-occupant vehicle.

4.3.3.3 Project Electricity and Natural Gas

Implementation of the proposed Project would result in the commitment of additional energy resources, including consumption of natural gas and electricity through operation of the Project. As provided in Appendix H, operation of the proposed Project is estimated to result in the demand for 151,347 therms per year (therms/yr) of natural gas, and 3,320.3 megawatt-hours per year (MWh/yr) of electricity (Table 4-2) based on CalEEMod modeling results.

Table 4-2. Estimated Project Electricity and Natural Gas Demands

<u>Proposed Land Use</u>	<u>Theoretical Conventional Energy Project¹</u>		<u>Proposed Project²</u>	
	<u>Natural Gas Demand (therms/yr)³</u>	<u>Electricity Demand (MWh/yr)⁴</u>	<u>Natural Gas Demand (therms/yr)³</u>	<u>Electricity Demand (MWh/yr)⁴</u>
<u>R-1 Single Family</u>	<u>37,047.1</u>	<u>742.66</u>	<u>29,328</u>	<u>518</u>
<u>R-2 Single-Family</u>	<u>107,613</u>	<u>2,157.25</u>	<u>85,190.9</u>	<u>1,504.9</u>
<u>R-3 Single-Family</u>	<u>36,028</u>	<u>797.57</u>	<u>28,385.9</u>	<u>557.1</u>
<u>R-4 Multi-Family</u>	<u>10,159.5</u>	<u>440.82</u>	<u>8,162.1</u>	<u>307.9</u>
<u>Commercial/Retail</u>	<u>373.5</u>	<u>175.35</u>	<u>280.1</u>	<u>106.2</u>
<u>Parking Lot</u>	<u>0</u>	<u>584.50</u>	<u>0</u>	<u>327.1</u>
<u>Total</u>	<u>191,401.1</u>	<u>4,898.15</u>	<u>151,347</u>	<u>3,320.3</u>

¹ Theoretical Conventional Energy Project refers to ‘unmitigated’ demand for energy supplies excluding the Project’s proposed energy conserving features.

² Proposed Project demand includes design features proposed by the Project and characterized as ‘mitigation measures’ in the CalEEMod runs.

³ 1 therm = 100 thousand British Thermal Units (BTU)

⁴ 1,000 megawatt-hours (MWh) = 1 gigawatt-hours (GWh)

Source: See Appendix H, CalEEMod Worksheets, Section 5.0 Energy Details.

4.3.3.4 Project Construction Diesel Fuel Consumption

The primary energy resource consumed during construction of the Project over a 10-year period would include diesel fuel for the operation of diesel powered construction equipment.

The total construction fuel consumption is calculated below as the sum of specific total fuel consumption calculated for each piece of equipment used in each phase of construction. To calculate total fuel consumption for specific equipment, Section 3.0, *Construction Detail* in the CalEEMod Worksheets located in Appendix H provides detailed construction phasing, construction equipment used in each phase, total number of days

worked, equipment horsepower, equipment load factor, and equipment quantities. Total fuel consumption is then based on a fuel consumption factor of 0.05 gallons per horsepower per hour (gal/hp/hr) for diesel engines as derived from SCAQMD CEQA Handbook Table A9-3E. Calculation of fuel consumption involves the following steps:

$$\text{Total Fuel Consumption} = \text{Fuel Consumption Rate} \times \text{Duration}$$

$$\text{Where: Duration} = \text{Quantity of Equipment} \times \text{Hours of Operation of Equipment each Day} \times \text{Total Number of Days Worked}$$

$$\text{Where: Fuel Consumption Rate} = \text{Equipment Horse Power} \times \text{Equipment Load Factor} \times \text{Fuel Consumption Factor}$$

Using detailed inputs of Project construction phasing and equipment details provided in Appendix H Section 3.0, *Construction Details*, the total fuel to be required during construction of the Project is estimated to be 378,956.7 gallons (Table 4-3). Refer to detailed calculations of Project Construction Fuel Consumption included as Attachment A in Appendix H.

