

## SECTION 1. ENVIRONMENTAL DETERMINATION

The City Council of the City of San Luis Obispo considers and relies on the Final Supplemental Environmental Impact Report (Final SEIR; State Clearinghouse Number 2015101083) for the San Luis Ranch Specific Plan in determining to carry out the Specific Plan Amendment and Development Agreement (“Revised San Luis Ranch Specific Plan Project” or “Revised Project”). The Final SEIR consists of the Draft SEIR, responses to comments on the Draft SEIR, a list of persons and agencies commenting on the Draft SEIR, a Mitigation Monitoring and Reporting Program, and technical appendices. It also incorporates by reference the CEQA Findings of Fact and Statement of Overriding Considerations adopted for the originally approved San Luis Ranch Specific Plan (“Original Project” or “Approved Project”) on July 18, 2017, which were based on the Final EIR prepared for Original Project and certified on July 18, 2017. Except where noted below, the originally adopted CEQA Findings are fully applicable to the Revised Project. The City Council has received, reviewed, considered, and relied on the information contained in the Final EIR, as well as information provided at hearings and submissions of testimony from official participating agencies, the public, and other agencies and organizations.

Section 15091 of the State CEQA Guidelines (14 California Code of Regulations [CCR]) and Section 21081 of the Public Resources Code require a lead agency to adopt findings for each significant environmental impact disclosed in an EIR. Specifically, for each significant impact, the lead agency must find that:

- *Changes or alterations have been required in, or incorporated into, the project to avoid or substantially lessen the significant environmental effects identified in the Final EIR;*
- *Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by that agency; or*
- *Specific economic, social, legal, technological, or other considerations, including provision of employment opportunities for highly trained workers, make the mitigation measures or project alternatives identified in the Final EIR infeasible.*

The California Code of Regulations, Title 14, Section 15091(b) requires that the City’s findings be supported by substantial evidence in the record. Accordingly, the Lead Agency’s record consists of the following, which are located at the City Community Development Department office, San Luis Obispo, California:

- *Documentary and oral evidence, testimony and staff comments and responses received and reviewed by the Lead Agency during public review and the public hearings on the Original San Luis Ranch Project.*
- *The City of San Luis Obispo San Luis Ranch Project Final Environmental Impact Report (certified July 18, 2017).*
- *Documentary and oral evidence, testimony and staff comments and responses received and reviewed by the Lead Agency during public review and the public hearings on the Revised San Luis Ranch Project.*

- *The City of San Luis Obispo San Luis Ranch Project Final Supplemental Environmental Impact Report (June 2018).*

In addition to making a finding for each significant impact, if the lead agency approves a project without mitigating all of the significant impacts, it must prepare a statement of overriding considerations, in which it balances the benefits of the project against the unavoidable environmental risks. The statement of overriding considerations must explain the social, economic, or other reasons for approving the project despite its environmental impacts (14 CCR 15093, Pub. Res. Code 21081).

This document contains the findings and statement of overriding considerations for the approval of the Revised San Luis Ranch Specific Plan Project and reflects the City's independent judgment. This document incorporates by reference the Final SEIR, Specific Plan as amended, Development Agreement, and other portions of the administrative record are available for review at:

City of San Luis Obispo  
Community Development Department  
990 Palm Street  
San Luis Obispo, CA 93401  
Contact: Tyler Corey  
(805) 781-7169

Having received, reviewed and considered the foregoing information, as well as any and all information in the record, the City Council of the City of San Luis Obispo hereby makes these Findings pursuant to, and in accordance with, Section 21081 of the Public Resources Code.

## **SECTION 2. PROJECT DESCRIPTION**

### **A. PROJECT OBJECTIVES**

As required by the City General Plan, the adopted San Luis Ranch Specific Plan contains policies and standards that will facilitate appropriate development of land, protection of open space, and provision of adequate public facilities. The adopted Specific Plan is more detailed than the General Plan but less precise than subdivision maps or construction plans. The overall objective of the Revised Project is to update the adopted Specific Plan for the San Luis Ranch project site, pursuant to the City General Plan. The City's objectives for the Revised San Luis Ranch Specific Plan are the same as for the adopted Specific Plan, and include:

1. *Provide infill growth for the City that is anticipated and desired by City planning decisions and guidelines;*
2. *Preserve agricultural land and open space on site, maintain agricultural views from U.S. 101;*
3. *Create significant entry-level, workforce housing opportunities within the City that is specifically "affordable by design;"*
4. *Implement a walkable-bikeable neighborhood design that is integrated with public transit access and open space amenities that encourage alternative modes of transportation;*

5. *Create new commercial, office and hotel opportunities that will accommodate and complement existing businesses in downtown San Luis Obispo;*
6. *Develop an Agriculture Heritage Facilities & Learning Center offering seasonal attractions and local goods that promote the region's agricultural richness;*
7. *Establish an important link in the Bob Jones Regional Trail;*
8. *Provide fair-share financial contribution towards important public circulation improvements.*

## **B. PROPOSED PROJECT**

- **Original Project (Adopted Specific Plan)**. As summarized in the certified Final EIR, the adopted San Luis Ranch Project consists of a Specific Plan, General Plan Amendment and Pre-Zone, Development Agreement/Memorandum of Understanding, and Development Plan/Vesting Tentative Tract Map for a 131-acre project site, including annexation of the site into the City of San Luis Obispo. The site is located in unincorporated San Luis Obispo County, generally between Madonna Road and U.S. Highway 101, south of Dalidio Drive, and is identified by assessor's parcel number (APN) 067-121-022. The project is intended to be consistent with the development parameters described in the City's General Plan Land Use and Circulation Elements, which were updated in December 2014. The project includes a mixture of residential, commercial, office, and hotel uses, with approximately 53 acres of the site preserved for agriculture and approximately 7.4 acres preserved for open space uses. The project includes construction of up to 580 residential units, 150,000 square feet of commercial development, 100,000 square feet of office development, and a 200-room hotel.

