

1.0 INTRODUCTION

This document is an Environmental Impact Report (EIR) that examines the potential effects of the proposed Dalidio/San Luis Marketplace Annexation and Development Project. To facilitate this development plan, the applicant is requesting approval of a General Plan Amendment to change the land use designations on portions of the site from Interim Open Space to Commercial Retail, Office and Open Space, and from Medium-High Density Residential to Office. The applicant is also requesting approval of rezoning of the property to Retail Commercial (C-R), Office (O), and Conservation Open Space (C/OS). The project's background, as well as the legal basis for preparing an EIR, are described below.

1.1 PURPOSE AND LEGAL AUTHORITY

The annexation and development of property requires the discretionary approval of the City Council of the City of San Luis Obispo. Therefore, the proposed development of the property is subject to the requirements of the California Environmental Quality Act (CEQA). In accordance with Section 15121 of the State of California Environmental Quality Act (CEQA) Guidelines, the purpose of this EIR is to serve as an informational document that:

"...will inform public agency decision-makers and the public generally of the significant environmental effects of a project, identify possible ways to minimize the significant effects, and describe reasonable alternatives to the project..."

This EIR is to be prepared as a project EIR, pursuant to Section 15161 of the State CEQA Guidelines, for the annexation of the Dalidio property and the construction of the Prado Road interchange. A Project EIR is appropriate for a specific development project. As stated in the State CEQA Guidelines:

"...this type of EIR should focus on the changes in the environment that would result from the development. The EIR shall examine all aspects of the project, including planning, construction and operation."

This report is to serve as an informational document for the public and City of San Luis Obispo decision-makers. It is also intended to serve as the CEQA documentation for other responsible agencies that will take action on the project. The process will culminate with the City Planning Commission and City Council hearings to consider certification of a Final EIR and a decision on whether to approve the proposed project. Also necessary will be the San Luis Obispo Local Agency Formation Commission (LAFCO) approval of the annexation of the property by the City.

1.2 SCOPE AND CONTENT

In accordance with the State CEQA Guidelines a Notice of Preparation (NOP) was distributed for review by affected agencies and the public. The NOP and responses to the NOP are presented in Appendix A of this report.

This EIR addresses the issues determined to be potentially significant by the responses to the NOP, and scoping discussions among the public, consulting staff, and the City, as well as comments



received on the 1999 Draft EIR and 2000 Revised Draft EIR for a previous project proposed at the site. The issues addressed in this EIR include:

- *Geology/Hazards*
- *Drainage/Water Quality*
- *Air Quality*
- *Noise*
- *Biological Resources*
- *Agricultural Resources*
- *Aesthetics*
- *Utilities*
- *Cultural Resources*
- *Traffic and Circulation*
- *Land Use and Policy Consistency*

This EIR addresses the issues referenced above and identifies potentially significant environmental impacts, including site-specific and cumulative effects of the project in accordance with the provisions set forth in the State CEQA Guidelines. In addition, the EIR recommends feasible mitigation measures, where possible, that would reduce or eliminate adverse environmental effects.

In preparing the EIR, use was made of pertinent City policies and guidelines, existing EIRs and background documents prepared by the City. A full bibliography and reference list are contained in Section 8.0 of this EIR.

The Alternatives Section of the EIR was prepared in accordance with Section 15126.6 of the State CEQA Guidelines. It also identifies the "environmentally superior" alternative among the alternatives assessed. The City considered seven alternatives. Alternatives analyzed in this EIR include: (1) a no project alternative; (2) continuance of the site in agricultural use; (3) residential/ commercial retail mixed use alternative 1; (4) residential/ commercial retail mixed use alternative 2; (5) a recreational use amenity alternative; (6) an alternate site project that incorporates the commercial component into a redeveloped San Luis Obispo Promenade shopping mall; and (7) an alternative that involves the same amount of development at the site, where the footprint of the commercial portion would be decreased.

The level of detail contained throughout this EIR is consistent with the requirements of CEQA and applicable court decisions. The State CEQA Guidelines provide the standard of adequacy on which this document is based. The State CEQA Guidelines state:

"An EIR should be prepared with a sufficient degree of analysis to provide decision-makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of the proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement



among the experts. The courts have looked not for perfection, but for adequacy, completeness, and a good faith effort at full disclosure." (Section 15151).