Table 4-3. Estimated Project Construction Fuel Consumption

<u>Phase</u>	<u>Fuel Consumption (Gallons)¹</u>
<u>Offsite Construction</u>	<u>74,827</u>
<u>Phase I</u>	<u>110,781</u>
<u>Phase II</u>	<u>19,655</u>
<u>Phase III</u>	<u>46,943</u>
<u>Phase IV and V</u>	<u>108,209</u>
<u>Phase VI</u>	<u>18,542</u>
<u>Total</u>	<u>378,957</u>

Source: Appendix H Attachment A.

4.3.3.5 Project Operational Vehicle Fuel Consumption

Operation of the Project would result in the daily consumption of vehicle fuel as residents, visitors, employees, or customers would travel to and from the Project site. As provided in Table 4-4 and Appendix H, operation of the Project is anticipated to result in the generation of an additional 13,344,365 VMT annually, or approximately 0.4 percent of the County’s 2016 annual VMT. Compared to average per capita annual VMT, the Project would result in approximately 24.9 percent less annual VMT per capita than the County, and approximately 5.4 percent less than the state (Table 4-5). Using vehicle fleet mix data provided in Appendix H and average fuel economy information provided by the Bureau of

Transportation Statistics, the Project-generated annual VMT would result in the consumption of approximately 818,743 gallons of fuel per year, representing less than 0.001 percent of the statewide vehicle fuel demand (Table 4-4).

Table 4-4. Estimated Operational Fuel Consumption

<u>Vehicle Type</u>	<u>Percent of Vehicle Trips¹</u>	<u>Mitigated Annual VMT²</u>	<u>Average Fuel Economy (miles/gallon)³</u>	<u>Total Annual Fuel Consumption (gallons)</u>
Passenger Cars	45.7	6,105,047	23.3	262,019
Light/Medium Duty Vehicles	40.3	5,377,779	17.1	314,490
Heavy Duty Vehicles/Other	13.1	1,748,112	7.3	239,467
Motorcycles	0.9	120,099	43.4	2,767
Total	100%	13,344,365	--	818,743

¹ Percentage of Vehicle Trips and Fleet Mix information provided in Table 4.4, *Fleet Mix* of Appendix H.

-Passenger Cars is the sum of the LDA fleet mix trip percentage column.

-Light/Medium Duty Vehicles is the sum of the LDT1, LDT2, and MDV fleet mix trip percentage columns.

-Heavy Duty Vehicles/Other is the sum of the LHD1, LHD2, MHD, HHD, OBUS, UBUS, SBUS, and MH fleet mix trip percentage columns.

Motorcycles is the sum of the MCY fleet mix trip percentage column.

² Annual VMT calculated from total mitigated VMT, which incorporates Project design features.

³ Average fuel economy based on average 2014 U.S. vehicle fuel efficiency (mpg) from Table 4-12: Average Light Duty Vehicle, Long Wheel Base Fuel Consumption and Travel, and Table 4-13: Single-Unit 2-Axle 6-Tire or More Truck Fuel Consumption and Travel of the *National Transportation Statistics*.

Source: Appendix H, CalEEMod Worksheets, Section 4.2. *Trip Summary Information*; Bureau of Transportation Statistics 2016.

Table 4-5. Per Capita Vehicle Miles Traveled

	<u>Population</u>	<u>Total Annual VMT</u>	<u>Annual VMT per capita</u>
County	281,401	3,033,420,000	10,779.7
State	39,144,818	334,700,000,000	8,550.3
Proposed Project	1,649	13,344,365	8,086.3

Source: Caltrans 2016a, 2016b; U.S. Census Bureau 2015.

4.3.3.6 Appendix F Requirements and Energy Conservation Standards

In addition to the recommended thresholds for environmental analysis provided in Appendix G of the CEQA Guidelines, Appendix F requires that an EIR disclose and discuss the potential impacts of a project on energy resources and conservation. An EIR’s discussion of impacts on energy resources should provide analysis and discussion of the project’s potential to result in the wasteful, inefficient, or irretrievable commitment of

energy resources, with particular attention towards electrical, natural gas, and transportation fuel supplies. While no specific thresholds are provided by the CEQA Guidelines, Appendix F offers several recommendations for inclusion in an analysis of impacts on energy resources to determine whether a project would:

- a. Use large amounts of fuel or energy in an unnecessary, wasteful, or inefficient manner;
- b. Constrain local or regional energy supplies, affect peak and base periods of electrical or natural gas demand, require or result in the construction of new electrical generation and/or transmission facilities, or necessitate the expansion of existing facilities, the construction of which could cause significant environmental effects; or
- c. Conflict with existing energy standards, including standards for energy conservation.

