

1.0 INTRODUCTION

1.1 OVERVIEW

This Environmental Impact Report (EIR) evaluates the potential environmental impacts of the proposed Froom Ranch Specific Plan (Project) in the City of San Luis Obispo (City), California. This EIR discloses the potential environmental impacts of adoption and implementation of the Project. The City prepared this EIR with assistance from its environmental planning consultant, Wood Environment and Infrastructure Solutions, Inc. (Wood).

JM Development Group, Inc. (Applicant) proposes the Draft Froom Ranch Specific Plan (FRSP) dated July 28, 2017 for adoption by the City, including an amendment to the City's General Plan, pre-zoning, annexation to the City, and related actions to allow for development of a 116.8-acre Project site with several offsite infrastructure improvements, as further described in Chapter 2, *Project Description*. The Project site is currently unincorporated in San Luis Obispo County (County) but is located within the City's adopted Sphere of Influence immediately southwest of the City limits and adjacent to Los Osos Valley Road (LOVR) between Calle Joaquin and Irish Hills Plaza. The City's 2014 Land Use Element (LUE) of the General Plan designates the Specific Plan area (109.7 acres within the Project site) as a Special Focus Area (SP-3) for provision of residential and ~~small-scale~~ commercial uses, along with open space and/or agricultural uses. The SP-3 designation requires a specific plan to guide development and operation within the Specific Plan area following annexation to the City, per Section 8.1.5 of the LUE.



The Project would allow for the development of senior housing and multi-family residential units, a public park, and commercial development along LOVR at the southwestern edge of the City. To accommodate proposed development, the Project includes realignment of Froom Creek, which flows across the Project site.

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The Project site is primarily undeveloped and used for agriculture (horse grazing) and stormwater management but contains historic farming structures, a construction office, and a permitted (but inactive) red rock quarry in the northwestern portion used for construction materials storage. Froom Creek traverses the Project site in a mostly north to south direction and joins San Luis Obispo Creek south of the Project site before flowing towards the Pacific Ocean.

The proposed Project would allow for a mix of residential uses (39.1 acres), open space (59.0 acres), a public park (2.9 acres), and retail commercial uses (3.1 acres) within the approximately 109.7-acre Specific Plan area. The Project would allow for eventual construction of up to 578 residential units, including 174 multi-family housing units and 404 senior housing



The Project site is largely undeveloped but supports the historic Froom Ranch Dairy complex, construction company office and material storage within an existing quarry, and horse grazing.

units within a Life Plan Community known as Villaggio that includes assisted living and health care facilities. The Project would also allow for up to 100,000 square feet (sf) of commercial retail space, including approximately 70,000 sf of hotel use with up to 120 rooms and 30,000 sf of proposed retail and restaurant uses. The Project would retain approximately 54 percent of the Project site as open space and include a 2.9-acre public park that would connect to the existing trail network within the adjacent Irish Hills Natural Reserve. The Project would include an internal network of public and private roads with some bicycle and pedestrian access. The Project would also implement a complex stormwater management system, including realignment of Froom Creek through the Specific Plan area, relocation and expansion of an existing onsite stormwater detention basin immediately south of the Specific Plan area, and onsite water quality retention and treatment areas.

1.2 LEAD, RESPONSIBLE, AND TRUSTEE AGENCIES

Per Section 21067 of the California Environmental Quality Act (CEQA) and Sections 15367 and 15050 through 15053 of the State CEQA Guidelines, the City is the Lead Agency under whose authority this document has been prepared. The City has primary discretionary authority to determine whether to approve the Project.