The City Council unanimously certified the Final EIR and approved the project with minor modifications on July 18, 2017, pursuant to City Council Resolution No. 10822 (2017 Series). These minor modifications were found to be consistent with the analysis included in the certified Final EIR, and thus covered under that document.

- **Revised Project (Specific Plan Amendment)**. After further investigation the applicant found that the required fixed sequential phasing of development and timing requirements associated Prado Road Interchange project creates constraints on financing options, which potentially renders the development project infeasible. In order to address financing constraints, the project applicant proposes to modify the previously approved project by adjusting the phasing plan description such that each of the project phases could overlap, be out of sequence, or be concurrent, depending on market conditions and to adjust project conditions and/or mitigation measures to implement such adjusted phasing plan, including:

- (i) Removing phase numbering from mitigation measures T-1, T-2, & T-3;
- (ii) Removing condition of approval #6 "Project construction and infrastructure shall be completed in the sequential phase order as evaluated in the San Luis Ranch EIR..."; and
- (iii) Revising the mitigation measure monitoring program such that construction of the Prado Road Overpass and Northbound Ramp is not a requirement prior to occupancy of Phase 2 or any other project Phase.

- The Prado Overpass and Northbound Ramps project is a joint City and Caltrans effort currently on schedule to begin construction in 2021. The proposed change in the San Luis Ranch project description does not affect the interchange sSchedule or the project’s requirement to dedicate the necessary right-of-way and pay its fair share.

In addition, the revised project includes an amendment to the Specific Plan to permit the Community Development Director to authorize the developer, in any given year, to also construct 50% of the units allocated to the project in the following year if the Director determines that doing so is necessary to facilitate construction of beneficial public facilities and infrastructure. The purpose of this authorization is to realize the public benefits associated with the project, mitigate known potential impacts resulting from the project, and implement development requirements, including infrastructure requirements, which the City has found to be consistent with, and not a waiver of, the requirements of the City’s Growth Management Ordinance.

These changes would be reflected in the Specific Plan and Development Agreement. No other approved entitlements would be affected. The proposed revision envisions no change to the land use plan or development potential compared to what was approved by the City on July 18, 2017.

- These project elements are further described in the Final SEIR, specifically Section 1.3, *Proposed Changes to the Approved Project*.

### **SECTION 3. SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT**

#### **A. BACKGROUND**

The City Council unanimously certified a Final EIR and approved the Original Project on July 18, 2017, pursuant to City Council Resolution No. 10822 (2017 Series). A Notice of Determination (NOD) was prepared, and there were no legal challenges to the adequacy of the Final EIR during the 30-day statute of limitations associated with the NOD, pursuant to CEQA (PRC Section 21167 and CEQA Guidelines Section 15094).

The proposed modification to the approved project would only affect the phasing and development schedule, not the land use pattern or ultimate buildout potential of the project. Nevertheless, this change requires a Specific Plan Amendment, which is a “discretionary” action that is subject to CEQA. A Supplement to the Final EIR (or “Supplemental EIR”) was determined to be the appropriate approach to CEQA compliance pursuant to *CEQA Guidelines* Section 15163, focusing on only those issues where potential impacts could be different, or the analysis changed, from what was included in the certified Final EIR. A Supplemental EIR tiers from the original Final EIR and is appropriate when only minor changes to an approved project are contemplated.

Section 1.0 of the Final SEIR describes the full legal basis for this determination.

The SEIR serves as an informational document for the public and City of San Luis Obispo decision-makers. Based on a Planning Commission recommendation, the process will culminate with a City

Council hearing to consider certification of a Final SEIR as well as the applicant's requested modifications to the previously-approved project.

### **B. IMPACT ANALYSIS**

Three categories of impacts are identified in both the certified Final EIR and the Final SEIR:

- Class I Class I impacts are significant and unavoidable. To approve a project resulting in Class I impacts, the CEQA Guidelines require decision makers to make findings of overriding consideration that "specific legal, technological, economic, social, or other considerations make infeasible the mitigation measures or alternatives identified in the EIR."
- Class II Class II impacts are significant but can be mitigated to a level of insignificance by measures identified in the Final EIR. When approving a project with Class II impacts, the decision makers must make findings that changes or alternatives to the project have been incorporated that reduce the impacts to a less than significant level.
- Class III Class III impacts are adverse but not significant.

### **SECTION 4. FINDINGS FOR LESS THAN SIGNIFICANT ENVIRONMENTAL EFFECTS OF THE PROPOSED PROJECT**

*The findings below are for Class III impacts. Class III impacts are adverse but not significant.*

Modified from those included in the Final EIR and related CEQA Findings, the City Council has concluded that the following effects are adverse but not significant, as described in the Final SEIR.

### **G. LAND USE**

2. **Impact LU-5:** The Revised Project would remove fixed sequential phasing, so it is possible that development could occur more quickly than under the originally approved Specific Plan. The proposed phasing concept would allow for managed growth pursuant to the San Luis Ranch Specific Plan. In addition, the overall buildout capacity of the Specific Plan is consistent with General Plan growth limitations pursuant to Land Use Element Policy 8.1.4, which directs future development within the San Luis Ranch area. For reasons described on pages 2.3-4 through 2.3-10 of the Final SEIR, the Revised Project would be consistent with adopted City policies in the General Plan and Zoning Regulations related to growth management. (Refer to pages 2.3-4 through 2.3-10 of the Final SEIR.)
  - a. Mitigation: None
  - b. Finding: The City finds that the impact is less than significant.