Operation of the proposed Project would result in the demand for approximately 151,347 therms/yr of natural gas, 3,320.3 MWh/yr of electrical supplies, and 818,743 gallons/yr of vehicle fuel. Further, construction of the Project is anticipated to result in the total consumption of an additional 378,957 gallons of diesel fuel. Based on existing energy demands and capacity of service providers, estimated operational demand for electricity and natural gas as part of the Project would represent less than 0.001 percent of PG&E's and SoCal Gas' total 2015 energy demands for the County. Further, additional vehicle fuel demand under operation of the Project would result in an increase in statewide fuel demand by less than 0.001 percent.

Based on comparisons of the Project's energy demands with statewide and regional demand and service capacity in total and per capita (Table 4-6), the proposed Project is not expected to result in the use of a large amount of fuel or energy in an unnecessary, wasteful, or inefficient manner, nor would it affect regional supplies or peak/base periods of demand as the estimated energy demand is typical for a Project of this size, and would result in a negligible increase in regional energy demands. As such, the Project would not necessitate the expansion of existing facilities or construction of new energy generation or transmission facilities beyond the onsite facilities proposed as part of the Project to serve the new development, as discussed in Section 3.13, *Utilities*.

Table 4-6. Comparison of Total and Per Capita Energy Demands

	<u>Total</u>			<u>Per Capita</u>	
	<u>Population</u>	<u>Natural Gas Demand (therms/yr)</u>	<u>Electricity Demand (MWh/yr)</u>	<u>Natural Gas Demand (therms/yr)</u>	<u>Electricity Demand (MWh/yr)</u>
County	<u>281,401</u>	<u>77,699,926</u>	<u>1,716,968.9</u>	<u>276.1</u>	<u>6.1</u>
State	<u>39,144,818</u>	<u>10,054,479,145</u>	<u>282,896,292.3</u>	<u>256.6</u>	<u>7.2</u>
Proposed Project	<u>1,649</u>	<u>151,347</u>	<u>3,320.29</u>	<u>91.8</u>	<u>2.0</u>

Source: Caltrans 2016a, 2016b; U.S. Census Bureau 2015.

Further, as described in Section 3.8, *Land Use*, the Project would be required to implement and be consistent with existing energy design standards at the local and state level. The Project would be subject to energy conservation requirements in the California Energy Code and CALGreen. Adherence to state code requirements would ensure that the project would not result in wasteful and inefficient use of non-renewable resources due to building operation.

In addition to standard required energy conservation requirements, the Project includes a range of design features that proactively reduce the Project’s energy demand during construction and operation. Table 4-7 provides a list of Project design features provided in Section 2.0, *Project Description*, which would further reduce the Projects potential to result in the wasteful or inefficient use of energy resources, and promote the conservation of energy and fuel.

Table 4-7. Energy Conservation Project Design Features and Mitigation Measures

<u>Energy Conservation Project Design Features</u>	<u>Associated Energy Reduction</u>
<u>U.S. Green Building Council LEED-ND “Silver” Certification</u>	<u>Improved building energy efficiency, improved water efficiency.</u>
<u>San Luis Obispo County Green Building “Emerald” Certification</u>	<u>Improved building energy efficiency, improved water efficiency</u>
<u>Exceedance of Title 24 Requirements by 25 Percent</u>	<u>Improved energy efficiency requirements above local and state requirements</u>
<u>Installation of Photovoltaic Solar Panels on 50 Percent of Residences</u>	<u>Provision of 50 percent of Project average daily electrical demand through onsite renewable energy resources and exceedance of City General Plan Policy 4.6.17 alternative energy requirements by 20 percent; and application of Policy 4.6.17 to R3, R4 and NC uses.</u>
<u>Installation of Energy Efficient Features</u>	<u>Improve building energy efficiency</u>
<u>Conformance with GP Policies and Climate Action Plan</u>	<u>Table 3.8-7 shows that the Project complies with Climate Action Plan and General Policies related to Energy Conservation.</u>

With the above design features, the Project’s energy consumption would be approximately 151,347 therms/yr of natural gas, 3,320.3 MWh/yr of electrical supplies, and 818,743 gallons/yr of vehicle fuel. Construction of the Project is anticipated to result in the total consumption of an additional 378,957 gallons of diesel fuel.