1.3 LEAD, RESPONSIBLE AND TRUSTEE AGENCIES

The State CEQA Guidelines define "lead," "responsible" and "trustee" agencies. The City of San Luis Obispo is the lead agency for the project because it has the principal responsibility for approving the project.

A "responsible agency" refers to a public agency other than the "lead agency" that has discretionary approval over the project. Since the San Luis Obispo LAFCO would have discretionary approval over the City's annexation of the site it would be a responsible agency for the proposed project. Caltrans would also be a responsible agency for the proposed project since they have approval authority over the Prado Road Interchange.

A "trustee agency" refers to a state agency having jurisdiction by law over natural resources affected by a project. The State Department of Fish and Game may be a trustee agency for the project due to the biological resource issues associated with Prefumo Creek.

1.4 PROJECT HISTORY

The development application for the Dalidio Annexation Project was first submitted in March 1998. A Draft EIR was prepared and released for public comment analyzing the environmental impacts of the March 1999 development application. The 1999 Final EIR, including the responses to comments, was released for public review in November 1999. Prior to the December 1999 FEIR hearing, circumstances arose which required the preparation of a revised Draft EIR. A revised Draft EIR was prepared to address the following project changes: construction of the Prado Road interchange; revisions to the timing of the annexation of the western and eastern portions of the site; revisions to the construction and occupancy schedule; and changes to the environmental setting as a result of development that had been approved since the publication of the March 1999 NOP, specifically the Froom Ranch development. This revised project was denied by the San Luis Obispo City Council. The applicant subsequently submitted a revised project application that eliminated the residential component on the site and added the proposed office/business park uses. This latest revised project application is the subject of this EIR.

1.5 AREAS OF CONTROVERSY

Pursuant to State CEQA Guidelines § 15123(b)(2), this EIR acknowledges the areas of controversy and issues to be resolved which are known to the City of San Luis Obispo or were raised during the scoping process. A Notice of Preparation (NOP) was prepared and circulated for a 30-day public review period that began on February 18, 2003 and ended March 19, 2003. In addition, a community meeting was held in San Luis Obispo on March 5, 2003. Several verbal comments, comment letters from the public, and comment letters from public agencies (i.e., Federal Emergency Management Agency, U.S. Army Corps of Engineers, California Department of Transportation, San Luis Obispo Council of Governments, San Luis Obispo Air Pollution Control District), were received in response to the NOP. NOP comment letters and a



summary of the comments raised during the public scoping meetings are included in Appendix A of this EIR, along with letters received during a conceptual review of the Prado Road interchange by the Architectural Review Commission.

Primary environmental areas of concern raised by the commenting agencies and public include:

- Project-generated traffic impacts;
- Traffic and associated noise and air quality impacts on the North Broad Street residential area;
- Proposed interchange spacing;
- Appropriateness of the Prado Road/Highway 101 interchange;
- Connection of the project to the planned Prado Road extension;
- Appropriate alignment and secondary impacts of the Prado Road extension.
- Air quality;
- Agricultural conversion;
- Drainage impacts;
- Pedestrian and bicycle circulation in the project area;
- Flood hazards;
- Impacts to wetlands and water quality;
- Impacts to water supply;
- Impacts to sewer capacity;
- Conversion of open space to urban uses;
- Impacts on Native American resources;
- Project and cumulative air quality impacts;
- Need for affordable housing.

1.6 ENVIRONMENTAL REVIEW PROCESS

The major steps in the environmental review process, as required under CEQA, are outlined below. The steps are presented in sequential order.

1. **Notice of Preparation (NOP).** After deciding that an EIR is required, the lead agency must file an NOP soliciting input on the EIR scope to the State Clearinghouse, other concerned agencies, and parties previously requesting notice in writing (State CEQA Guidelines Section 15082; Public Resources Code Section 21092.2). The NOP must be posted in the County Clerk's office for 30 days. A scoping meeting to solicit public input on the issues to be assessed in the EIR is required to be conducted by the lead agency for projects of regional, area-wide or statewide significance.
2. **Draft Environmental Impact Report (DEIR) Prepared.** The DEIR must contain: a) table of contents or index; b) summary; c) project description; d) environmental setting; e) discussion of significant impacts (direct, indirect, cumulative, growth-inducing and unavoidable impacts); f) a discussion of alternatives; g) mitigation measures; and h) discussion of irreversible changes.