**SECTION 5. FINDINGS FOR SIGNIFICANT ENVIRONMENTAL EFFECTS OF THE  
PROPOSED PROJECT THAT HAVE BEEN MITIGATED TO A LESS THAN  
SIGNIFICANT LEVEL**

*Class II impacts are significant but can be mitigated to a level of insignificance by measures identified in the EIR. When approving a project with Class II impacts, the decision-makers must make findings that changes or alterations to the project have been incorporated that reduce the impacts to a less than significant level.*

This section presents the project's significant environmental impacts and feasible mitigation measures. Section 15091 of the State CEQA Guidelines (14 California Code of Regulations [CCR]) and Section 21081 of the Public Resources Code require a lead agency to make findings for each significant environmental impact disclosed in an EIR. Specifically, for each significant impact, the lead agency must find that:

- *Changes or alterations have been required in, or incorporated into, the project to avoid or substantially lessen the significant environmental effects identified in the Final EIR;*
- *Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by that agency; or*
- *Specific economic, social, legal, technological, or other considerations, including provision of employment opportunities for highly trained workers, make the mitigation measures or project alternatives identified in the Final EIR infeasible.*

Each of these findings must be supported by substantial evidence in the administrative record. This section identifies impacts that can be fully avoided or reduced to a less-than-significant level through the incorporation of feasible mitigation measures into the project, as identified in the Final EIR and Final SEIR. The impacts identified in this section are considered in the same sequence in which they appear in the Final SEIR.

Modified from those included in the Final EIR and related CEQA Findings, the City Council has concluded that the following effects are significant but mitigable to a less than significant level, as described in the Final SEIR. No new impacts have been identified.

**B. AIR QUALITY**

1. **Impact AQ-2:** Construction of the project would generate temporary increases in localized air pollutant emissions. Construction emissions of ROG, NO<sub>x</sub>, and DPM would exceed SLOAPCD construction thresholds. However, with implementation of Mitigation Measures AQ-2(a) through AG-2(e) as included in the SEIR, which require fugitive dust control measures, standard control measures for construction equipment, Best Available Control Technology (BACT) for construction equipment, low or no VOC-emission paint for architectural coatings, and preparation of a Construction Activity Management Plan (CAMP), this impact would be reduced to a less than significant level. (Refer to pages 2.1-4 through 2.1-11 of the Final SEIR; impact and mitigation is not new, but Mitigation Measure AQ-2(a) is modified from Final EIR.)

- a. Mitigation: The following mitigation measures are required to reduce construction emissions of ROG, NO<sub>x</sub>, DPM, and fugitive dust.
- **Mitigation Measure AQ-2(a) Fugitive Dust Control Measures.** Construction projects shall implement the following dust control measures so as to reduce PM<sub>10</sub> emissions in accordance with SLOAPCD requirements.
- Reduce the amount of the disturbed area where possible;
  - Water trucks or sprinkler systems shall be used during construction in sufficient quantities to prevent airborne dust from leaving the site. Increased watering frequency shall be required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water or a SLOAPCD-approved dust suppressant shall be used whenever possible, to reduce the amount of potable water used for dust control. Please note that since water use is a concern due to drought conditions, the contractor or builder shall consider the use of an APCD-approved dust suppressant where feasible to reduce the amount of water used for dust control;
  - All dirt stock pile areas shall be sprayed daily as needed;
  - Permanent dust control measures identified in the approved project revegetation and landscape plans shall be implemented as soon as possible following completion of any soil disturbing activities;
  - Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading shall be sown with a fast germinating, non-invasive grass seed and watered until vegetation is established;
  - All disturbed soil areas not subject to revegetation shall be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the SLOAPCD;
  - All roadways, driveways, sidewalks, etc. to be paved shall be completed as soon as possible after grading unless seeding or soil binders are used;
  - Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site;
  - All trucks hauling dirt, sand, soil, or other loose materials are to be covered or shall maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with California Vehicle Code Section 23114;
  - Install wheel washers where vehicles enter and exit unpaved roads onto streets, or wash off trucks and equipment leaving the site;
  - Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water shall be used where feasible;
  - All of these fugitive dust mitigation measures shall be shown on grading and building plans; and
  - The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20 percent opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such

persons shall be provided to the SLOAPCD Compliance Division prior to the start of any grading, earthwork or demolition.

– ***Mitigation Measure AQ-2(b) Standard Control Measures for Construction Equipment.***

The following standard air quality mitigation measures shall be implemented during construction activities at the project site:

- Maintain all construction equipment in proper tune according to manufacturer's specifications;
- Fuel all off-road and portable diesel powered equipment with ARB certified motor vehicle diesel fuel (non-taxed version suitable for use off-road);
- Use diesel construction equipment meeting ARB's Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State Off-Road Regulation;
- Use on-road heavy-duty trucks that meet the ARB's 2007 or cleaner certification standard for on-road heavy-duty diesel engines, and comply with the State On-Road Regulation;
- Construction or trucking companies with fleets that do not have engines in their fleet that meet the engine standards identified in the above two measures (e.g. captive or NO<sub>x</sub> exempt area fleets) may be eligible by proving alternative compliance;
- On-road diesel vehicles shall comply with Section 2485 of Title 13 of the California Code of Regulations. This regulation limits idling from diesel-fueled commercial motor vehicles with gross vehicular weight ratings of more than 10,000 pounds and licensed for operation on highways. It applies to California and non-California based vehicles. In general, the regulation specifies that drivers of said vehicles:
  1. Shall not idle the vehicle's primary diesel engine for greater than 5-minutes at any location, except as noted in Subsection (d) of the regulation; and,
  2. Shall not operate a diesel-fueled auxiliary power system (APS) to power a heater, air conditioner, or any ancillary equipment on that vehicle during sleeping or resting in a sleeper berth for greater than 5.0 minutes at any location when within 1,000 feet of a restricted area, except as noted in Subsection (d) of the regulation.
- Off-road diesel equipment shall comply with the 5-minute idling restriction identified in Section 2449(d)(2) of the California Air Resources Board's In-Use Off-Road Diesel regulation.
- Signs shall be posted in the designated queuing areas and or job sites to remind drivers and operators of the 5 minute idling limit;
- In addition to the state required diesel idling requirements, the project applicant shall comply with these more restrictive requirements to minimize impacts to nearby sensitive receptors:
  1. Signs that specify the no idling areas shall be posted and enforced at the site.
  2. Diesel idling within 1,000 feet of sensitive receptors is not permitted;
  3. Staging and queuing areas shall not be located within 1,000 feet of sensitive receptors;
  4. Use of alternative fueled equipment is recommended;
- Electrify equipment when feasible;

- Substitute gasoline-powered in place of diesel-powered equipment, where feasible; and
  - Use alternatively fueled construction equipment on-site where feasible, such as compressed natural gas (CNG), liquefied natural gas (LNG), propane or biodiesel.
- **Mitigation Measure AQ-2(c) Best Available Control Technology (BACT) for Construction Equipment.** The following BACT for diesel-fueled construction equipment shall be implemented during construction activities at the project site, where feasible:
- Further reducing emissions by expanding use of Tier 3 and Tier 4 off-road and 2010 on-road compliant engines where feasible;
  - Repowering equipment with the cleanest engines available; and
  - Installing California Verified Diesel Emission Control Strategies, such as level 2 diesel particulate filters. These strategies are listed at: <http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm>
- **Mitigation Measure AQ-2(d) Architectural Coating.** To reduce ROG and NO<sub>x</sub> levels during the architectural coating phase, low or no VOC-emission paint shall be used with levels of 50 g/L or less.
- **Mitigation Measure AQ-2(e) Construction Activity Management Plan.** Emissions reduction measures and construction practices required to comply with Mitigation Measures AQ-2(a) through AQ-2(d) shall be documented in a Construction Activity Management Plan (CAMP) and submitted to SLOAPCD for review and approval at least three months before the start of construction. The CAMP shall include a Dust Control Management Plan, tabulation of on and off-road construction equipment (age, horsepower and miles and/or hours of operation), construction truck trip schedule, construction work-day period, and construction phasing. If implementation of the Standard Mitigation and Best Available Control Technology measures cannot bring the project below the Tier 1 threshold (2.5 tons of NO<sub>x</sub>+ROG per quarter), off-site mitigation shall be implemented in coordination with SLOAPCD to reduce NO<sub>x</sub> and ROG emissions to below the Tier 1 threshold.
- b. Finding: The City finds that changes or alterations have been required in, or incorporated into, the project to avoid or lessen to a less than significant level the significant environmental effects identified in the Final SEIR.

## **K. TRANSPORTATION**

1. **Impact T-5:** The timing of construction of the proposed Froom Ranch Way bridge would result in significant level of service and queuing impacts at study area intersections and roadway segments. Mitigation Measure T-5, Froom Ranch Way Bridge Timing, would ensure that LOS and queuing impacts associated with the project's proposed infrastructure phasing would be less than significant after mitigation. (Refer to pages 2.4-9 and 2.4-16 of the Final SEIR.)

- a. Mitigation: The following mitigation is required to reduce potentially significant LOS and queuing impacts that would result from the project's proposed infrastructure phasing.
  - **Mitigation Measure T-5 Froom Ranch Way Bridge Timing.** The Froom Ranch Way bridge connection shall be completed prior to any residential or non-residential building permits or occupancy permits.
- b. Finding: The City finds that changes or alterations have been required in, or incorporated into, the project to avoid or lessen to a less than significant level the significant environmental effects identified in the Final EIR.

## **SECTION 6. SIGNIFICANT UNAVOIDABLE ENVIRONMENTAL EFFECTS OF THE PROPOSED PROJECT FOR WHICH SUFFICIENT MITIGATION IS NOT AVAILABLE**

*Class I impacts are significant and unavoidable. To approve a project resulting in Class I impacts, the CEQA Guidelines require decision makers to make findings of overriding consideration that "... specific legal, technological, economic, social, or other considerations make infeasible the mitigation measures or alternatives identified in the EIR..."*

This section presents the project's significant environmental impacts and feasible mitigation measures. Section 15091 of the State CEQA Guidelines (14 California Code of Regulations [CCR]) and Section 21081 of the Public Resources Code require a lead agency to make findings for each significant environmental impact disclosed in an EIR. Specifically, for each significant impact, the lead agency must find that:

- *Changes or alterations have been required in, or incorporated into, the project to avoid or substantially lessen the significant environmental effects identified in the Final EIR;*
- *Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by that agency; or*
- *Specific economic, social, legal, technological, or other considerations, including provision of employment opportunities for highly trained workers, make the mitigation measures or project alternatives identified in the Final EIR infeasible.*

Each of these findings must be supported by substantial evidence in the administrative record. This section identifies impacts that can be reduced, but not to a less-than-significant level, through the incorporation of feasible mitigation measures into the project, and which therefore, remain significant and unavoidable, as identified in the Final EIR and Final SEIR. The impacts identified in this section are considered in the same sequence in which they appear in the SEIR. Where adoption of feasible mitigation measures is not effective in avoiding an impact or reducing it to a less-than-significant level, the feasibility of adopting alternatives to the proposed project is considered in Section 7 of this document.