Further, the Project would implement required mitigation measures that would have the consequential effect of reducing Project energy demand. Table 4-8 provides a list of required mitigation measures identified within the EIR that would further reduce the Projects potential to result in the wasteful or inefficient use of energy resources, and promote the conservation of energy and fuel. While it is estimated that these features will further reduce Project VMT, a specific reduction amount cannot be quantified. However, any reduction in VMT as an effect of the mitigations below would have a similar proportional reduction in gasoline and diesel consumption.

Table 4-8. Required Mitigation Measures with Secondary Energy Conservation Effects

<u>Energy Conservation Required Mitigation Measures</u>	<u>Associated Energy Reduction</u>
<u>MM AQ-1 Construction Activity Management Plan</u>	<u>Reduced construction fuel consumption by requiring use of electric-powered equipment where feasible, and the use of alternatively fueled construction equipment where feasible, such as compressed natural gas, liquefied natural gas, propane or biodiesel.</u>
<u>MM TRANS-2d Construction of Class II Bicycle Lanes</u>	<u>Reduce personal vehicle use and fuel consumption by providing connecting the Project site to the existing bicycle network, ensuring a safe and continuous bicycle route, and encouraging the use of multi-modal options</u>
<u>MM TRANS-11 Construction of New Bicycle Bridges</u>	<u>Reduce vehicle fuel consumption by providing a safe and continuous bicycle route and encouraging the use of multi-modal options</u>
<u>MM TRANS-12 Coordination with SLO Transit</u>	<u>Reduce personal vehicle use and fuel consumption by promoting connection of transit services to the Project site and encouraging the use of multi-modal options</u>
<u>MM AQ 2b Added APCD Air Quality Measures</u>	<u>The project will comply with optional air quality mitigation measures as shown in Table 3.8-7, which will have the result of further reducing project estimated VMT.</u>

The above design features and mitigation measures would have the effect of reducing overall Project consumption of energy and fuel resources during both construction and operation of the Project. While the effects of each measure may not be quantifiable, implementation of the Project’s proposed installation of solar photovoltaic panels on 50 percent of the residential units can measurably reduce Project energy demands by a substantial, quantifiable amount. For example, installation of photovoltaic solar panels would provide a minimum of 50 percent of the average daily electricity demand. As a result, the Project would reduce total conventional electricity demand by approximately 43.5 percent, for a total demand of 1,877.4 MWh/yr (Table 4-9).

Table 4-9. Project Energy Savings Through Installation of Proposed Photovoltaic Solar Panels

<u>Land Use</u>	<u>Electricity Demand (MWh/yr)</u>	<u>Percent Electricity Provided by Onsite Solar</u>	<u>Net Electricity Demand (MWh/yr)</u>
<u>R-1 Single Family</u>	<u>518</u>	<u>50</u>	<u>259</u>
<u>R-2 Single-Family</u>	<u>1,504.9</u>	<u>50</u>	<u>752.5</u>
<u>R-3 Single-Family</u>	<u>557.1</u>	<u>50</u>	<u>278.6</u>
<u>R-4 Multi-Family</u>	<u>307.9</u>	<u>50</u>	<u>154</u>
<u>Commercial/Retail</u>	<u>106.2</u>	<u>0</u>	<u>106.2</u>
<u>Parking Lot</u>	<u>327.1</u>	<u>0</u>	<u>327.1</u>
<u>Total</u>	<u>3,320.3</u>	<u>--</u>	<u>1,877.4</u>

As shown in Table 4-6 above, the Project's per capita energy demand for natural gas is 66.7 percent less than the 2015 County average and 64.2 percent less than the state average. Further, electrical demand per capita for the proposed Project is 67.2 percent less than the 2015 County average and 72.2 percent less than the state average. In addition, estimated annual VMT per person (unadjusted for required mitigations identified in Table 4-8) is 24.9 percent lower than County average and 5.4 percent lower than the statewide average (Table 4-5). Based on the above, it can be concluded that the demand for energy under the Project is lower than County and the state average energy demands, and the Project can be considered to be more efficient. When considering the potential for the Project to result in greater conservation of electricity, natural gas, and transportation fuel through the implementation of proposed Project design features and required mitigation measures not quantified above, the proposed Project's potential to result in adverse impacts on energy resources and conservation is low. Therefore, the direct impacts to energy resources and conservation are considered *less than significant*.