Responsible and trustee agencies are public agencies responsible for certain discretionary Project approvals or implementing specific onsite and/or offsite components of the Project. For the purposes of CEQA, a “responsible agency” includes all public agencies other than the Lead Agency which have discretionary approval power over the Project (CEQA Section 15381). A “trustee agency” is defined as a state agency having jurisdiction over certain resources held in trust for the people of California but do not have legal authority for approval of the Project (CEQA Section 15386). Responsible and trustee agencies for the Project include the following, as more fully described in Section 2.5, *Required Approvals* of the EIR:

- San Luis Obispo County Airport Land Use Commission (ALUC)
- California Department of Transportation (Caltrans)
- County of San Luis Obispo
- Federal Emergency Management Agency (FEMA)
- San Luis Obispo Local Agency Formation Commission (LAFCO)
- Central Coast Regional Water Quality Control Board (RWQCB)
- San Luis Obispo County Air Pollution Control District (APCD)
- U.S. Army Corps of Engineers (USACE)
- California Department of Fish and Wildlife (CDFW)
- U.S. Fish and Wildlife Service (USFWS)
- National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service (NOAA Fisheries)

1.3 PURPOSE AND LEGAL AUTHORITY

This EIR is prepared in accordance with CEQA (Division 13, California Public Resources Code 21000 et. seq.) and State CEQA Guidelines, published by the Natural Resources Agency of the State of California (Title 14, California Code of Regulations 15000 et. seq.). It is intended to provide information to public agencies, decision-makers, and the general public regarding the environmental impacts that would result from implementation of the Project. Under the provisions of CEQA, “the purpose of the environmental impact report is to identify the significant effects of a project on the environment, to identify alternatives to the project, and to indicate the manner in which significant effects can be mitigated or avoided” (Public Resources Code 21002.1[a]). The CEQA process was established to enable public agencies to evaluate a project in terms of its environmental consequences, to

examine and implement methods of eliminating or reducing any potentially adverse impacts, and to consider alternatives to the project. CEQA Section 15021(a) requires that major consideration be given to avoiding environmental damage.

In a practical sense, this EIR functions as a tool for fact-finding, allowing the public, the City, and other responsible agencies, through a full disclosure process, an opportunity to collectively review and evaluate baseline existing conditions and the Project's potential to result in environmental impacts. Additionally, this EIR provides the primary source of environmental information for agencies to consider when exercising any permitting or approval authority directly related to the Project. Nevertheless, the Lead Agency and other responsible public agencies must balance adverse environmental effects against other public objectives, taking into account economic, legal, social, and technological factors.

Although the Project takes the form of a Specific Plan and General Plan amendment, this EIR contains an environmental review that fulfills the requirement of a Project-level EIR. As defined in CEQA Guidelines Section 15161, a Project-level EIR examines the environmental impacts of a specific development project and focuses primarily on the changes in the environment that would result from the project. This EIR examines all phases of the Project including construction and operation. Pursuant to CEQA Guidelines Section 15182, where a public agency prepares an EIR on a specific plan, future residential projects that conform to the specific plan would not require further environmental review in accordance with Government Code Section 65457, as long as the residential development is within the scope of the EIR, no new environmental effects are anticipated to occur, and no new mitigation measures are required for the residential development.

Where relevant to the analysis of impacts, this EIR also incorporates by reference, the findings and/or mitigation measures of the City's previously certified 2014 Land Use and Circulation Elements Update EIR (LUCE Update EIR). The LUCE Update EIR evaluated the impacts associated with future development occurring under the LUCE at a Program-level, including those associated with development of the Project site within SP-3. The LUCE Update EIR is available for public review at:

<http://www.slocity.org/government/departments-directory/community-development/planning-zoning/general-plan>.

1.4 EIR PREPARATION

The City prepared an Initial Study (IS) for the Project in July 2017, made publicly available through the Notice of Preparation (NOP) distribution process in July 2017. Pursuant to Section 21080(d) of the Public Resources Code and Section 15064(f)(1) of the CEQA Guidelines, if there is substantial evidence that a project may have a significant effect on the environment, the Lead Agency shall prepare an EIR, even when other substantial evidence has been presented that a project will not have a significant effect. The IS found that the Project may have potentially significant impacts to the following resources: aesthetics, agriculture, air quality, biological resources, cultural resources, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, population and housing, public services, recreation, transportation and traffic, tribal cultural resources, and utilities (Appendix A). Consequently, the City has determined that the preparation of an EIR is required to analyze potential environmental impacts of the Project.