Modified from those included in the Final EIR and related CEQA Findings, the City Council has concluded that the following effects are significant and unavoidable, and cannot be mitigated to a less than significant level, as described in the Final SEIR. One additional significant and unavoidable impact not identified in the Final EIR is also described below.

### **E. TRANSPORTATION**

**1. Impact T-1:** Under Existing and Near-Term Plus Project conditions 9 study area intersections would operate at unacceptable automobile, bicycle, or pedestrian LOS based on adopted multimodal level of service standards during AM and PM peak hours. Of these 9 intersections, impacts to Madonna Road & U.S. 101 SB, Los Osos Valley Road & Auto Park Way, and Higuera & Tank Farm would be temporary until the Prado Road Overpass & NB Ramps are constructed. Although temporary, the impact at these three locations would be Class I, significant and unavoidable.

- a. Mitigation: Mitigation Measures T-1(a) through T-1(i) identify improvements at study area facilities that are required to reduce potentially significant project-specific impacts at study area intersections under Existing and Near-Term Plus Project Conditions. The project's equitable share of these improvements will be calculated using the method for calculating equitable mitigation measures outlined in the Caltrans Guide for the Preparation of Traffic Impact Studies (Caltrans, December 2002). Costs above and beyond the project's equitable share can be addressed through such options as fee credits, reimbursement agreements, or development agreements, based on City requirements. Implementation of Mitigation Measures T-1(a) through T-1(i) would reduce impacts to multimodal level of service at study area intersections under Existing and Near-Term Plus Project conditions to a feasible extent.

***T-1(a) Intersection #1: Madonna Road & Los Osos Valley Road.***

- *City optimize signal timing to accommodate increased project volumes (ongoing by City)*

***T-1(b) Intersection #3: Madonna Road & Dalidio Drive/Prado Road.***

- *Extend existing westbound left turn lane on Madonna Road to Dalidio Drive/Prado Road to 310' (Prior to Building Permits or Occupancy)*
- *Install 2nd westbound 310' left turn lane on Madonna Road to Dalidio Drive/Prado Road (Prior to Building Permits or Occupancy)*
- *Install eastbound 250' right turn pocket on Madonna Road to Dalidio Drive/Prado Road (Prior to Building Permits or Occupancy)*
- *Install 2nd northbound left shared with through-lane on Prado Road/Dalidio Drive to Madonna Road (Prior to Building Permits or Occupancy)*
- *Prohibit westbound U-turns on Madonna Road (Prior to Building Permits or Occupancy)*
- *Provide split phase operations & optimize signal timing (Prior to Building Permits or Occupancy)*

**T-1(c) Intersection #5: Madonna Road & U.S. 101 Southbound Ramps.**

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement).*
- *Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*

**T-1(d) Intersection #8: Higuera Street & South Street.**

- *Optimize Signal Timing (ongoing by City)*

**T-1(e) Intersection #9: Los Osos Valley Road & Froom Ranch Way.**

- *Install dedicated 230' right turn lane on northbound Froom Ranch Way approach to Los Osos Valley Road (with Froom Ranch Way bridge construction)*
- *Extend right turn lane on southbound Froom Ranch Way approach to Los Osos Valley Road to 110' (with Froom Ranch Way bridge construction)*
- *Install 2nd southbound left turn lane on Froom Ranch Way approach to eastbound Los Osos Valley Road (with Froom Ranch Way bridge construction)*

**T-1(f) Intersection #10: Los Osos Valley Road & Auto Park Way.**

- *Pay Fair Share Impact fees for Signalization (Prior to Building Permits or Occupancy)*
- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement).*
- *Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*

**T-1(g) Intersection #16: S. Higuera Street & Tank Farm Road.**

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement).*
- *Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*
- *Extend northbound right turn pocket to 230' and channelize movement (Prior to Building Permits or Occupancy)*

**T-1(h) Intersection #21: Prado Road/Dalidio Drive & Froom Ranch Way.**

- *Install multilane roundabout control (when connection is constructed)*

***T-1(i) Intersection #25: Prado Road/Dalidio Drive & SC Project Driveway.***

- *Install multilane roundabout control or restricted access (when connection is constructed)*

b. Finding: While the mitigation measures identified in the Final SEIR are feasible, they insufficient to reduce potential impacts to a less than significant level. Implementation of the identified mitigation measures would improve LOS at six impacted intersections to acceptable levels, so impacts on these facilities would be less than significant after mitigation. However, impacts associated with multimodal level of service standards at three impacted intersections (Madonna & U.S. 101 SB Ramp, Los Osos Valley Road & AutoPark Way, and Higuera & Tank Farm) would remain significant and unavoidable. A statement of overriding considerations for this impact is made in Section 8.

2. **Impact T-2:** Under Existing and Near-Term Plus Project conditions the volume of traffic at 19 study area intersections would exceed lane capacities. Of these 19 intersections, impacts to Madonna & Los Osos Valley Road, Madonna & Oceanaire, Madonna & U.S. 101 NB, Madonna & Higuera, and Los Osos Valley Road & U.S. 101 NB would be temporary until the Prado Road Overpass & NB Ramps are constructed. Although temporary, the impact at these five locations would be Class I, significant and unavoidable. (Refer to pages 2.4-9 and 2.4-12 through 2.4-14 of the Final SEIR.)

a. Mitigation: Mitigation Measures T-2(a) through T-2(j) identify improvements at study area facilities that are required to reduce potentially significant project-specific impacts at study area intersections under Existing and Near-Term Plus Project Conditions. The project's equitable share of these improvements will be calculated using the method for calculating equitable mitigation measures outlined in the Caltrans Guide for the Preparation of Traffic Impact Studies (Caltrans, December 2002). Costs above and beyond the project's equitable share can be addressed through such options as fee credits, reimbursement agreements, or development agreements, based on City requirements. Implementation of Mitigation Measures T-2(a) through T-2(j) would reduce impacts associated with lane capacities identified for Existing and Near-Term Plus Project conditions to a feasible extent.