3. **Notice of Completion.** A lead agency must file a Notice of Completion with the State Clearinghouse when it completes a Draft EIR and prepare a Public Notice of Availability of a Draft EIR. The lead agency must place the Notice in the County Clerk's office for 30 days (Public Resources Code Section 21092) and send a copy of the Notice to anyone requesting it (State CEQA Guidelines Section 15087). Additionally, public notice of DEIR availability must be given through at least one of the following procedures: a) publication in a newspaper of general circulation; b) posting on and off the project site; and c) direct mailing to owners and occupants of contiguous properties. The lead agency must solicit, and the public, and respond in writing to all comments received (Public Resources Code Sections 21104 and 21253). The minimum public review period for a DEIR is 30 days. When a Draft EIR is sent to the State Clearinghouse for review, the public review period must be 45 days unless the Clearinghouse (Public Resources Code 21091) approves a shorter period.
4. **Final EIR.** A Final EIR must include: a) the Draft EIR; b) copies of comments received during public review; c) list of persons and entities commenting; and d) responses to comments.
5. **Certification of FEIR.** Prior to making a decision on a proposed project, the lead agency must certify: a) the FEIR has been completed in compliance with CEQA; b) the Final EIR was presented to the decision-making body of the lead agency; and c) the decision-making body reviewed and considered the information in the Final EIR prior to approving a project (State CEQA Guidelines Section 15090).
6. **Lead Agency Project Decision.** A lead agency may: a) disapprove a project because of its significant environmental effects; b) require changes to a project to reduce or avoid significant environmental effects; or c) approve a project despite its significant environmental effects, if the proper findings and statement of overriding considerations are adopted (State CEQA Guidelines Sections 15042 and 15043).
7. **Findings/Statement of Overriding Considerations.** For each significant impact of the project identified in the EIR, the lead or responsible agency must find, based on substantial evidence, that either: a) the project has been changed to avoid or substantially reduce the magnitude of the impact; b) changes to the project are within another agency's jurisdiction and such changes have or should be adopted; or c) specific economic, social, or other considerations make the mitigation measures or project alternatives infeasible (State CEQA Guidelines Section 15091). If an agency approves a project with unavoidable significant environmental effects, it must prepare a written Statement of Overriding Considerations that sets forth the specific social, economic, or other reasons supporting the agency's decision.
8. **Mitigation Monitoring/Reporting Program.** When an agency makes findings on significant effects identified in the EIR, it must adopt a reporting or monitoring program for mitigation measures that were adopted or made conditions of project approval to mitigate significant effects.
9. **Notice of Determination.** An agency must file a Notice of Determination after deciding to approve a project for which an EIR is prepared (State CEQA Guidelines Section 15094). A local agency must file the Notice with the County Clerk. The



Notice must be posted for 30 days and sent to anyone previously requesting notice. Posting of the Notice starts a 30-day statute of limitations on CEQA legal challenges (Public Resources Code Section 21167[c]).