In compliance with the procedural requirements of CEQA, the City completed a public scoping process consistent with Section 15083 of the CEQA Guidelines. The public was provided an opportunity to comment on the scope of the EIR through a NOP released on July 10, 2017, which was distributed to federal, state, regional, and local agencies, as well as key stakeholders, interested parties, and neighborhood groups. The NOP comment period ran from July 10, 2017 through August 14, 2017, and a public hearing was held on July 26, 2017. During the NOP comment period, the City received 12 comment letters. Comments received during the NOP comment period were considered during EIR preparation and are included in Appendix B.

The ~~is~~ Draft EIR ~~has been~~was distributed to federal, state, regional, and local agencies, key stakeholders, interested parties, neighborhood groups, and NOP commenters. The ~~Draft~~ EIR is available for review online at the City's Community Development Department website at:

<http://www.slocity.org/government/department-directory/community-development/documents-online/environmental-review-documents>

Hardcopies of the Draft EIR ~~are~~were available for review at City Hall, as well as local libraries. The Draft EIR public review period ~~ran~~was for a period of 45 days from November 4th, 2019 to December 19th, 2019. Comments on the Draft EIR ~~may be~~were sent to:

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City of San Luis Obispo
Community Development Department
919 Palm Street
San Luis Obispo, California 93401

During the public review period, ~~C~~omments on the Draft EIR ~~were also~~ ~~may also be~~ emailed to Shawna Scott, Senior Planner, at sscott@slocity.org. ~~Written comments were received from 4 state agencies, 4 local agencies, 8 organizations, and 10 individuals. A total of 20 oral testimonies were received from individuals during several City public hearings held on November 18, 2109, December 4, 2019, December 10, 2019, and December 11, 2019. All ~~C~~omments received during this period ~~will be~~ ~~are~~ provided and responded to in writing ~~and addressed in the Final EIR in Section 8, Response to Comments, and comments are addressed as needed throughout this Final EIR.~~~~

1.5 SCOPE OF THE EIR

This EIR assesses the potential environmental impacts that could occur as a result of implementation of the Project. The scope of the EIR includes evaluation of potentially significant environmental issues identified in the IS and raised in response to the NOP and during scoping discussions. The IS and NOP scoping process determined that the Project may result in potentially significant impacts with respect to the following issue areas, which are addressed in detail in this EIR:

- Aesthetics and Visual Resources
- Agricultural Resources
- Air Quality and Greenhouse Gas Emissions
- Biological Resources
- Cultural and Tribal Cultural Resources
- Geology and Soils
- Hazards, Hazardous Materials, and Wildfire
- Hydrology and Water Quality
- Land Use and Planning
- Noise
- Population and Housing
- Public Services and Recreation

- Transportation and Traffic
- Utilities and Energy Conservation
- Mineral Resources

Since preparation of the IS, the CEQA Guidelines have been updated to include resource areas that are addressed specifically in this EIR, as follows. Issues related to Energy and Energy Conservation as required by CEQA are discussed within Section 3.14, *Utilities and Energy Conservation*, and issues related to Wildfire are discussed in Section 3.7, *Hazards, Hazardous Materials, and Wildfire*. This EIR addresses the issues referenced above and identifies potential environmental impacts, including Project-specific and cumulative effects of the Project, in accordance with the provisions set forth in the State CEQA Guidelines. In addition, this EIR recommends feasible mitigation measures, where necessary, that would reduce or eliminate adverse environmental effects. In accordance with State CEQA Guidelines Section 15128 (Effects Not Found to Be Significant), environmental impacts related to Forestry Resources were not considered significant, and are discussed in Chapter 4, *Other CEQA Sections*.

A summary of cumulative impacts, which gives consideration to other projects or plans in the vicinity, are described in each resource section within Chapter 3, *Environmental Impact Analysis and Mitigation Measures*. Cumulative project analyses represent a comprehensive assessment of potential impacts on City resources using a list of past, present, and probable future projects capable of producing related or compounded impacts.