4.3.3.7 Cumulative Impacts

The proposed Project would contribute incrementally to adverse effects on energy resource demand and conservation when considering the cumulative impact of concurrently planned projects. Table 3.0-1 of Section 3.0, *Environmental Impact Analysis and Mitigation Measures*, provides a list of approved, pending, and reasonably foreseeable projects which would have the cumulative effect of increasing local and regional energy demands, resulting in potential considerable impacts to energy conservation.

However, like the Project, discretionary actions requiring agency approval are required to comply with local, regional, state, and federal policies designed to reduce wasteful energy consumption, and improve overall energy conservation and sustainability. For instance, all local projects involving the development of new buildings must be designed to conform to CALGreen and the 2013 California Energy Code, and all new single-family residences must comply with solar energy provision requirements of the City General Plan Policy 4.6.17. Further, these projects are/would be operated and maintained by private utility companies, such as PG&E and SoCal Gas, which plan for anticipated growth. Electric and natural gas services are provided upon demand from consumers and expanded as needed to meet demand, consistent with applicable local, state, and federal regulations. Therefore, it is not anticipated that the Project contribution to cumulative impacts generated with projects provided in Table 3.0-1 would result in a significantly considerable wasteful use of energy resources, such that the Project, and other cumulative projects, would have a cumulative effect on energy conservation. Cumulative impacts are therefore considered ***less than significant***.

4.4 UNAVOIDABLE SIGNIFICANT ENVIRONMENTAL EFFECTS

CEQA Guidelines, Section 15126.2(b) requires a description of any significant impacts resulting from implementation of a project, including impacts that cannot be mitigated to below a level of significance. The proposed Project was evaluated with respect to specific resource areas to determine whether implementation would result in significant adverse impacts. A detailed discussion of each of the impacts can be found in Section 3.0, *Environmental Impact Analysis and Mitigation Measures*.

Specific significance thresholds were defined for each potential impact associated with each resource area. Based on the environmental impact assessment presented in Section 3.0, *Environmental Impact Analysis and Mitigation Measures*, of this EIR, the resource areas of aesthetics and visual resources, air quality and GHGs, agricultural resources, biological resources, cultural resources, hazards and hazardous materials, hydrology and water quality, noise, public services, transportation and traffic, and utilities would result in some form of significant impact. Mitigation measures were developed that would reduce impacts to below a level of significance. However, the following impacts cannot be mitigated below a level of significance:

- Construction and long-term air pollutant emissions that exceed the County of San Luis Obispo Air Pollution Control District (APCD) standards;

- Air quality impact inconsistency with the County of San Luis Obispo APCD's 2001 Clean Air Plan;
- ~~Potential inconsistency with several adopted City policies in the General Plan, including biological resources protection, agricultural resources preservation, and provision of utilities and public services;~~
- Temporary exceedance of City noise standards during grading and site preparation construction activities;
- Intersection operations impacts to the Buckley Road/State Route (SR) 277 intersection; and
- ~~Cumulatively considerable contribution to significant impacts to the operational conditions at the intersection of Prado Road/South Higuera Street.~~

Under CEQA Guidelines Section 15065, when an EIR demonstrates that implementation of a proposed project will cause significant and unavoidable impacts, the agency must issue a Statement of Overriding Considerations before approving the project. A Statement of Overriding Considerations is a report of the lead agency's findings regarding the merits of approving a proposed project despite its environmental impacts, and reflects the balancing of competing public objectives. Therefore, the City of San Luis Obispo will be required to adopt a Statement of Overriding Considerations to address the significant impacts listed above. In this instance, the City may weigh the long-term benefits of the Project, such as fostering additional regional housing opportunities, in light of the potentially adverse air quality created by such a project. To facilitate consideration of these issues, this EIR discloses potential impacts and also provides a range of Project alternatives which could more fully alleviate environmental concerns. In addition, Section 3.8, *Land Use and Planning*, provides an overview of the City's policy context, which provides information on how the Project meets a number of important City policy objectives and where it may raise concerns over consistency with other City policies. All of this information should be reviewed when considering this Project.

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