***T-2(a) Intersection #1: Madonna Road & Los Osos Valley Road.***

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement). Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*

***T-2(b) Intersection #2: Madonna Road & Oceanaire Drive.***

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement). Develop a Travel Demand Management Plan consistent with section*

*2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*

**T-2(c) Intersection #5: Madonna Road & U.S. 101 S.B Ramps.**

- *Extend northbound Madonna Road left turn lane to 150' (Prior to Building Permits or Occupancy)*

**T-2(d) Intersection #6: Madonna Road & U.S. 101 Northbound Ramps.**

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement). Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*

**T-2(e) Intersection #7: Madonna Road & Higuera Street.**

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement). Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*

**T-2(f) Intersection #9: Los Osos Valley Road & Froom Ranch Way.**

- *Install dedicated 230' right turn lane on Los Osos Valley Road approach to northbound Froom Ranch Way (with Froom Ranch Way bridge construction)*
- *Extend right turn lane on Los Osos Valley Road approach to southbound Froom Ranch Way to 110' (with Froom Ranch Way Bridge construction)*
- *Install 2nd southbound left turn lane on Froom Ranch Way approach to eastbound Los Osos Valley Road (with Froom Ranch Way bridge construction)*

**T-2(g) Intersection #12: Los Osos Valley Road & U.S. 101 Southbound Ramps.**

- *Extend off-ramp left turn pocket to 320' (Prior to Building Permits or Occupancy)*

**T-2(h) Intersection #13: Los Osos Valley Road & U.S. 101 Northbound Ramps.**

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement). Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*

***T-2(i) Intersection #14: Los Osos Valley Road & Higuera Street.***

- *Extend eastbound right turn lane to 180' or as far a practical (Prior to Building Permits or Occupancy)*

***T-2(j) Intersection #18: Prado Road & Higuera Street.***

- *Install 2nd U.S. 101 northbound left turn lane (Prior to Building Permits or Occupancy)*
- *Extend westbound right turn pocket to 400' (Prior to Building Permits or Occupancy)*

- b. Finding: Implementation of the identified mitigation measures would improve capacity at five impacted intersections to acceptable levels, so impacts on these facilities would be less than significant after mitigation. However, impacts associated with capacity at six other intersections (Madonna & Los Osos Valley Road, Madonna & Oceanaire, Madonna & U.S. 101 NB Ramps, Madonna & U.S. 101 SB Ramps, Madonna & Higuera, and Los Osos Valley Road & U.S. 101 NB Ramps) would remain significant and unavoidable. A statement of overriding considerations for this impact is made in Section 8.

3. **Impact T-3**: Under Existing and Near-Term Plus Project conditions 4 study area segment groups would operate at unacceptable automobile, bicycle, pedestrian, and/or transit LOS based on adopted multimodal level of service standards during AM and PM peak hours. Of these 4 segment groups, impacts to Madonna (Los Osos Valley Road to Higuera) and Los Osos Valley Road (Madonna to Higuera) would be temporary until the Prado Road Overpass & NB Ramps are constructed. Although temporary, the impact along these two segment groups would be Class I, significant and unavoidable. (Refer to pages 2.4-9, 2.4-14 and 2.4-15 of the Final SEIR.)

- a. Mitigation: Mitigation Measures T-3(a) through T-3(d) identify improvements at study area facilities that are required to reduce potentially significant project-specific impacts at study area roadway segments under Existing and Near-Term Plus Project Conditions. The project's equitable share of these improvements will be calculated using the method for calculating equitable mitigation measures outlined in the Caltrans Guide for the Preparation of Traffic Impact Studies (Caltrans, December 2002). Costs above and beyond the project's equitable share can be addressed through such options as fee credits, reimbursement agreements, or development agreements, based on City requirements. Implementation of Mitigation Measures T-3(a) through T-3(d) would reduce impacts associated with multimodal level of service standards at study area roadway segments identified for Existing and Near-Term Plus Project conditions to a feasible extent.

***T-3(a) Segments #1 - #6: Madonna Road (Los Osos Valley Road to Higuera Street)***

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement).*
- *Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*

- *As part of the TDMP, fund operations and financial assessment/assistance of decreasing transit headways to 25 minutes (Prior to Building Permits or Occupancy)*
- *Construct parallel Class I multiuse path on Madonna between Hwy 101 and Oceanaire) and Class III Sharrows on Madonna Frontage Road Between Oceanaire and Los Osos Valley Road (Prior to Building Permits or Occupancy)*

**T-3(b) Segments #7 - #8: Higuera Street (Madonna Road to Prado Road)**

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement). Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*
- *Pay Fair Share Costs for Construction of Class I Path Parallel to Higuera as identified in City's Bicycle Transportation Plan (Prior to Building Permits or Occupancy)*

**T-3(c) Segments #13 - #17: Los Osos Valley Road (Madonna Road to Higuera Street)**

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement). Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*
- *Pay Fair Share Costs for Construction of Class I Path Parallel to Los Osos Valley Road as identified in City's Bicycle Transportation Plan (Prior to Building Permits or Occupancy)*

**T-3(d) Segments #18 - #20: Dalidio Drive/Prado Road (Froom Ranch Way to Higuera Street)**

- *Construct parallel Class I multiuse paths (Concurrent with Construction/Widening of Prado Road along project frontages)*

- b. Finding: Implementation of the identified mitigation measures would improve multimodal level of service at one impacted segment to acceptable levels, so impacts on this facility would be less than significant after mitigation. However, impacts associated with multimodal segment level of service at two other segments (Madonna Road (Los Osos Valley Road to Higuera Street) and Los Osos Valley Road (Madonna Road to Higuera Street) would remain significant and unavoidable. A statement of overriding considerations for this impact is made in Section 8.