Consistent with CEQA Guidelines Section 15126.6(d), this EIR includes an assessment of a reasonable range of alternatives to the Project that could feasibly attain the Project objectives while avoiding or substantially lessening any of the significant effects of the Project. The alternatives analysis includes alternatives that were considered but discarded from further analysis, and four alternatives fully analyzed per the CEQA Statute and Guidelines. Please refer to Chapter 5, *Alternatives*. The four alternatives fully analyzed in Chapter 5, *Alternatives* include:

- CEQA “No Project” Alternative;
- Alternative 1 – Clustered Development Below the 150-foot Elevation Alternative (the Actionable Alternative)
- Alternative 2 – Residential Development Project Alternative
- Alternative 3 – Minimum LUCE-Compliant Alternative

Alternative 1 is developed and analyzed based on an alternate land use plan and conceptual site design provided by the Project Applicant (Appendix C) and, therefore, has been evaluated at a Project-level of detailed to allow for detailed comparison of impacts relative to the Project, including visual impact analysis and air emissions estimates. The other three alternatives are evaluated programmatically relative to the Project since land use and conceptual design plans are not available for these alternatives.

1.5.1 Areas of Known Public Controversy

Section 15123 of the CEQA Guidelines states that an EIR shall identify areas of controversy known to the Lead Agency, including issues raised by the agency and the public. Based on comments received during the public hearing and NOP comment period, the following issues are known to be of concern and may be controversial. Each issue is further evaluated in the EIR:

- Land use policy consistency related to onsite development and uses above 150-feet in elevation;
- Visual impacts to public views within the adjacent Irish Hills Natural Reserve;
- Loss of agricultural land, including the offset and/or preservation of onsite agricultural easement area;
- Potential impacts to rare plant species with known occurrences onsite, particularly within the higher elevations and rocky outcrops;
- Potential impacts to sensitive biological resources along Froom Creek connecting into San Luis Obispo Creek, and along natural drainages from the Irish Hills;
- Loss of wildlife corridors and ecotones along drainages and in the Irish Hills;
- Potential impacts from proposed realignment and restoration of Froom Creek and associated impacts on high-quality wetlands located adjacent to LOVR and Calle Joaquin;
- Onsite and offsite flooding and water quality effects;
- Increased traffic congestion and impacts to circulation, especially on LOVR, Madonna Road, and associated interchanges;
- Adequacy of utility infrastructure and dependent resources, including the existing water system and available water supply;
- Housing supply and relationship to City population;

- Construction-related impacts, such as interference with pedestrian and vehicle traffic circulation, dust, and other emissions; and
- Potential impacts to historic Froom Ranch Dairy complex onsite.

1.6 ORGANIZATION OF THE EIR

This EIR is organized into the following chapters:

- Chapter 1, *Introduction*, summarizes the background of the Project and explains the environmental review process.
- Chapter 2, *Project Description*, provides a detailed description of the Project site, Project objectives, and all proposed Project components.
- Chapter 3, *Environmental Impact Analysis and Mitigation Measures*, provides analysis of existing environmental conditions, applicable federal, state, and local regulations, specific direct and indirect Project impacts, cumulative impacts, mitigation measures, secondary impacts, and residual impacts.
- Chapter 4, *Other CEQA Sections*, identifies significant and irreversible, growth-inducing, and unavoidable effects, and a brief discussion of resource areas that would not be significantly affected by the Project.
- Chapter 5, *Alternatives*, describes alternatives to the Project, and identifies the Environmentally Superior Alternative.
- Chapter 6, *List of Preparers*, identifies the EIR Project team.
- Chapter 7, *References*, provides information about resources used in preparation of the EIR.
- Chapter 8, *Response to Comments*, includes responses to all written and oral comments received from the public, organizations, agencies, and the Applicant on the Draft EIR.
- Chapter 9, *Mitigation Monitoring and Reporting Plan*, provides the required mitigation program for the Project, including timing, responsible parties, and monitoring.
- Appendices to the EIR include the IS/NOP, NOP comment letters, the Draft FRSP, and supporting technical studies used as a basis of information and analyses in preparation of the EIR.