1.7 GLOSSARY OF ACRONYMS

<u>ALUP</u>	<u>Airport Land Use Plan</u>
<u>APCD</u>	<u>Air Pollution Control District</u>
<u>APN</u>	<u>Assessor's Parcel Number</u>
<u>ARC</u>	<u>Architectural Review Commission</u>
<u>BMP</u>	<u>Best Management Practices</u>
<u>CAP</u>	<u>Clean Air Plan</u>
<u>CARB</u>	<u>California Air Resources Board</u>
<u>CBACT</u>	<u>Best Available Control Technology</u>
<u>CDFG</u>	<u>California Department of Fish and Game</u>
<u>CDMG</u>	<u>California Division of Mines and Geology</u>
<u>CE</u>	<u>California Endangered</u>
<u>CEQA</u>	<u>California Environmental Quality Act</u>
<u>CFP</u>	<u>California Fully Protected Species</u>
<u>CNDDB</u>	<u>California Natural Diversity Database</u>
<u>CNEL</u>	<u>Community Noise Equivalent Level</u>
<u>CNG</u>	<u>Compressed Natural Gas</u>
<u>CNPS</u>	<u>California Native Plant Society</u>
<u>CO</u>	<u>Carbon Monoxide</u>
<u>CSC</u>	<u>California Species of Special Concern</u>
<u>dB</u>	<u>Decibels</u>
<u>DEIR</u>	<u>Draft Environmental Impact Report</u>
<u>DPR</u>	<u>California Department of Parks and Recreation</u>
<u>EIR</u>	<u>Environmental Impact Report</u>
<u>EPA</u>	<u>Environmental Protection Agency</u>
<u>ESA</u>	<u>Environmental Site Assessment</u>
<u>EV</u>	<u>Electric Vehicle</u>
<u>FAC+</u>	<u>Facultative+ Wetland Species</u>
<u>FACW</u>	<u>Facultative Wetland</u>
<u>FC</u>	<u>Federal Candidate</u>
<u>FE</u>	<u>Federal Endangered</u>
<u>FEIR</u>	<u>Final Environmental Impact Report</u>
<u>FEMA</u>	<u>Federal Emergency Management Agency</u>
<u>FICON</u>	<u>Federal Interagency Committee on Noise</u>
<u>FIRM</u>	<u>Federal Emergency Management Agency Flood Insurance Rate Map</u>
<u>FPE</u>	<u>Federal Proposed Endangered</u>
<u>FSC</u>	<u>Federal Species of Concern</u>
<u>GLA</u>	<u>Gross Leasable Area</u>
<u>LAFCO</u>	<u>Local Agency Formation Commission</u>
<u>Ldn</u>	<u>Day-Night Average Level</u>
<u>Leq</u>	<u>Equivalent Noise Level</u>
<u>LOMR</u>	<u>Letter of Map Revision (Federal Emergency Management Agency)</u>
<u>LOVR</u>	<u>Los Osos Valley Road</u>
<u>LUE</u>	<u>General Plan Land Use Element</u>
<u>MBTA</u>	<u>Migratory Bird Treaty Act</u>
<u>MCLs</u>	<u>Maximum Contaminant Levels</u>
<u>MLD</u>	<u>Most Likely Descendent</u>
<u>MSL</u>	<u>Mean Sea Level</u>
<u>NAHC</u>	<u>Native American Heritage Commission</u>
<u>ND</u>	<u>Negative Declaration</u>
<u>NMFS</u>	<u>National Marine Fisheries Service</u>
<u>NOI</u>	<u>Notice of Intent</u>
<u>NOP</u>	<u>Notice of Preparation</u>
<u>NO_x</u>	<u>Nitrogen Oxides</u>
<u>NPDES</u>	<u>National Pollutant Discharge Elimination System</u>



<u>OBL</u>	<u>Obligate Wetland Species</u>
<u>OS</u>	<u>Open Space</u>
<u>PCE</u>	<u>Tetrachloroethylene</u>
<u>PM₁₀</u>	<u>10 Micron Suspended Particulates</u>
<u>PM_{2.5}</u>	<u>2.5 Micron Suspended Particulates</u>
<u>ROC</u>	<u>Reactive Organic Carbon</u>
<u>ROG</u>	<u>Reactive Organic Gases</u>
<u>SAY</u>	<u>Safe Annual Yield (Water Resources)</u>
<u>SLO</u>	<u>San Luis Obispo</u>
<u>SO₂</u>	<u>Sulfur Dioxide</u>
<u>SO_x</u>	<u>Sulfur Oxides</u>
<u>SWPPP</u>	<u>Storm Water Pollution Prevention Plan</u>
<u>SWRCB</u>	<u>State Water Resources Control Board</u>
<u>UBC</u>	<u>Uniform Building Code</u>
<u>UCSB</u>	<u>University of California, Santa Barbara</u>
<u>US101</u>	<u>U.S. Highway 101</u>
<u>USACE</u>	<u>U.S. Department of the Army, Corps of Engineers</u>
<u>USDA</u>	<u>U.S. Department of Agriculture</u>
<u>USFWS</u>	<u>U.S. Fish and Wildlife Service</u>
<u>USGS</u>	<u>U.S. Geological Survey</u>
<u>VTM</u>	<u>Vesting Tentative Tract Map</u>
<u>WRF</u>	<u>Water Reclamation Facility</u>