4. **Impact T-11:** Under Existing and Near-term Plus Project conditions buildout of the project prior to construction of the Prado Road Overpass & NB ramps would result in portions of Highway

101 from Marsh Street to Los Osos Valley Road operating below Caltrans level of service standards. This is a Class I, significant and unavoidable impact. (Refer to pages 2.4-9, 2.4-10, 2.4-16, and 2.4-17 of the Final SEIR.)

- a. Mitigation: Implementation of Mitigation Measures T-11(a) through T-8(c) would reduce impacts to mainline operations on U.S. Highway 101 in the vicinity of the project to the extent feasible.

**T-11(a) Northbound U.S. 101 Prado Road Off Ramp**

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement).*
- *Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*

**T-11(b) Northbound U.S. 101 North of Prado Road**

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement).*
- *Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*

**T-11(c) Northbound U.S. 101 North of Madonna Road**

- *Pay Fair share costs and dedicate necessary ROW for construction of the Prado Road Overpass & NB Ramps (Timing & Amount of Fair Share Payments as established in San Luis Ranch Development Agreement).*
- *Develop a Travel Demand Management Plan consistent with section 2.4.3 and to the satisfaction of the Public Works Director (Prior to Building Permits or Occupancy)*

- b. Finding: Implementation of the identified mitigation measures would lessen project volumes on the Highway 101 mainline and mitigate interim impacts to the maximum extent feasible. However, impacts associated with mainline Highway 101 operations would remain significant and unavoidable. A statement of overriding considerations for this impact is made in Section 8.

## **SECTION 7. FINDINGS FOR ALTERNATIVES TO THE REVISED PROJECT**

Various alternatives to the Original Project were considered in the Final EIR to reduce one or more environmental impacts associated with the project. For the Revised Project, a Supplemental EIR (SEIR) was prepared because only minor changes were contemplated from the originally approved project, and no changes to the approved land use pattern or buildout potential were contemplated. An SEIR is not required to consider additional project alternatives, and in this case did not.

No Findings related to Alternatives are required or can be made for the Revised Project.

## **SECTION 8. STATEMENT OF OVERRIDING CONSIDERATIONS**

### **A. INTRODUCTION**

Based on the certified Final EIR for the originally approved project, as modified by the findings of the Final SEIR, the following significant and unavoidable impacts are associated with the Revised Project:

1. The Revised Project would be inconsistent with the SLOAPCD 2001 Clean Air Plan because it would result in an increase in vehicle miles traveled (VMT) that would exceed the rate of population growth.
2. The Revised Project is inconsistent with the 2001 Clean Air Plan, which SLOAPCD guidance states is a cumulative air quality impact.
3. The Revised Project would result in the relocation, demolition, and removal of structures on the San Luis Ranch property which are individually identified as historic resources. In addition, the project would eliminate the San Luis Ranch Complex, which is eligible for listing as a historic resource. Relocation, demolition, and/or removal of these historic resources would permanently alter the historic context of the project site and on-site structures.
4. Removal of the San Luis Ranch Complex would contribute to the cumulative loss of historic resources in the City.
5. The Revised Project would be potentially inconsistent with adopted City policies in the General Plan designed to protect historical resources and ensure adequate multimodal transportation levels of service.
6. Temporary construction activity would create noise that could exceed City of San Luis Obispo Municipal Code regulations, and mitigation may not be feasible to reduce the impact to less than the applicable threshold.
7. Under Existing and Near-Term Plus Project conditions 9 study area intersections would operate at unacceptable automobile, bicycle, or pedestrian LOS based on adopted multimodal level of service standards during AM and PM peak hours. Of these 9 intersections, impacts to Madonna Road & U.S. 101 SB, Los Osos Valley Road & Auto Park Way, and Higuera & Tank Farm would be temporary until the Prado Road Overpass & NB Ramps are constructed. Although temporary, the impact at these three locations would be significant and unavoidable.

8. Under Existing and Near-Term Plus Project conditions the volume of traffic at 19 study area intersections would exceed lane capacities. Of these 19 intersections, impacts to Madonna & Los Osos Valley Road, Madonna & Oceanaire, Madonna & U.S. 101 NB, Madonna & Higuera, and Los Osos Valley Road & U.S. 101 NB would be temporary until the Prado Road Overpass & NB Ramps are constructed. Although temporary, the impact at these five locations would be significant and unavoidable..
9. Under Existing and Near-Term Plus Project conditions 4 study area segment groups would operate at unacceptable automobile, bicycle, pedestrian, and/or transit LOS based on adopted multimodal level of service standards during AM and PM peak hours. Of these 4 segment groups, impacts to Madonna (Los Osos Valley Road to Higuera) and Los Osos Valley Road (Madonna to Higuera) would be temporary until the Prado Road Overpass & NB Ramps are constructed. Although temporary, the impact along these two segment groups would be significant and unavoidable.
10. Under Cumulative Plus Project conditions nine study area intersections would operate at unacceptable automobile, bicycle, or pedestrian LOS based on adopted multimodal level of service standards during AM and PM peak hours. Mitigation would reduce impacts at seven of these intersections to an acceptable level. However, impacts at the Madonna Road & Dalidio Drive and Los Osos Valley Road & Froom Ranch Way intersections would be significant and unavoidable.
11. Under Cumulative Plus Project conditions, the volume of traffic at 18 study area intersections would exceed lane capacities. Mitigation would reduce impacts at 17 of these intersections to an acceptable level. However, impacts at the Madonna Road & Dalidio Drive and Los Osos Valley Road & Froom Ranch Way intersections would be significant and unavoidable.
12. Under Existing and Near-term Plus Project conditions buildout of the project prior to construction of the Prado Road Overpass & NB ramps would result in portions of Highway 101 from Marsh Street to Los Osos Valley Road operating below Caltrans level of service standards. This is a significant and unavoidable impact.

For projects which would result in significant environmental impacts that cannot be avoided, CEQA requires that the lead agency balance the benefits of these projects against the unavoidable environmental risks in determining whether to approve the projects. If the benefits of these projects outweigh the unavoidable impacts, those impacts may be considered acceptable (CEQA Guidelines Section 15093[a]). CEQA requires that, before adopting such projects, the public agency adopt a Statement of Overriding Considerations setting forth the reasons why the agency finds that the benefits of the project outweigh the significant environmental effects caused by the project. This statement is provided below.

### **B. REQUIRED FINDINGS**

The City has incorporated all feasible mitigation measures into the Revised Project. Although these measures will lessen the unavoidable impacts listed above, the measures will not fully avoid these impacts.

In preparing this Statement of Overriding Considerations, the City has balanced the benefits of the proposed project against its unavoidable environmental risks. For the reasons specified below, the

City finds that the following considerations outweigh the Revised Project's unavoidable environmental risks:

1. **Provision of new Residential and Commercial Uses.** The San Luis Ranch Specific Plan will develop a new residential neighborhood that fulfills a portion of the City's unmet housing needs and that designates sufficient land for neighborhood serving commercial uses to provide for the convenience of area residents, consistent with Land Use Element Policies 2.3.6, 3.3.1, and 8.1.4.
2. **Provision of a Variety of Housing Types for all Income Levels.** The San Luis Ranch Specific Plan provides a variety of housing types and costs to meet the needs of renters and buyers with a variety of income-levels, including inclusionary affordable housing for residents with moderate, low, and very-low income levels, consistent with General Plan Land Use Element Goal 2, *Affordability*.
3. **Open Space and Agricultural Protection:** Implementation of the San Luis Ranch Specific Plan would preserve approximately 53 acres of the site in agriculture adjacent to the San Luis Obispo City Farm, including development of the agricultural heritage facilities & learning center, which would relocate and preserve historically important structures from the San Luis Ranch Complex and integrate them into an enhanced and inter-connected, working agricultural setting. The project would also preserve approximately 7.4 acres of the site in open space.
4. **Provision of Park and Recreational Facilities.** The San Luis Ranch Specific Plan will provide a variety of park and recreational facilities for residents of the City, such as parks, trails and other recreational facilities, and passive recreational opportunities within open space, both by constructing facilities on site and providing needed funding for enhancement of existing offsite City park and recreational facilities.
5. **Well-Planned Neighborhood Would Reduce Per-Capita Vehicle Trips:** The San Luis Ranch Specific Plan would develop a new residential neighborhood to meet the City's housing needs and that designates sufficient land for neighborhood serving commercial uses to reduce vehicle trips and provide for the convenience of area residents. In addition, the San Luis Ranch Specific Plan encourages the use of bicycles and walking within the Plan Area by including specific policies and development standards that will result in subdivision and building designs that facilitate bike use and pedestrian access and incorporating multiple classes of bike lanes and including bike and pedestrian paths through the parks and open space areas.
6. **Provision of New Jobs:** The project would create new construction-related and permanent jobs in the project area. Planned commercial development would provide jobs in close proximity to housing, consistent with Community Goal 34 in the General Plan Land Use Element and Land Use Element Policy 1.5, which states that the gap between housing demand and supply should not increase.
7. **Transient Occupancy Tax:** Development of commercial hotel uses would contribute Transient Occupancy Tax revenues that help fund needed City services.

- 8. National Flood Insurance Program (NFIP) and the Community Rating System (CRS) Rating Improvement:** The proposed significant dedication of acreage for designated Natural Beneficial Functions (CRS Activity 420) would improve the City's point total with the CRS point system. The City has improved its CRS rating steadily from a Class 10 community to a Class 6 community. The improvement in class is directly related to a reduction in flood insurance premiums citywide.
- 9. Implementation of the General Plan:** As required by the City General Plan, the San Luis Ranch Specific Plan contains policies and standards that will facilitate appropriate development of land, protection of open space, and provision of adequate public facilities consistent with the City's recent LUCE update and the housing and transportation objectives.
- 10. Prado Road Interchange.** Beyond mitigation for the Project, the Prado Road Interchange provides enhanced operations of State and Local roadways, improved mobility of bicyclists and pedestrians, improves transit performance and transit opportunities, and is ranked as the top sustainable communities infrastructure project in the region. San Luis Ranch is a critical funding partner in implementing the interchange, if San Luis Ranch does not proceed there will not be enough funding to complete the interchange.

Accordingly, the City finds that the project's adverse, unavoidable environmental impacts are outweighed by these considerable benefits.

Dated: \_\_\_\_\_, 2018

Heidi Harmon  
Mayor, City of San Luis Obispo